

Call me on 5227 4485 or email [journ@geelongadvertiser.com.au](mailto:journ@geelongadvertiser.com.au)

# BUSINESS BEAT

'Executive ability is deciding quickly and getting someone else to do the work.'  
— John G. Pollard

## STOCK WATCH



THE Australian share market closed firmly higher yesterday, led by stronger financial and resources stocks following better than expected corporate earnings results and a rise in base metal prices.

The benchmark **S&P/ASX200** index was up 82.4 points, or 1.78 per cent, at 4,717.5 points, while the broader **All Ordinaries** index rose 76.4 points, or 1.64 per cent, to 4,732.7 points.

On the **Sydney Futures Exchange**, the March share price index futures contract was 94 points higher at 4,702 points on volume of 24,682 contracts.

IG Markets analyst Ben Potter said it was encouraging the bourse was holding above the psychologically important 4,700 point level.

CommSec market analyst Juliette Saly said a positive lead from Wall Street and higher commodity prices gave the local market a strong start.

Momentum gathered after several companies unveiled profit results that beat expectations and provided upbeat guidance, Ms Saly said.

She said investors were still digesting the news that Kerry Stokes-chaired **Seven Network** would diversify beyond the media and telecoms by merging with Caterpillar dealer **WesTrac Holdings** to create a new listed entity named Seven Group Holdings.

Seven reported a rise in first half net profit to \$509.13 million. Its shares retreated 38 cents, or 5.16 per cent, to \$6.98.

Among the major banks, **National Australia Bank** appreciated eight cents to \$25.33, **Westpac** added 66 cents, or 2.59 per cent, to \$26.12, **Commonwealth Bank** gained \$1.32, or 2.5 per cent, to \$54.13, and **ANZ** was up 58 cents, or 2.64 per cent, to \$22.54.

Ms Saly said ANZ's first quarter trading update would be released on Friday, "so that's where the focus is going to be for the banks this week".

**BHP Billiton** was up \$1.16, or 2.83 per cent, to \$42.16.

Fellow mining giant **Rio Tinto** put on \$1.51, or 2.13 per cent, to \$72.51 after announcing its \$1 billion majority-owned Mesa A/Warrambo mine in Western Australia began producing iron ore on Friday.

**Fairfax Media** yesterday said it expected further earnings growth in the second half of the 2009-10 financial year, after returning to profitability in the first half as costs fell and advertising markets improved.

Fairfax shares lifted two cents to \$1.805.

Forestry company **Gunns** said it planned to restructure its operations pending long-awaited funding for its controversial Bell Bay pulp mill in Tasmania.

Gunns posted a 98 per cent plunge in first half profit to \$400,000, sending its shares 19.5 cents, or 22.16 per cent, lower to 68.5 cents.

Local oil stocks were stronger after crude oil for March delivery nudged \$US80 a barrel on the New York Mercantile Exchange on Friday.

**Woodside Petroleum** was up 99 cents, or 2.27 per cent, to \$44.60, **Santos** gained 19 cents to \$13.60 and **Oil Search** was five cents firmer at \$5.30.

Among gold stocks, **Lihir** advanced seven cents, or 2.57 per cent, to \$2.79 and **Newcrest** jumped \$1.46, or 4.59 per cent, to \$33.26.

The price of gold in Sydney was \$US1,124.30 per fine ounce, up \$US20.08 on Friday's closing price of \$1,104.22.

In the retail sector, Coles owner **Wesfarmers** was up \$1.21, or 3.88 per cent, to \$32.41 and **Woolworths** found 22 cents to \$26.04.

The top-traded stock by volume was **Verus Investments**, with 225.7 million shares worth \$11.48 million changing hands. Its shares were down 0.3 cents, or 6.38 per cent, to 4.4 cents.

Preliminary national turnover was 2.12 billion shares worth \$5.12 billion, with 651 stocks up, 422 down and 347 unchanged.

New rapid dealer platform makes trading in shares quicker and more accessible, DENIS CRAVEN reports

# New entry in share trading



GOING AHEAD: Geelong's Damian Isbister is spearheading an online share trading platform to tackle the major banks.

GEELONG finance and computer expert Damian Isbister is throwing down the gauntlet to the major banks in online share trading.

Mr Isbister is chief executive officer of Trader Dealer which recently launched its latest online trading platform, Rapid Trader.

Mr Isbister said the new platform offered traders a viable alternative to trading through the big banks.

"Rapid Trader will be provided free to Trader Dealer clients and include free live ASX data until June this year," he said.

"The new platform uses the latest web technology to stream data to any internet-enabled computer, without requiring traders to download software or plug-ins first," he said.

Mr Isbister expected Rapid Trader would provide "real competition" to the bigger companies.

"We're offering a world class trading platform at no charge, and unlike

the banks, we don't insist our clients hold a cash management account or other banking product with us in order to access free software and cheaper brokerage," he said.

"We're using cutting edge technology that no other online trading provider is using. It means orders are sent to the market very quickly, and because there are no downloads required our clients can trade from work, home, on the train, in the car — anywhere with an internet connection."

The Rapid Trader project had taken on the nature of a personal challenge to staff working on its design and development, Mr Isbister said.

"We know we're a small fish in a very big pond, but we are traders ourselves, and we know what makes a good trading platform," he said.

"If the feedback we've had from our beta testers is anything to go by, Rapid Trader will more than satisfy

the need traders and investors alike have to access quotes and trade shares quickly and easily."

Rapid Trader is part of a broader campaign by Trader Dealer to refresh its brand. Since the start of this year, the company has refreshed its logo, launched a new website, created an active Twitter profile and released a new pricing model of \$19.50 per confirmation.

Trader Dealer is a wholly owned subsidiary of MDS Financial Group.

Mr Isbister was educated at Western Heights Secondary College and completed commerce studies, majoring in finance, at Deakin University's Warrnambool campus in 2003.

With experience with major companies throughout Australia, Mr Isbister was appointed chief operating officer of online trading and software company MDS Financial Group in July, 2008.

## Car sales drop in January

A FALL in new vehicle sales in January was due largely to the expiry of the federal government's stimulus package, economists say.

New motor vehicle sales fell in by 3.4 per cent, seasonally adjusted, to 86,636 units in January, from a downwardly revised 89,728 units in December, the Australian Bureau of Statistics (ABS) said yesterday.

Other vehicles decreased by 17.4 per cent and sports utility vehicles fell by 4.7 per cent over the past month.

However, passenger vehicles increased by 4.0 per cent over the same period — the highest level in four and a half years, reflecting improved affordability.

CommSec economist Savanth Sebastian said the overall fall was slightly lower than expected and the weakness of other vehicle sales was attributed to the expiry in December of the federal government's 50 per cent tax break on business investment.

"They (businesses) have effectively purchased whatever vehicles and investment plans they wanted to, with business vehicles, utes, trucks and buses and the like," Mr Sebastian said.

"It clearly highlights that the stimulus has expired, but it's encouraging that passenger car sales continue to track higher."

Passenger car sales recorded the best result in 42 months, he said.

"The fact that job security has improved and car affordability is at some of the best levels in 34 years is really having a significant impact in terms of passenger sales."

A cut in tariffs for imported vehicles also supported passenger car sales, he said.

Western Australia was the only state to record a boost in new car sales in January, with an increase of 4.8 per cent.

"Job security in that sector has been pretty weak throughout 2009 and the improvement in job security is the critical factor in terms of bringing forward some planned purchases on vehicles," Mr Sebastian said.

"There's no doubt consumers and potential car buyers are realising the market has improved those confidence levels that saw a sustained increase over the last few months."

Sales of sports utility vehicles increased by 29.8 per cent, Other vehicles by 22.7 per cent, and passenger vehicles by 8.6 per cent over the past year, the ABS said.

National Australia Bank economist David de Garis said it was conceivable there could be further declines in business vehicle sales for a few more months, given that the sales data reflects deliveries rather than new sale signings.

## HEALTH INSURANCE

### NIB boosts income

A BIG boost in investment income has helped NIB Holdings Ltd lift its first half net profit and the health insurer expects to increase policyholders over the full year beyond the market growth rate.

NIB yesterday reported net profit for the first half of 2009/10 of \$43.1 million, up from \$2.08 million in the prior corresponding period.

The result reflected an improved net underwriting profit, significantly im-

proved investment performance, and lower holding company and other expenses.

NIB said an improved domestic economic outlook and the rebound in financial markets had provided a strong foundation for the full year and beyond.

NIB managing director Mark Fitzgibbon said the company's 2010 financial year net underwriting margin guidance of five to 5.5 per cent remained.



Managing director Mark Fitzgibbon.

## INTERNET SERVICES

### iiNet expands market

INTERNET service provider iiNet Ltd says it is continuing to pick up market share after posting a 6.3 per cent rise in first half net profit.

iiNet booked a profit of \$12.13 million for the six months to December 31, up from \$11.4 million in the previous corresponding period.

Revenue for the period was up 11.3 per cent on the previous corresponding period to \$228 million and earnings before interest, tax, depreciation and amortisation (EBITDA) was up eight per cent to \$33.58 million. The bottom line result included \$2.7 million in after tax costs relating to its successful defence of a copyright case launched in the Federal Court by a consortium of 34 movie studios. iiNet expects to recoup most of its costs, although an appeal might be lodged by Thursday.