

WEEKLY MARKET recap

25 - 29 November 2024



Highlights of the week

- Australia's inflation rate came in flat at 2.1% for the 12 months to October.
- The government's Help to Buy and Built to Rent housing bills have been passed by the Senate.

Market Action

Sector	Returns % (excluding distributions)		
	28-Nov-24	22-Nov-24	Change (%)
S&P/ASX 200	8444.3	8400.8	0.5%
All Ordinaries	8700.0	8638.9	0.7%
Small Ordinaries	3188.8	3141.8	1.5%
S&P 500 *	5998.7	5948.7	0.8%
NASDAQ *	19060.5	18972.4	0.5%
FTSE 100 *	8281.2	8149.3	1.6%
Hang Seng *	19367.0	19601.1	-1.2%
Nikkei *	38349.1	38026.2	0.8%

US equity markets edged higher this week with the S&P 500 and the NASDAQ up 0.5% and 0.7% respectively. The Federal Reserve's preferred measure of inflation, the personal consumption expenditures price index, rose 2.3% in the 12 months to October, a 0.2% increase on September. The FTSE100 rose 0.8% despite weak consumer confidence and a contraction in economic activity.

S&P/ASX 200 - Top five of the week

ASX Code	Company	Closing Price	Change*
SIG	Sigma Healthcare	\$2.78	19.8%
A2M	a2 Milk Company	\$5.73	17.9%
PME	Pro Medicus	\$248.18	15.6%
GYG	Guzman Y Gomez	\$42.13	14.6%
SPR	Spartan Resources	\$1.41	14.6%

*Prices as at 3.00PM on 28/11/2024

Sigma Healthcare rose 19.8% despite no significant news being released by the company. Its' share price continues to rally since receiving approval to merge with Chemist Warehouse. A2 Milk Company has jumped 17.9% after it upgraded its revenue guidance and announcing a new dividend policy with a payout ratio of 60-80%. Pro Medicus has rallied 15.6% on a new contract win, signing a \$330 million, ten-year deal with Trinity Health. Spartan Resources has gained 14.6% after discovering a new high grade gold deposit at its Dalgaranga Gold Project.

S&P/ASX 200 Index - 1 Week Performance



The Hang Seng lost -1.2% after Trump outlined tariffs he would impose as an executive order immediately after being sworn in whilst the Nikkei gained 0.8% ahead of the Bank of Japan's December meeting with a rate hike expected. The S&P/ASX 200 gained 0.5%, aided by a large fall in government bond yields. Small caps outperformed both mid and large caps, returning 1.5%.

S&P/ASX 200 - Bottom five of the week

ASX Code	Company	Closing Price	Change*
PLS	Pilbara Minerals	\$2.39	-17.3%
GQG	GQG Partners	\$2.30	-12.9%
MP1	Megaport	\$7.61	-9.4%
BOE	Boss Energy	\$2.76	-9.2%
WTC	Wisotech Global	\$125.85	-9.1%

Pilbara Minerals fell -17.3% despite management noting that the company was well placed to weather the current challenging environment for lithium companies. GQG Partners is down -12.9% after the chairman of the Adani Group, one of GQG Partner's major investments, was indicted for bribery. Megaport lost -9.4% with its reaffirmation of revenue guidance disappointing the market. Wisotech Global fell -9.1% after downgrading its revenue and earnings guidance for the 2025 Financial Year, attributed to negative media attention resulting in organisational changes.

Upcoming Dividend Dates

ASX Code	Company	Estimated Dividend Ex-date	Dividend Per Share (\$)	Franking (%)
IPL	Incitec Pivot Limited	3/12/2024	\$0.06	0%

Key Rates Table

Aus. 10-yr Bond Yield	US 10-yr Bond Yield	AUD/USD	AUD/GBP	AUD/EUR	AUD/CNY	AUD/JPY
4.41%	4.24%	0.65	0.51	0.62	4.71	98.46

*Rates as at 9.00AM on 28/11/2024

Topic of the week

China's Ministry of Finance has announced that with the help of Chinese investment banks, it had issued \$2 billion in sovereign bonds in Saudi Arabia. These were the first Chinese sovereign bonds issued in the Middle East and the first offshore bond issuance by China in three years, the last being a €2 billion issuance in Paris.

Investors enthusiastically subscribed for the bonds with the total subscription amount at over \$39 billion, almost 20 times more than the amount being issued. US Treasury bonds are usually only oversubscribed by between two to three times. The strong demand signals that investors are confident in China's economic recovery.

The sovereign bond issuance will expand China's international influence as it continues to strengthen economic cooperation with an increasing number of countries. The move comes after the Saudi

Public Investment Fund, signed a \$50 billion deal with six Chinese banks to strengthen financial and business ties by promoting two-way capital flows.

The success of the bonds between China and Saudi Arabia has also raised the possibility of China competing with the US in the dollar market. China could potentially issue much larger amounts of US denominated sovereign bonds to Saudi Arabia who usually reinvest their US dollars into US treasury bonds. If Saudi Arabia invest in the Chinese bonds instead, China will see a large inflow of US dollars. China could then use the US dollars to assist their partner countries in paying off their debts to the US, in exchange for resources, other currencies or agreements. This would allow them to improve their relationship with other countries and simultaneously reduce the other countries' dependency on the US.

Home Loan Rates

Lender	Owner Occupier (Variable)	Owner Occupier (2 Year Fixed)	Owner Occupier (5 Year Fixed)	Investor (Variable)	Investor (2 Year Fixed)	Investor (5 Year Fixed)
CBA	6.49%	6.44%	6.84%	6.69%	6.49%	6.94%
NAB	6.44%	6.04%	6.29%	6.96%	6.24%	6.49%
Macquarie	6.14%	5.69%	5.69%	6.34%	5.85%	5.85%

*Based on a 25-year, \$450,000 loan with principal and interest repayments and a Loan to-Value ratio of 70%

What to expect for the week ahead

- The US 2024 3rd Quarter Corporate Earnings Season will continue with Salesforce, GameStop and DocuSign all expected to report.
- The Australian Bureau of Statistics (ABS) will release the Retail Trade data for October.



WEALTH PARTNERS

The information provided in this publication does not constitute financial product advice. The information is of a general nature only and does not take into account your individual objectives, financial situation or needs. It should not be used, relied upon, or treated as a substitute for specific professional advice. Apt Wealth Partners (AFSL and ACL 436121 ABN 49 159 583 847) and Apt Wealth Home Loans (powered by Smartline ACL 385325) recommends that you obtain professional advice before making any decision in relation to your particular requirements or circumstances.

PROFESSIONAL PRACTICE
 FINANCIAL ADVICE ASSOCIATION AUSTRALIA