Australian Market Report of July 6, 2010

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Sydney, Australia (ABN Newswire) - The Australian share market gave up its early gains to finish 0.3 per cent lower on Monday while Asian markets were weaker. The benchmark S&P/ASX200 index was down 16.6 points, or 0.39 per cent, at 4,222.1, while the broader All Ordinaries index shed 14.3 points, or 0.34 per cent, to 4,250.6.

As Wall Street remains closed on Monday for the Independence Day public holiday, the focus will be the Reserve Bank of Australia's interest rate decision on Tuesday. Today Australian Bureau of Statistics is scheduled to release trade balance data for May..

Company News

QBE Insurance Group (ASX: QBE) has signed a share purchase agreement to acquire Secura NV, a Belgian-based specialist reinsurer with gross written premium of approximately euro 200 million in 2010. The purchase price is euro 267 million reflecting minimum net tangible assets of euro 205 million. The purchase price will be increased or decreased by the amount of the movement in the net tangible assets from 1 January 2010 to completion. QBE says the acquisition will be funded from internal resources. Post completion, Secura will become part of QBE's European operations Reinsurance division.

CSR Limited (ASX: CSR) said it has agreed to sell its sugar and renewable energy business, Sucrogen, to Singapore listed agribusiness **Wilmar International Limited** (SIN: F34) for A$1.75 billion. The sale is expected to complete by the last quarter of 2010. Under the sale agreement between CSR and Wilmar, CSR has agreed to defer implementation of its demerger of Sucrogen until 31 December 2010. CSR says it will be a focused building products company with a strategic investment in a globally cost competitive aluminium smelter.

Centennial Coal (ASX: CEY) has accepted a bid from Thailand's **Banpu** (BAK: BANPU) to acquire the remaining 80 per cent of the coal miner that it does not own at A$6.2 per share. Centennial said in a statement that the board unanimously recommends the all cash offer from the Thai company in absence of a superior proposal. The offer values the fully diluted equity in Centennial at approximately A$2.5 billion. The price represents a 40 per cent premium to the closing price of A$4.42 on 2 July 2010, being the last trading session prior to the takeover announcement.

Industrea Limited (ASX: IDL) said today that it has secured a further A$22.2 million of new orders in China. The company said the latest contracts across the end of the financial year and for the start of FY11 assisted in maintaining the momentum of approximately A$10 million per month of sales into China. The company also signed contracts for the acquisition of a strata support manufacturing business in China.

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