

ASX 200 7139 -23.50 -0.32% The market has finished lower for the first time since Tuesday, after the two days of gains sent it into record territory.	ALL ORDINARIES 7230.40 -24.80 -0.34%	BEST ASX 50 LEND LEASE \$19.28 +0.68 3.66%	WORST ASX 50 COCHLEAR LTD \$231.60 -10.75 -4.44%	\$A US CENTS 66.00¢ -0.51 -0.76%	OIL BRENT \$59.06 -0.29 -0.48%	IRON ORE \$86.15 +0.45 +0.52%
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Harris Scarfe, Colette

which is the administrator for Colette, yesterday also announced 31 loss-making stores in that chain would close across Australia in the next three weeks and another two would go in New Zealand.

Eight outlets will be shut in Victoria — six of them in Melbourne, along with stores in Bendigo and Mildura.

Deloitte said 105 stores would stay open for now in Australia and New Zealand.

They would form the portfolio of Colette stores offered for sale. It comes after the retailer's parent company,

CBCH, was put in voluntary administration on January 31.

Colette, founded a decade ago by designer Colette Hayman, has a staff of about 300 in Australia.

Administrators said it was too soon to say how many jobs would be affected by the store closures, but the closure rate suggests about 75 jobs will go.

Expressions of interest were due early next week and there had already been "strong interest", Deloitte said.

The Melbourne stores closing are in Moonee Ponds, Greensborough and Cran-

bourne, and at The District Docklands, Westfield Doncaster and Spencer Outlet Centre at Southern Cross Station.

Queensland is the state hardest hit by the closures, with 10 stores to go.

The closures come at a taxing time for the retail sector amid a series of high-profile collapses.

Jeanswest, Bardot and Curious Planet, previously called Australian Geographic, are among chains that have also fallen into administration or announced sweeping restructures in recent months.

Inghams' fall no chicken feed

POULTRY producer Inghams has posted a near 70 per cent drop in profit as last year's processing setbacks took their toll.

Inghams posted a net profit of \$26.2 million for the six months to December 28, down from \$84.4 million in same period a year ago.

Shares in the company were dumped at its full-year results in August last year, after it revealed a program to streamline its operations had resulted in it

FOOD

being unable to keep up with demand. Inghams has also faced higher feed costs linked to the drought.

Managing director Jim Leighton yesterday said the company's latest profit update was in line with expectations, given the headwinds that hurt the company's volumes, costs, mix and margin.

Mr Leighton said the pro-

cessing issues were now in the past. "Pleasingly, operating momentum improved through the half and those issues are now behind us," he said.

Total first-half revenue ticked up 3.1 per cent to \$1.3 billion as the company boosted core poultry volumes 4.1 per cent to 216,000 tonnes.

Shares in Inghams, one of the most shorted stocks on the bourse, slipped 3.9 per cent yesterday to close at \$3.50.

The capital value of being Australian

MANY Australian investors typically count their home as their largest asset.

Perhaps followed by their share portfolio and superannuation.

But could it be that the most valuable asset for an Australian investor is that they're Australian?

In the corporate world, every chief executive essentially spends their time trying to improve the "quality" of their business.

And by quality, we mean the uniqueness of the value proposition on offer and the difficulty others would face in trying to recreate said proposition.

If a business can offer something of value that competitors cannot, then supernormal value can accrue to its owners.

Think about the uniqueness of Google's applications in search, or Microsoft's Azure platform in the cloud, or Apple's iPhone and its numerous apps we rely on each day.

Think of the value Airbus provides to the world in mobility.

These are all very high-quality businesses because they offer a value proposition that is both highly sought after and highly irreplaceable.

Can a similar idea apply to nations?

Can governments add real value to their constituents by increasing the nation's "quality", as we defined it above?

We are seeing numerous instances around the world of an assault on truth.

Without truth, there is no law and democracy cannot exist. And without these, rights on property cannot exist — nor can rights on freedom, ultimately.



THE SHORT CUT

ANDREW MACKEN

In recent weeks, former prime minister, Malcolm Turnbull, tweeted: "Alternative facts; gaslighting everywhere, lying normalised ... Disturbing and dystopian."

This was in reference to an article studying disinformation that persists on social media platforms.

And this was not in Russia, Iran, Saudi Arabia and nor in China.

The article was referring to the distortions to reality that are taking place in the US — assumed to be the greatest democracy on planet earth.

We are lucky here in Australia. Irrespective of which government is in power, our nation is by and large a free and democratic one governed by laws

We are lucky here in Australia. Irrespective of which government is in power, our nation is by and large a free and democratic one governed by laws.

Citizens have rights — including those related to freedoms and property.

If it were true that all other nations were equally free and democratic, then perhaps Australia's value proposition to citizens would not feel particularly special.

But that is not the case. And to the extent that disinformation distorts

reality abroad and laws become optional, then democracies abroad will also weaken.

As democracies weaken, so too do rights on freedom and rights on property. And in such a dystopian scenario, Australia's offering to citizens becomes increasingly valuable.

Demand for Australian assets would increase, pushing up their value.

Demand for Australian immigration would continue to increase.

Why? Because Australia offers something of increasing scarcity: Rights on freedoms and property. A system of laws and governance that is genuinely democratic.

Through this lens, therefore, it seems logical any steps that can be taken to strengthen Australia's democracy are steps that will add value to all Australians. And true economic value.

Whether it is laws to keep excessive money out of political campaigns, laws targeting foreign interference in Australian politics or laws focusing on anti corruption.

These seem difficult to argue against by any Australian — irrespective of one's political perspective — who cares about increasing the long-term value of their assets.

An investing op-ed on the value of democracy is a little unorthodox, your author will concede. But embedded in the economic valuation of any asset are assumptions around property rights and individual freedoms to make decisions being upheld.

Enhancing these adds real economic value.

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MARKET WRAP

THE Australian share market pulled back from its record highs yesterday with every sector down except financials.

The benchmark ASX 200 index dropped 23.5 points, or 0.3 per cent, to close at 7139 points, while the broader All Ordinaries index shed 24.8 points, also 0.3 per cent, to 7230.4 points.

For the week the ASX 200 rose 0.1 per cent for its third consecutive week of gains.

"The market's had a decent week," CommSec market

analyst Steven Daghlian said.

Meanwhile, the Aussie dollar dipped below U66c for the first time since the global financial crisis in early 2009, having lost nearly 6 per cent of its value against the greenback since the start of the year.

Consumer discretionary shares were hit as **Wesfarmers** dropped 2 per cent to \$46.02, **Coles** 1 per cent to \$15.98 and **Woolworths** 0.3 per cent to \$43.45

Elsewhere, **Adairs** gained 7.9 per cent to a 16-month high

of \$2.59 after the homewares retailer lifted half-year total revenue 9.7 per cent to \$180.3 million.

Rebel Sport owner **Super Retail Group** gained 1.7 per cent to \$9.76 despite announcing a 20 per cent drop in first-half profit.

Among the banks **Commonwealth Bank** rose 1.1 per cent to \$88.80, **Westpac** 0.5 per cent to \$25.81, **ANZ** 0.8 per cent to \$27.24 and **National Australia Bank** was flat at \$27.41.