



Bourse booms but Brambles is left behind; Equities

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Body

Shares romped higher yesterday, tracking a tech-driven rally on Wall Street ahead of US corporate earnings and key Australian inflation data that will provide clues on the Reserve Bank's next interest rate move.

The benchmark S&P/ASX 200 Index rose 0.5 per cent or 34.3 points to 7683.5 extending Monday's 1.1 per cent gain. The All Ordinaries also lifted 0.5 per cent to 7937.9.

Out of the 11 sectors, energy, materials and industrials were in the red.

EML Payments climbed 4.4 per cent to \$1.07 after Wilson Asset Management became a substantial holder with a 6.1 per cent stake.

The big four banks rose and investors overlooked a \$164 million charge flagged by Westpac due to reporting changes. Westpac shares rallied 0.9 per cent to \$25.97.

Index-heavy mining giants were mixed, with Rio Tinto down 0.2 per cent to \$129.57 and BHP 0.2 per cent higher to \$45.50. Fortescue slipped 0.8 per cent to \$24.60.

Gold miners suffered after the precious metal lost its safe-haven appeal on fading tensions in the Middle East. Spot gold prices fell 0.9 per cent to \$US2305.99, away from an all-time high of \$US2431.29 earlier this month. Gold has gained 12 per cent this year.

Gold producer St Barbara sank 5.5 per cent while Regis **Resources**, **Ramelius** and Silver Lake shaved off more than 4 per cent. Meanwhile, Northern Star fell 3.5 per cent to \$14.74 following mixed quarterly results due to weather conditions.

Transport and logistics group Brambles was among the biggest laggards. It plunged 6.3 per cent to \$14.64 in the worst one-day drop in two years after a trading update disappointed investors. Andre Fromyhr at UBS equity research noted that the company could find it harder to reach the top of its forecast sales guidance.

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In corporate news, developer Lifestyle Communities dived nearly 14 per cent after flagging lower home settlements than expected for fiscal 2024.

Producer Select Harvests fell nearly 10 per cent after lowering its crop output guidance due to wet weather amid soft conditions for the prices of almonds.

The Australian dollar rebounded to US64.53¢, pulling away from a five-month low of US63.6¢ last week when the Middle East conflict escalated.

Locally, attention will swing to key inflation data today for clues on the Reserve Bank's policy settings.

The consumer price index for the March quarter is forecast to show an acceleration to 0.8 per cent, from 0.6 per cent. This would take the annual pace slowing to 3.5 per cent, from 4.1 per cent in the year to December. Even so, this would still be well outside the RBA's 2 per cent to 3 per cent target.

The market is fully priced for the RBA to start easing, but not before 2025.

The central bank has lifted the cash rate 13 times to 4.35 per cent to tame inflation, which peaked close to 8 per cent in 2022.

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