



Gold producer gains fail to hold up shares; Equities

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Body

Australian shares slipped for a second straight session yesterday. Gains in healthcare and gold stocks helped cap broad losses, and investors awaited key economic reports for clues on the path for interest rates.

Gold prices and bitcoin also pushed higher to trade near record highs.

The benchmark S&P/ASX 200 closed down 11.6 points, or 0.2 per cent, at 7724.2, having touched an intraday record high on Monday. The All Ordinaries dipped 0.1 per cent.

Seven of the index's 11 sectors flashed red, with consumer stocks leading losses as supermarket giant Coles and jeweller retailer Lovisa traded ex-dividend.

Health stocks had a good day after the government allowed insurance premiums to rise from April. The announcement sent Medibank 1.6 per cent higher to \$3.75 and NIB up 3.4 per cent to \$7.85.

Healius was the star performer of the index, firming 14.7 per cent to \$1.29, the biggest daily gain since 2020 after the pathology group appointed Paul Anderson as its new chief executive in charge of a strategic review. Pharmaceutical group Telix rallied 1.2 per cent to \$12 on plans to buy Canadian tech ARTMS in a \$126 million deal.

Gold miners outperformed as prices of the precious metal rose to a three-month high and were in sight of a record high. St Barbara jumped 12.5 per cent to 18¢, Regis **Resources** firmed 5.5 per cent to \$2.03, and **Ramelius Resources** gained 4.3 per cent to \$1.575. Northern Star **Resources** rose 3 per cent to \$14.13 - its highest close since April last year.

In contrast, lithium explorers struggled. Pilbara Minerals was the index's biggest laggard, falling 7 per cent to \$4.10. IGO dropped 5.3 per cent to \$7.73, Sayona fell 6.7 per cent to 4.2¢, and Lontown tumbled 4.1 per cent to \$1.275.

"A promising rebound in lithium stocks has been cut short after US lithium heavyweight Albermarle announced overnight it was looking to raise more than \$US2.1 billion to replenish its coffers against the downturn in lithium prices," said Tony Sycamore, an analyst at IG.

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Elsewhere, heavyweights BHP rose 0.9 per cent to \$44.63, and Rio Tinto advanced 1.1 per cent to \$124.77. Fortescue was up 1.9 per cent at \$25.84. The big banks, however, were on the back foot with National Australia Bank and Commonwealth Bank both down about 1 per cent.

Australia's current account returned to surplus in the December quarter as iron ore and coal exports soared giving a much needed boost to the economy.

There are some fears that the fourth-quarter gross domestic product to be released today at 11.30am AEDT would show an economic contraction.

"The risk of a negative quarterly GDP has been pared back by today's upside surprise, but it remains mathematically possible," said RBC rates strategist Robert Thompson.

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