

WEEKLY MARKET recap

28 July - 1 August 2025



Highlights of the week

- Australia's annual inflation rate for the twelve months to 30 June 2025 was 2.1%.
- Australian retail sales rose 1.2% in June, and 4.9% compared to June 2024.

Market Action

Sector	Returns % (excluding distributions)		
	1-Aug-25	25-Jul-25	Change (%)
S&P/ASX 200	8668.8	8661.9	0.1%
All Ordinaries	8924.1	8929.7	-0.1%
Small Ordinaries	3323.9	3356.7	-1.0%
S&P 500 *	6339.4	6363.4	-0.4%
NASDAQ *	21122.5	21058.0	0.3%
FTSE 100 *	9132.8	9138.4	-0.1%
Hang Seng *	24773.3	25667.2	-3.5%
Nikkei *	41069.8	41826.3	-1.8%

*US, UK, European and Asian prices refer to the previous day's close.

US equity markets were mixed with the S&P 500 down -0.4% and the NASDAQ up 0.3% as the Federal Reserve once again maintained the cash rate at its board meeting. Utilities and Information Technology led gains whilst Health Care and Materials dragged on the index. The FTSE100 slipped -0.1% after a higher-than-expected inflation result for June.

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

ASX Code	Company	Closing Price	Change*
TPW	Temple & Webster	\$24.68	9.3%
GDG	Generation Develop.	\$5.96	9.0%
REG	Regis Healthcare	\$8.39	8.8%
SLC	Superloop	\$3.34	8.4%
DRO	DroneShield	\$3.63	7.7%

*Prices as at 3.00PM on 01/08/2025

Temple & Webster jumped on strong Australian retail sales data whilst Generation Development Group rallied on a positive quarterly update. Its fund management business recorded a 49% increase in funds under management on the prior corresponding period (pcp) whilst its investment bond division saw a 55% increase in sales on the pcp. Regis Healthcare rose after announcing the acquisition of Rockpool Residential Aged Care. DroneShield has rebounded after reporting revenue of \$38.8 million for the second quarter, a 480% increase on the pcp.

S&P/ASX 200 Index - 1 Week Performance



The Hang Seng index fell -3.5% as China's budget deficit reached record levels due to stimulus measures whilst the Nikkei lost -1.8% as the Bank of Japan held rates despite increasing inflation forecasts. The S&P/ASX 200 was flat despite new economic data increasing expectations of a rate cut. Small cap companies underperformed large caps, falling by -1.0%.

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

ASX Code	Company	Closing Price	Change*
BOE	Boss Energy	\$1.71	-51.1%
CIA	Champion Iron	\$4.20	-20.2%
LTR	Liontown Resources	\$0.79	-17.5%
BPT	Beach Energy	\$1.14	-16.6%
PDN	Paladin Energy	\$6.17	-16.5%

Boss Energy dropped after its 2026 Financial Year (FY26) production guidance of 1.6 million pounds of uranium at its Honeymoon project underwhelmed investors whilst Champion Iron retreated after reporting weaker than expected revenue and earnings for the first quarter. Liontown Resources fell after noting that all in sustaining cost (AISC) surpassed its lithium sales price, relying on lithium ore stockpiles to generate positive cash flow. Beach Energy declined after weaker production volumes and lower gas price resulted in a 17% fall in quarter-on-quarter revenue.

Upcoming Dividend Dates

ASX Code	Company	Estimated Dividend Ex-date	Dividend Per Share (\$)	Franking (%)
No upcoming dividends this week.				

Key Rates Table

Aus. 10-yr Bond Yield	US 10-yr Bond Yield	AUD/USD	AUD/GBP	AUD/EUR	AUD/CNY	AUD/JPY
4.31%	4.38%	0.64	0.49	0.56	4.63	96.91

*Rates as at 3.00PM on 01/08/2025

Topic of the week

US President Donald Trump signed an executive order to close the de minimis trade loophole for all countries on the 29th of August, having already closed it for China and Hong Kong back in May. The de minimis rule allows small shipments under \$800 to avoid tariffs. It was first introduced in the Tariff Act of 1930 "to improve administrative efficiency and to avoid expense and inconvenience to the government," and facilitate trade.

For the first six months after the 29th of August, packages will be subject to a temporary tax between \$80 to \$200. Afterwards, all packages will subject to the tariff rate for the country of origin.

The executive order reports that the number of small parcels imported into the US had risen from 134 million to over 1.36 billion from 2015 to 2024. The Customs and Border Patrol currently processes around 4 million parcels per day.

The executive order is expected to benefit US businesses as they will be more competitively priced with international retailers. Temu and Shein, have both seen a large fall in US customers, following the removal of the loophole for Chinese and Hong Kong exports earlier in the year. The new announcement has resulted in share price falls for Amazon, the ASX-listed Cettire, and more.

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	5.99%	5.89%	6.44%	6.19%	6.04%	6.59%
NAB	5.94%	5.44%	5.79%	6.46%	5.59%	5.99%
Macquarie	5.64%	5.19%	5.39%	5.74%	5.35%	5.55%

*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 second-quarter corporate earnings season continues with Palantir, Pfizer, Uber, Eli Lilly, Walt Disney, and Block all expected to report.
- The Australian corporate earnings season begins with News Corporation, TPG, AMP, and QBE Insurance all expected to report.