

Financial markets are sound

Internet dream team

THE Australian share market had a good year in 2013.

The All Ordinaries Index gained nearly 15 per cent from 4665 at the start to 5353 at year end.

Add dividends and the total return was 19 per cent.

The All Ordinaries has now recovered 31 per cent from its June 30, 2012 level of 4086 points.

Encouraging investors to take a positive view, the Australian economy grew 2.3 per cent in the year to September 30, a little below the long-term trend of 3 to 3.5 per cent, but still a sound result.

Early last year evidence showed the US economy, the world's largest consumer market, was beginning to recover.

That would provide a boost for businesses worldwide. Australian share prices rose as investor confidence improved.

The main setbacks were caused by the 'good news is bad news' phenomenon.

The US recovery is being assisted by record low interest rates and large monthly increases in the money supply.

Investors worried that share prices may slip back when the Federal Reserve started withdrawing the stimulus measures.

It said it would do that when they were no longer needed, when the US economy was recovering firmly.

So when economic data suggested the US economy was doing well share prices fell and when the data wasn't so good prices rose.

These perverse market responses appeared several times last year.

Money Matters

with MoneyLink's Russell Tyn



Investors were also concerned by the US Government shutdown in October but it had a silver lining.

In November a bipartisan agreement on US finances was reached that eliminated potential budget and debt ceiling crises for two years.

This is a strongly positive factor leading into 2014.

The Federal Reserve has also successfully convinced investors that it won't 'taper' its stimulus program until it is quite clear it is no longer needed.

The US economy continues to recover. It grew at 4.1 per cent annualised rate in the September Quarter.

Consumer confidence rose strongly in November.

The Purchasing Managers Index (PMI) of manufacturing activity also rose and retail sales increased strongly in November.

Europe is turning the corner with small positive growth emerging in both the June and September Quarters.

The European Central Bank predicts growth of 1.1 per cent this year and 1.5 per cent in 2015. The European PMI has also improved.

The British economy grew an encouraging 1.9 per cent in the year to September and unemployment declined to 7.4 per cent.

China continues to do well.

The government says it is targeting growth of at least 7.5 per cent and the actual figures have been slightly higher.

It is focusing on increasing domestic consumer spending rather than exports.

In Australia interest rate cuts by the Reserve Bank last May and August helped improve market confidence.

They also reduced the appeal of bank accounts, pushing more investors into shares and other alternatives seeking better income.

Consumer and business confidence has improved since the September election. The dollar has slipped below 90 US cents, providing some relief for businesses.

Australian company profits are slowly improving and likely to continue to do so.

While new mine construction is slowing mines moving into the harvest phase will boost income.

The new government's focus on infrastructure spending should assist non-mining activity.

However, the need to cut government spending in other areas to control the deficit will be a negative influence.

The tighter US money supply should put upward pressure on the greenback and so downward pressure on our currency.

That will help our exporters and import-competing businesses.

With extreme low interest rates everywhere making borrowing cheap for consumers and businesses, economies and share markets should continue to make sound progress in 2014.

VIDEO-SHARING website YouTube has teamed with DreamWorks Animation to create YouTube Nation, a daily highlight reel of new, trending and yet-to-be-discovered content.

It will serve as a handy sampler, according to DreamWorks Animation CEO Jeffrey Katzenberg. "In a sea of the infinite, this is a lighthouse," he said.

Every minute, some 100 hours of new video content is uploaded to YouTube. Now a task force of YouTube Nation curators will be ploughing through this cache to identify what's popular and what's poised to go viral with YouTube consumers.

"Our choices aren't driven purely by algorithms and analytics," Katzenberg said. "You don't want to just know what's the most seen. What you really want to know is: What's going to be the most seen?"



coping with a crisis

Ways to deal with life's challenges

SUPPORT for families and individuals experiencing difficulties in their lives and relationships is available at Interrelate.

The team at Orange Interrelate has a focus on assisting families to develop coping skills and utilise their strengths to deal with the many challenging experiences of life.

Our services are easy to access, just make a call and our friendly staff will assist you to make an appointment with the service you require.

We offer flexible appointment times and minimum waiting periods.

Our warm and professional staff will treat you with care and respect and all your conversations with us will be confidential.

Our services include: counselling (individual, couples and families), post-separated families program, mediation and a children's contact service.

We also offer a group work program that helps families build their capacity to cope and enhances family relationships.

Contact us on 65653650 or email orange@interrelate.org.au. Orange Interrelate is at 108 McLachlan Street.



CARE AND RESPECT: Karen, Roy, Sally, Phil, Margaret, Margot and Rebecca from Orange Interrelate. Photo: STEVE GOSCH

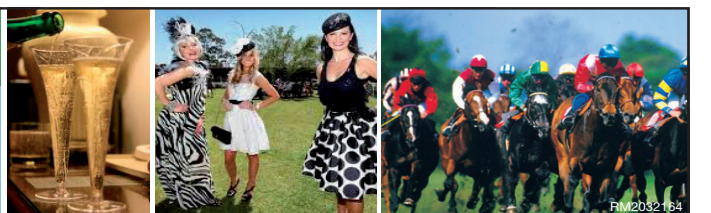
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Orange Picnic Races

Saturday, January 18th, 2014



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Hot to trot thanks to Blush and Bellagio

ORANGE picnic races are the perfect opportunity to dress up and, lets face it, there aren't many opportunities to flaunt our glamorous gear and put on our best party dress.

Make the most of the opportunity, get dressed up, put on your best face and strut your stuff. I am sure you want to be amongst the best-dressed at the races.

The perfect place to look for that awesome outfit is Blush in Anson Street. Blush has the right mix of sizes, styles and colours to ensure you are definitely on that

best-dressed list.

With their summer sale now on, not only will you be best dressed but it will be affordable as well.

Complete your new outfit with a fascinator, clutch, new earrings, shoes and off you go.

While you are there, book yourself in for a glamorous hairstyle and make-up to complete your sensational new look.

See the friendly staff at Blush Boutique and Bellagio, 227 Anson Street, right next door to the Orange Ex-Services' Club.



BEST-DRESSED: Dianne Taouk gets ready for the Orange picnic races. Photo: STEVE GOSCH