



Owning up in profit season

KARINA BARRYMORE

PROFIT reporting season is under way and share prices will be severely punished at the slightest hint of negative news, analysts warn.

Most results are tipped to remain healthy, but growth is expected to slow. Wise-owl senior equities analyst Simon Guzowski said not every company would safely make it through.

“This reporting season could shape up to be a confession season,” he said.

“Any company which has been waiting for the right chance to release unfavourable news has now run out of time. I would not want to be a chief executive who even has to whisper a word on debt, credit due for renewal, or anecdotal evidence of a slowdown.

“The market is nervous and unlikely to warm to anything other than the most bullish of news.”

With such an uncertain global situation company outlook statements are expected to be cautious.

Mr Guzowski said sectors most at risk of disappointing results were miners, manufacturers, financials, property trusts and transport. Sectors with upside were retailers, IT services, oil and gas producers, and mining services companies that relied more on mining volumes than commodity prices.

After five years of strong profit growth it was inevitable Australia would slow down, EL & C Baillieu director Ivor Ries said.

“Still we expect company profits to be up 7-8 per cent this year,” he said.



Confession time for earnings

This financial year, there will be some nervous accountants putting reports together, says **KARINA BARRYMORE**

SHAREHOLDERS appear to be facing an even gloomier outlook. As market prices continue to tumble, analysts are forecasting a potential new round of earnings downgrades.

With corporate Australia starting its six-month reporting season, investors are bracing for bearish forecasts for the full year and the spectre of reduced dividend payouts.

Although most first-half profit results should still come in quite strong, "unfortunately they won't be enough to get everyone safely through the reporting season", according to Wise-owl senior equities analyst Simon Guzowski.

"This reporting season could shape up to be a confession season," he said.

"Any company which has been waiting for the right chance to release unfavourable news has now run out of time. I would not want to be a chief executive who even has to whisper a word on debt, credit due for renewal, or anecdotal evidence of a slowdown.

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to warm to anything other than the most bullish of news," Mr Guzowski said.

With such an uncertain global situation company outlook statements are expected to be cautious.

"I wouldn't be surprised to see management teams reluctant to put their neck on the line with a bullish outlook. Caution is likely to prevail until the dust in financial markets starts to settle," he said.

Concerns also remain high about the possibility one of the local banks could report an unexpected sub-prime or lending exposure.

However, the first measurable impact of the sub-prime crisis on local profits is not likely to hit until the next six months.

Sectors most at risk of disappointing results are the miners, manufacturers, financials, property trusts and transport companies, Mr Guzowski said.

Sectors that could surprise on the upside are retailers, IT services, oil and gas producers, as well as mining services companies that rely more on mining volumes rather than commodity prices.

Apart from the global and economic problems, on a confidence basis another risk is the wealth effect of a falling share market.

"Australians have very high levels of share ownership. As they see their portfolios shrinking in value, they might decide to tighten the belt until things improve," Mr Guzowski said.

Earnings expectations have weakened globally according to the latest data from Merrill Lynch.

Expectations are worst in the US but are still resilient in the Asia Pacific – with the strongest sectors being those with a defensive tilt such as energy, telecommunications, consumer staples and utilities, Merrill Lynch said.

But after five years of very strong profit growth it was inevitable Australia would slow down, EL & C Baillieu director Ivor Ries said.

"Given the impacts of the sub-prime loans debacle, the higher Australian dollar on exporters and the weather – floods and cyclones – on mining exports the level of underlying profit growth is actually not that bad," Mr Ries said.

However, he said the market was now starting to see the beginning of a "two-speed economy".

"Companies with low levels of debt and good business franchises will still deliver 10-15 per cent profit growth," he said. "But companies with high levels of debt are feeling the pinch of higher borrowing costs foisted on Australia by bad American lending practices. As companies like Centro and MFS have shown, shareholders in companies with too much short-term debt will have a truly miserable year."

Should consumers become spooked and stop spending, profit growth could drop back to 3-4 per cent, he said.



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Market worries: The corporate world is crossing their fingers in the hope that profit growth will not drop dramatically this year.



Forecast grim for investors

Erica Thompson

ANALYSTS have knocked even more points off their end-of-year forecasts after recent sharemarket tumbles.

At the beginning of last month, CommSec chief equities economist Craig James was tipping the All Ordinaries index to reach 6900 points by June and 7200 by the end of the year.

But the wild ride experienced by global sharemarkets has changed that view.

Commsec now expects the All Ords and the benchmark ASX 200 to claw their way back to 6000 points by mid-year and to 6700 points by December.

This is only slightly higher than last year's close of 6421.

"While valuations and fundamentals are exceptionally positive, sentiment is fragile, restricting the potential for stronger sharemarket gains," Mr James said.

BT Financial chief economist Chris Caton agrees returns will be less than in previous years.

"You have to try hard to resist revising (forecasts) every day right now, but I'd say something like 6000 by the end of June and maybe 6300 by the end of December," he said.

"The volatility will continue for some time yet.

"The big question is still the US economy."

Wealth Within chief analyst Dale Gillham said while the local reporting season should bring some stability back to the market the outlook was still hazy for the overall index.

"We could be at 7200 points or 4800 points by June," Mr Gillham said.

"The market is not being run by logic, but rather over-reaction due to the way trading systems operate.

"Many of the problems are caused by the way people and institutions are leveraging and the electronic way in which we trade today magnifies how much and how far."

Wise.owl.com senior equities analyst Simon Guzowski said



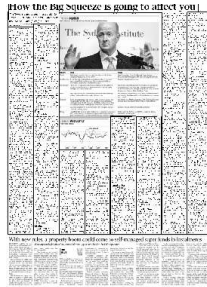
the market was likely "to keep being a roller-coaster ride and unlikely to make major headway in either direction".

"With that in mind the market could be around the 5600 level in June," Mr Guzowski said.

But the picture could start to improve by the end of the year, bringing the All Ords closer to 6400 he said.

"US interest rate cuts could start to have a positive effect on the real economy, as could tax cuts," he said.

"For (optimism) to hold we would need to see Europe avoid further deterioration economically and we would also need to be sure that the flow-on effects from the US are not having a material impact on growth from China or India."



How the Big Squeeze is going to affect you

The Reserve bank is using interest rates to slow our overheated economy — and it will have far-reaching effects for all of us

Scott Murdoch

GET ready for the Big Squeeze. Australia has been on a spending binge over the past several years, but that's about to change if Reserve Bank boss Glenn Stevens gets his way.

Since the China boom really got going six years ago, spending in the economy has consistently out-paced production. That is, demand for goods and services has out-stripped supply.

The result has been a ballooning import bill and a worrying inflation breakout above the Reserve Bank's 2-3 per cent target.

Kevin Rudd has declared "war" on inflation as his No 1 priority in the first year of Labor government.

And this week the Reserve's Stevens fired a 0.25 percentage point increase in official interest rates directly into the lounge-rooms of the Prime Minister's highly leveraged "working families". They are now paying the highest mortgage rates for 12 years. "This one will really hurt," said Rudd.

After six rate rises, the average monthly mortgage payment in Australia is now \$300 more than it was two years ago.

Lending rates are now hovering close to 9 per cent, the highest level since the Coalition government was elected in 1996.

But that's not where the hurt ends. The bigger blast in the RBA's decision this week came from Stevens' comment that a "significant slowdown" in demand — or spending — was needed to put inflation back in its box.

He is vowing to make borrowing more and more expensive until Australians back off their spending binge. Given that this is the central bank governor who lifted interest rates in the middle of last November's election campaign, business and investors must heed the warning.

Prepare for casualties, because the Reserve Bank's only weapon in its war against inflation is the so-called "blunt instrument" of

higher interest rates. Families will feel pain as monthly mortgage repayments rise. Businesses — from restaurants to widget makers — will suffer as their customers close wallets.

Anyone who makes money out of house building will see their orders dry up. Companies selling in export markets or competing with imports will find it harder to make money because the Reserve Bank's squeeze will tend to push up the value of the dollar. Because of the high dollar, tourist operators will find fewer foreigners to serve. That's how a squeeze works.

A rate rise by March has not been ruled out, but most economists believe a 0.25 per cent shift in May is more likely.

A Reserve Bank graph of the economy's overall supply and demand provides an idea of how many dollars we're talking about.

This shows overall demand in the economy growing by about 5.5 per cent over the latest 12 months. That's in "real terms" taking out inflation. And it includes spending by governments. Taking this out gives private demand, which is growing by a frantic 6 per cent.

If that's the demand side, the supply side is limited to what the economy can produce in any one year. That's gross domestic product, and it's up by 4.3 per cent in the past year.

The gap between supply and demand is what Access Economics director Chris Richardson describes as the economy's "wall of worry". And, contrary to what RBA governor Stevens wants, Richardson reckons the excess demand gap will actually widen over the year as higher mining export prices and \$7 billion in tax cuts from July 1 pump money into the economy.

Over the 12 months to the end of September this year, Richardson reckons demand will grow by \$70 billion. But supply, or GDP, will likely grow by only \$45 billion.

That's a \$35 billion excess demand gap — equal to \$1750 for every Australian. The Reserve

Bank wants the gap closed, and then reversed some so that demand grows slower than supply.

For most Australians the burden will be even heavier. That's because a fair whack of demand in

the economy comes from two booms we want to keep going. One's a private investment boom as our resource companies expand their mines to supply the China boom. The other is an overdue infrastructure boom as governments spend on roads, ports, railways and water projects, all designed to boost the economy's supply side in the future.

But that means much of the pain will be felt in the other main areas of spending: the interest rate sensitive housing sector and the big ticket area of private consumption expenditure — mainly retail sales. That is, Glenn Stevens wants us to drop, not shop.

Investments

— Anna Fenech

HOW does this RBA-sponsored slowdown translate for investors' portfolios?

First, great returns for cash as interest rates rise.

Then the answer will depend on how interest rate sensitive your shares are, and how linked they are to domestic demand and/or to a rising Australian dollar. Some stocks like retail will be more affected than others like mining, where global forces dominate.

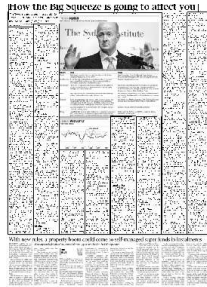
Some, like retail, will suffer a more immediate impact, while for media and financial services there may be a time lag.

The profit season will include far more muted forecasts for growth, and more earnings disappointments — thus share price falls.

Investors should prepare for lower overall returns this year.

The Australian staff writers outline the impact for each share-market sector:

Retail



RETAIL
— Blair Speedy

RETAIL stocks are likely to be the biggest victims of rate rises.

Legg Mason research analyst Tony Pearce says furniture and electrical retailer Harvey Norman, which reported continued strong growth in sales during the first half of the financial year despite two rate hikes last year, is among those likely to be hardest hit by a slowdown in demand.

“Harvey Norman is a classic one, really exposed to the general consumer cycle through electricals and homewares,” Pearce says.

JB Hi-Fi, which also sells electronics, is likely to be buffered by its music and DVD business, which Pearce says is much more resilient to a consumer slowdown.

“You could argue that JB Hi-Fi has lots of exposure too, but they have the youth element supporting it, the parents still paying for the kids’ games and music, so I don’t think that’s going to be hit as hard as plasma TVs will be — with higher mortgage rates they will get hit first rather than someone buying a DVD or new game.”

David Jones chief executive Mark McInnes shrugs off higher interest rates, saying they have little impact on the well-heeled customers who frequent his stores.

But Pearce says it’s stock control, rather than rich clientele, that will save DJs. Like clothing retailer Just Group, DJs has improved stock control systems in recent years to ensure it isn’t left with shelves full of unsold stock in the event of a downturn.

Woolworths has also declared itself sheltered from weakening consumer sentiment, saying people still need to eat.

But Pearce says grocery wholesaler Metcash, the company behind the IGA supermarket chain, is even better insulated, as it has no exposure to more volatile areas such as electronics.

“Metcash has underperformed, but arguably has better defensive characteristics than even Woolies, which has Dick Smith and Big W,” he says.

For retailers the rising Australian dollar is a boon, as it makes imports cheaper.

Mining
— Kevin Andrusiak

WHILE they might make those in the retail and building business

more than a bit nervous, rising interest rates will have little impact on the good times afforded those in the resources industry by the mining boom.

Capital expenditure by resources companies is unlikely to pause, no matter how many times rates are hiked. China wants our minerals and it wants them now, so mine expansion projects are going ahead no matter what.

Chinese growth may well come in at double-digits again this year, with the World Bank predicting 9.6 per cent in 2008.

However, while Wise-Owl.com senior analyst Simon Guzowski says rising interest rates will have little impact on producers, a rising Australian dollar will have an impact.

“The more interest rates rise, the stronger the possibility of a breakout in the dollar, and that could be more of an issue on profits.

“But in terms of capital expenditure, the free cash generation capacity is very high for those in production. The ones going to be most affected are miners without rising production profiles.”

Guzowski cites Zinifex as a miner with a flat production profile, while others with a better outlook include rising nickel miner Mincor and lead and zinc miner CBH Resources.

However, rising interest rates won’t do much to stop the problem of rising input costs for the mining sector, including higher labour charges and increased costs for raw materials.

“I’m not sure that the recent rate changes are going to impact the inflation hurting the resources

sector,” says Hans Kunen, Colonial First State head of investment markets research.

“Some miners have very significant debt levels.”

Media
— Jane Schulze

MEDIA analysts are already watching for the first signs of any economic slackening, given the dramatic effect previous slowdowns have had on the advertising market.

Merrill Lynch media analyst Alice Bennett has already cut her estimates of 2008 Australian advertising growth from 7 per cent to 6 per cent because of growing economic uncertainty.

Macquarie Equities media analyst Alex Pollak says that

although *The Australian’s* owner News Corporation had said it had yet to see any ad market deterioration, he believes there is a lag effect.

“There are no indications of a material slowdown in the advertising climate following sub-prime (in the US) and they have visibility now until mid-April,” Pollak says.

“But it doesn’t mean it won’t happen — it just won’t happen now. Keen students of media will note it was not until 1991, a full three years after the crash, that advertising fell.”

Goldman Sachs JB Were media analyst Christian Guerra says he would be “reasonably concerned” about the outlook for the TV ad market next year if not for the Beijing Olympics.

“We believe the Olympics will drive reasonably buoyant ad market growth through the 2008

calendar year (and therefore support the first half of 09),” he says. But Guerra trimmed his forecasts for 2009 TV advertising growth by 2.7 per cent to 1.3 per cent “given the weakening economic environment predicted by the economics team at GSJBW”.

Deutsche Bank media analyst Andrew Anagnostellis also expects the TV ad market to moderate in 2008, with the loss of the federal election spend partially offset by increased Olympic-related spending.

He now forecasts the metropolitan TV ad market to grow 2 per cent in calendar 2008.

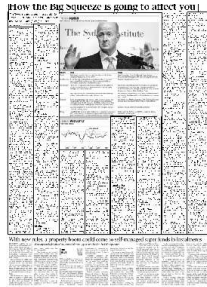
Merrill Lynch’s Bennett lowered her forecast as she believes the slowing US economy could have a large knock-on effect here.

“Looking into 2008 we are becoming more worried about the potential for a US consumer and earnings recession to impact the Australian ad market, given 35 to 40 per cent of advertising in Australia is undertaken by multinational corporations.” She says many media buyers and marketers still remain “upbeat” but she expects many forecasts to be revised down.

Companies likely to be affected include Fairfax, News Corporation, West Australian Newspapers, Seven network and Ten network.

Rural sector
— Asa Wahlquist

INCREASED interest costs on farm debt and a rising Australian dollar are the two spectres haunt-



ing the Australian farm sector.

Farm borrowing has doubled since the drought began in 2002, to hit \$52 billion. Economics manager with the National Farmers' Federation, Charlie McElhone, says that with a debt load like that, even a small rise in interest rates will take a big chunk of farm earnings, earnings that in most cases are still drought-reduced.

With the Australian farm sector exporting about 70 per cent of production, the impact of a rising Australian dollar is critical. "For every 1 per cent appreciation in the Australian dollar, it takes \$190 million off farm income," McElhone says.

The good news is that commodity prices are the strongest in more than 30 years. The

Westpac-NFF commodity index estimates commodity prices are now 19.5 per cent above their level one year ago: wheat is up 62 per cent, dairy up 44 per cent, with lesser rises in barley, canola, cotton and wool. Only beef and sugar have fallen.

McElhone says underlying fundamentals are strong, but the bottom line for farmers is no crop, no income. The climate is the biggest risk. This year, 2008, will be the last throw of the dice for many grain growers after two, and in some areas five, crop failures in a row.

Mick Keogh, from the Australian Farm Institute, says grain growers invest between \$100 and \$200 a hectare planting a crop, "so if you are putting in 500 hectares that is a fair bit of money". For most farmers that means big borrowings.

"Similarly, inflation is a real killer for the farm sector because they are price takers and have to wear their costs, and if inflation gets under way, on the back of wage inflation, that has a real negative impact on the farm sector," Keogh says.

Farm chemicals and fertiliser prices have doubled in the past year.

Keogh says it is "fortunate that commodity prices are so high at the moment, because with the dollar sitting around US90c, a historical high, that is really knocking some value out of Australian agricultural exports. He says beef in particular, as well as sugar and cotton "would be better off with a dollar around US70c".

During the week, AACo re-

ported that every US1c rise in the Australian dollar knocked \$7 of profit from most cows sold, but it took \$23 a cow from high-value Wagyu beef.

Infrastructure

— Adele Ferguson

AUSTRALIA'S listed infrastructure stocks will continue to come under attack as the Reserve Bank jacks up interest rates and investors lose their appetite for highly leveraged stocks in the new world order on credit markets.

Stocks with exposure to US assets are also getting a further hammering.

Many of Australia's 24 listed infrastructure and utilities stocks

are due to refinance their debt packages this year, many are difficult to understand.

In a recent report, Merrill Lynch infrastructure analyst Matt Spence said that short term he expected the infrastructure sector would continue to be hampered by continued high credit spreads, rising domestic interest rates and a strong Aussie dollar.

"Although some infrastructure debt packages have been put together in recent months, it would be reassuring to see some listed names successfully refinance.

"Current gearing levels and hedge profiles are sound, but sentiment is still negative towards gearing and the sector."

Spence says infrastructure companies not exposed to M&A risk or likely to take on new debt will continue to outperform. In 2007, Macquarie Communications Group, Babcock & Brown Infrastructure, Duet, APA and Challenger Infrastructure Fund raised capital, and all are trading at a discount.

Deutsche Bank infrastructure analyst Cameron McDonald said in a recent report on infrastructure: "The infrastructure sector is suffering from expectations of rising interest rates and the perception of being over-leveraged.

"We acknowledge the pricing of debt facilities have increased. However, the generally high level of interest rate hedging provides protection from this adverse movement on existing facilities. In addition, the long-dated debt maturity profile of most of the infrastructure companies also provides significant protection from refinancing risk."

Property

— Florence Chong

PROPERTY, usually a defensive investment in uncertain times, is in the direct firing line of falling sharemarkets and rising interest rates.

This is most evident in the listed sector, which has wiped out billions of dollars in the value of leading property trusts.

Jonathan Kriska, property analyst with Paterson Securities says the LPT sector has lost 20 per cent in value in the last three months.

The S&P/ASX200 Property Trust Index (covering only the top 24 trusts) was down 25.1 per cent in the three months to January 31, versus 15.4 per cent in the S&P/ASX 200 Index.

LPTs, which have consistently outperformed the general equities market, are now wallowing at their lowest point in eight years.

Property analysts blame excessive and aggressive gearing and in some instances use of complicated financial structures for the loss of confidence.

It was high gearing and the opaque financial structures that undid Centro, reducing the \$10 billion company to one worth around \$550 million.

Red flags were raised on the two most highly geared trusts — the Goodman Group and GPT — but their management promptly locked in refinancing to ride out 2008.

According to the Melbourne-based PIR Independent Research, Tishman Speyer Office Trust, which owns assets in the US, is trading at a discount of 53.2 per cent to net tangible asset.

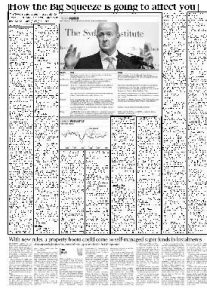
The trust has a gearing ratio of 47.7 per cent to assets and undrawn facilities of \$233 million and has the lowest interest cover among the listed trusts.

Ironically, despite unease about offshore property exposure, analysts say those with foreign-currency denominated loans which are hedged are better placed than those with purely Australian debt.

Unlike Australia, interest rates are dropping in Europe, the UK and the US.

Despite the slide in the listed sector, the underlying property market has endured the rise in interest rates.

The most vulnerable is the residential sector, worth \$59.7 billion in 2006-07, which appeared so far to have been resilient



With investment in commercial, retail, residential and industrial, Stockland is a good bellwether for the property market.

Stockland chief executive officer Matthew Quinn told *The Australian* the market weathered

three rate rises in 2007 and still showed a 12 per cent price rise nationwide.

But Quinn agrees it's difficult to predict how buyers will react to future rate rises.

Property analysts are not so sanguine, saying that affordability is worsening.

Despite having secured a strategic partner in the wealthy Nakheel Dubai-based property group, Mirvac securities has plummeted to \$4.55 this week — down \$1.65 from last year's peak.

Both Citigroup and Goldman Sachs JBWere have placed a "sell" recommendation on Mirvac, while Morgan Stanley recommended "underweight".

The head of property at Perpetual, Ujdur Goran, warned this week that the 13-year bull run is about to come to an end.

Goran says some commercial projects in central business districts in capital cities will not see the light of day because of the high cost of funds and an anticipated slowdown in demand.

IT services

— Stuart Kennedy

IT has been good times for the technology sector over the last five years as the gloom of the dotcom crash morphed into a surging market for everything

from iPods to multi-processor enterprise server systems.

Business had shifted from a defensive IT spending posture where you only fix it if it's broke, to big spending on aggressive IT projects designed to help rope in profits, revenue and market share. Consumers have followed by spending on must-have electronic gadgets.

This year, corporate information technology bosses far more cautious. IT researcher Gartner expects corporate IT spend here to tick up a minute 0.4 per cent in 2008, rising from \$56.5 billion to just \$56.7 billion.

The picture for the consumer market, especially in computers still looks bullish, mainly due to a range of tax incentives due mid-year designed to put computers into the hands of school children.

The PC market will also get a lift from the Rudd Government pledge to ensure every high school student between Year 9 and Year 12 has access to a computer.

Financial sector

— Tim Blue

HIGHER rates might be bad for borrowers, but they're good for depositors. Remember 46 per cent of all households have no debt — either because they have paid off the mortgage or never had one and are renters.

In any rising interest rate cycle, banks tend to lift lending rates first and delay a matching hike in deposit rates, so as to widen the gap — and profit margin —

between the cost of money and its selling price. A handful of lenders have tweaked deposit rates, but so far not the big banks.

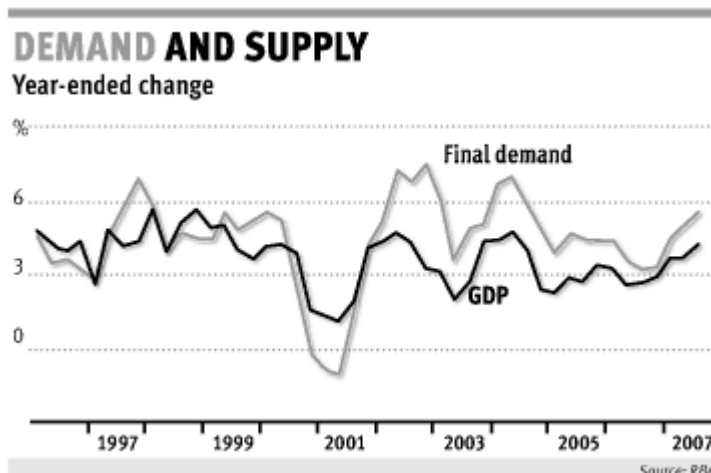
In one sense, banks don't need to. Deposits are rising at the fastest pace in 18 years, with savers attracted by higher interest rates already in the pipeline and the relative safety of bank deposits compared with other financial assets such as shares.

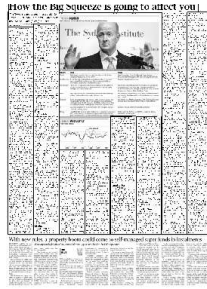
Insurers probably won't do well if equity markets stay down. Assets they are required to keep ready for claims are part-invested in equities, and when marked to market will push down an insurers own value. More broadly, those insurers whose business widens to financial planning and wealth management — AMP, AXA, IOOF, Perpetual — will also suffer.

In a note to clients, Goldman Sachs JBWere analyst Ryan Fisher says: "Even though they have been sold off a long way, we would still recommend being underweight the wealth managers. It's very hard to see them outperforming under these sorts of circumstances."

Macquarie Securities agrees, with an underperform rating on Perpetual and a hold on Challenger Financial Services.

Expect to see further weakness in the listed share brokers, mortgage brokers and funds managers. As Wise-Owl.com analyst Imran Valibhoy says: "If people aren't buying and selling shares, the revenue simply isn't there for the brokers."





Industry	Effect
Media	Declining ad spend but there is usually a time lag, and the Beijing Olympics will pad things out for a while
Rural/farming	A high Australian dollar will crimp export income; farmers are price takers so can find it hard to pass on higher costs due to inflation while higher rates increase their borrowing costs
Infrastructure	Hammered by expectations of rising interest rates, affected by credit market turmoil and a negative attitude to anything highly leveraged and hard to understand
Retail	Most obvious victim of a slowdown because discretionary spending suffers. Food less affected as people still need to eat
Financials	Banks can delay deposit rate increases while passing on interest rate increases, but will suffer falls in new lending and rising defaults on existing business. Wealth managers suffer falling inflows. Insurers lose on equity investments. Brokers get less revenue on stock transactions
IT	Spending likely to revert to defensive rather than enterprise projects. Corporate spending to slow
Mining	Less affected by domestic factors. Influenced by global commodity prices and Chinese demand, but affected by high Australian dollar. May be a good counter-balance to stocks influenced more by domestic demand

Stocks

News Corporation, Fairfax, Ten Network, Seven Network, West Australian Newspapers, APN News & Media, Fairfax Media
Australian Agricultural Company

Good picks include Macquarie Communications Group, Babcock & Brown Infrastructure, Duet, APA, Challenger International. A harder experience for Challenger Infrastructure Fund, Australian Infrastructure Fund and Babcock & Brown Power

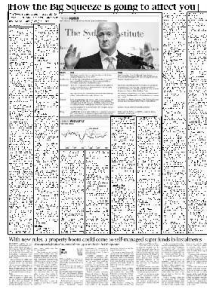
Will be hard for Harvey Norman and JB Hi-Fi. Easier for Woolworths and mixed for David Jones with its affluent clientele and improved stock controls

Major banks plus AMP, Axa, Perpetual, IOOF, Challenger Financial Services. Brokers like Euroz, Wilson HTM, and Tolhurst Noall.

Domestic IT stocks and IT services stocks will suffer

Global stocks like Rio Tinto and BHP. Then stocks like Zinifex, Mincor and CBH Resources

Source: brokers



THE BIG SQUEEZE

How industries and stocks will be affected by an Aussie slowdown

