



FED:Australian shares higher as gold hits record high

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Body

The Australian share market has edged higher in its third straight day of gains, with losses by CSL and Seek outweighed by gains from the big banks and retailers.

Goldminers did particularly well after the precious metal hit a record high amid growing fears of war between Iran and Israel, while lithium companies lost ground.

The benchmark S&P/ASX200 index finished Tuesday up 13.1 points, or 0.17 per cent, to 7,826.8, while the broader All Ordinaries gained 13.7 points, or 0.17 per cent, to 8,042.2.

Overnight gold jumped \$US35 to a record \$US2,472 an ounce, while Brent crude traded at a three-week high of \$US81.80 a barrel on the geopolitical risk of a Middle East war.

Closer to home, there were some positive signs for the Australian economy.

The Australian Bureau of Statistics reported that average wages rose by a smaller-than-expected 0.8 per cent in the June quarter, in a sign that analysts said showed wage pressures were subsiding.

Also on Tuesday, the monthly Westpac-Melbourne Institute survey of 1,200 Australian adults found consumer sentiment rose in August, especially around family finances, while NAB's monthly survey of 400 Australian businesses found business conditions rose in July for the first time in five months.

"The survey continues to show that supply and demand in the economy are moving back into balance and that inflationary pressures continue to ease," NAB chief economist Alan Oster wrote.

Seven of the ASX's 11 sectors finished higher on Tuesday and four closed lower.

Health care was the biggest mover, dropping 2.9 per cent after CSL suffered its worst daily fall in 10 months.

CSL shares fell 4.6 per cent to a six-week low of \$294.78 after the blood products giant announced its 2023/24 operating expenditures had been higher than expected.

While CSL's full-year net profit rose 20 per cent to \$US2.6 billion (\$A3.95 billion) and chief executive Paul McKenzie called it a strong result, traders had a different opinion.

Seek dropped 6.6 per cent to a one-week low of \$20.66 after the job-search board reported its full-year profit had fallen 26 per cent to \$179 million as help-wanted ad volumes fell across the APAC region.

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"This is a weaker than expected result and guidance will disappoint," E&P Capital analyst Entcho Raykovski said.

On the flip side, Temple & Webster soared 23.3 per cent to a four-month high of \$11.71 after the furniture e-retailer announced its full-year revenue was up 26 per cent to \$498 million.

"Despite significant cost-of-living pressures, Temple & Webster has once again bucked the trend with another great set of results for FY24," chief executive Mark Coulter said.

All of the big four banks were higher, with ANZ rising 1.6 per cent to \$28.68, Westpac climbing 1.1 per cent to \$28.52, CBA adding 1.5 per cent to \$132.52 and NAB increasing 0.6 per cent to \$36.20.

Netwealth and Challenger went in opposite directions after announcing earnings results, with the former sliding 5.6 per cent to a two-month low of \$20.70 and the latter rising 6.5 per cent to a 17-month high of \$7.33.

In the heavyweight mining sector, goldminers did well amid the surge in gold prices, with Newmont rising 1.5 per cent, Northern Star climbing 1.7 per cent and mid-tier miner **Ramelius Resources** finishing 5.8 per cent higher.

Lithium miner Pilbara fell 4.4 per cent and Liontown slid 5.8 per cent.

The Australian dollar was buying 65.97 US cents, from 65.84 US cents at Monday's ASX close.

ON THE ASX:

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CURRENCY SNAPSHOT:

One Australian dollar buys:

* 65.97 US cents, from 65.84 US cents at Monday's ASX close

* 97.55 Japanese yen, from 96.91 Japanese yen

* 60.34 euro cents, from 60.30 euro cents

* 51.53 British pence, from 51.59 pence

* 109.31 NZ cents, from 109.53 NZ cents

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