

ASX under pressure

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Aussie shares remained under pressure over Wednesday afternoon with the ASX 200 ending around session lows., repts Commsec.

"The weaker tone was being seen through lens consolidation after the synchronised uplift in stocks throughout Asia, Europe and the United States a day earlier in response to yesterday's milestone speech by Chinese President Xi Jinping.

The weaker tone locally in part reflected a similar tone for US equity futures in after-hours trade today, with Dow futures down by just over 0.25%, while the S&P 500 and Nasdaq future were down by almost 0.5%.

"Regional trade on Wednesday was a mixed picture for key stock indices. At the time of writing the Nikkei was down 0.4% in Tokyo, the Kospi in South Korea was lower by 0.3%, although the Hang Seng and Shanghai Composite markets were each higher by around 0.6%, and the Straits time index was 0.5% to the better."

- Only two sectors traded higher over the course of the session; Energy and Materials , whilst Healthcare was slightly lower. Telecoms and Utilities were the leading decliners, with losses in the neighbourhood of 1% for the Property Trusts, Financials and Consumer staples and Consumer Discretionary names. Participation saw 3.6 billion transactions measured by the ASX valued at \$6.01 billion. At the close 645 shares were higher, 554 were lower and 372 were unchanged.

Leading company improvers in the ASX 200 included, Genworth Mortgage (GMA) with a gain of 5%, the mortgage insurer has become a casualty of bearish views on the domestic property market in recent months, with the shares falling the most part of 30% since November last year. Another beleaguered name, Retail Food Group (RFG) rose 4% - the fast food franchiser has seen its share price shed almost 60% in year to date terms.

- Leading decliners saw logistics technology provider Wisetech Global (WTC) eclipse yesterday's gain with a 5.4% decline, Lithium miners were under pressure as a group with Orocobre (ORE) shedding 4.4% and Pilbara Minerals (PLS) down 4.2%. Education services provider Navitas (NVT) fell 4%, in the process remaining a casualty of a recent update which underwhelmed investors with enrolment numbers.

Fintech group Afterpay Touch (APT) slumped by 5.7% after delivering a business update. The 'take home now - pay later' provider of consumer finance reported that more than \$1.45 billion of total underlying sales were processed through its platform in first three quarters of FY18 compared with \$290m for first three quarters of FY17. However the Q3 sales of approximately \$530m were seen as being slightly below expectations.

- The Aussie Dollar has been in recovery mode against the USD this week, rising more than 1 US cent since the start of the week. Although, today saw the AUD consolidate after two days of gains, easing after a fall in Australian consumer sentiment data of 0.6% to 102.4pts, just above its long term average of 101.2pts.

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