



A hot lot and then some surprises

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Equities

THE end of the financial year delivered no surprises, with the best performing companies all rich in resources.

Oil and gas exploration company Energy World Corp led the 10 strongest Australian stocks, followed by Murchison Metals and Alliance Resources, based on the All Ordinaries index.

Energy World ended the year 3366.67 per cent higher, delivering large profits for its shareholders, who include James Packer.

“Energy World is a very small cap stock and the return of over 3000 per cent suggests that it started from a very low base,” said Commonwealth Securities equities economist Martin Arnold.

The company closed at \$1.04 yesterday after it traded at 3c a share a year ago.

Murchison Metals posted growth of more than 800 per cent while uranium miner Alliance Resources grew by

ALL ORDS TOP 10

Stocks that showed the biggest percentage increase for the year.

■ Energy World	3366.67
■ Murchison Metals	627.91
■ Alliance Resources	463.44
■ Mirabella Nickel	463.44
■ AED Oil	459.26
■ Ausenco	435.38
■ Lynas	422.00
■ Deep Yellow	419.91
■ Mincor Resources	382.05
■ Arrow Energy	374.58

more than 620 per cent. They were followed by more resource stocks, including Mirabella Nickel, AED Oil, Ausenco, Lynas Corp, Deep Yellow, Mincor Resources and Arrow Energy. “Strong global growth — and rapid industrialisation in China and India — particularly has generated demand for the base metals and oil,” Mr Arnold

said. “The best performing world bourse was the Russian share market and that was up around 100 per cent this financial year and that’s heavily dominated by resources stocks.”

This year’s worst Australian performers edged more towards alternative stocks, including Babcock & Brown’s Environmental Investments, which lost 69.39 per cent.

“And that’s very much tied to the alternative energy sector such as your biofuel products,” Mr Arnold said.

“There’s been a tendency in the market for those sorts of companies not to perform well because you’re seeing an increase in the price of the raw material and their margins are getting squeezed and their output prices are not rising at all,” Mr Arnold said.

Shareholders of Bendigo Mining fared the worst, with stocks declining more than 80 per cent.

Metabolic Pharmaceuticals and Life Therapeutic also went backwards.