



FED:Aussie shares resume their winning ways, dollar surges

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Body

The Australian share market has resumed its winning ways following its small dip during the previous session, after the chairman of the US Federal Reserve indicated US interest rates would be cut in September.

At noon AEST on Monday, the benchmark S&P/ASX200 index was up 43 points, or 0.54 per cent, to 8,067, putting it just one per cent below its record intraday high set on August 1.

The broader All Ordinaries was up 51.3 points, or 0.62 per cent, to 8,300.4.

The gains come after Fed chairman Jerome Powell told a symposium of central bankers in Wyoming early Saturday that given fading inflation, "the time had come for policy to adjust" and reduce interest rates.

"The direction of travel is clear, and the timing and pace of rate cuts will depend on incoming data, the evolving outlook, and the balance of risks," Mr Powell said.

The US dollar dropped against other currencies following Mr Powell's remarks, with the Aussie rising to its highest level since the start of 2024 against the greenback.

Moomoo chief commercial officer Michael McCarthy said markets were also reacting to the passing of a dangerous moment of the conflict threatening the Middle East, which did not escalate at the weekend even after both Israel and Hezbollah forces in Lebanon launched hundreds of missiles at each other.

The ASX's 11 sectors were up at midday except for consumer staples and health care.

The energy sector was the biggest mover, with many uranium producers posting double-digit gains after the world's largest producer, Kazakhstan's state-owned Kazatomprom, downgraded its 2025 production guidance by 17 per cent.

Paladin Energy had surged 12.2 per cent, Bannerman Energy was up 10.4 per cent and Deep Yellow had soared 16.8 per cent, making it at lunchtime the best performer in the ASX200.

Praemium was the biggest gainer in the broader All Ordinaries, surging 22.3 per cent to a six-week high of 50.75c after the wealth manager announced its full-year revenue was up 12 per cent to \$84.9 million.

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On the flip side, Kelsian Group had slid 26.6 per cent to a four-year low of \$3.68 after the public transportation and tourism group posted a better-than-expected profit of \$58 million but also forecast a big jump in capital expenditure for 2024/25.

Kelsian said it would spend up to \$190 million buying a Sydney bus depot along with new buses, ferries and motor coaches to renew its fleet.

NIB Holdings was down 15.4 per cent to a three-year low of \$6.15 despite the health insurer announcing its full-year net profit was up 67.4 per cent to \$181.6 million.

Endeavour Group fell 7.2 per cent to \$5.13 after the Dan Murphy's and BWS owner said its full-year profit was down 3.2 per cent to \$512 million, as the group spent another \$40 million more than last year serving its nearly \$1.9 billion in debt.

Other earnings announcements included e-retailer Kogan.com (up 10.1 per cent); internet service provider Aussie Broadband (up 14.1 per cent); Kiwi telecommunications firm Chorus (up 9.2 per cent); eftpos provider Tyro Payments (up 15.3 per cent); Gold Road **Resources** (down 4.0 per cent) and **Ramelius Resources** (down 1.9 per cent).

The big four banks were higher, with Westpac and NAB both climbing 1.2 per cent, CBA advancing 0.9 per cent and ANZ adding 0.3 per cent.

In the heavyweight mining sector, BHP was up 0.3 per cent and Fortescue had climbed 1.5 per cent while Rio Tinto had dipped 0.3 per cent.

The Australian dollar was buying 67.84 US cents, from 67.27 US cents at Friday's ASX close.

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