

WEEKLY MARKET recap

28 November – 2 December 2022

Apt.
WEALTH PARTNERS



Highlights of the week

- Daniel Andrews has won a third term as Victorian Premier.
- The Australian inflation rate has come in at 6.9% for the year to October.

Market Action

Sector	Returns % (excluding distributions)		
	2-Dec-22	25-Nov-22	Change (%)
S&P/ASX 200	7307.1	7256.5	0.7%
All Ordinaries	7509.7	7445.7	0.9%
Small Ordinaries	2950.0	2895.6	1.9%
S&P 500	4076.6	4027.3	1.2%
NASDAQ	11482.5	11285.3	1.7%
FTSE 100	7558.5	7466.6	1.2%
Hang Seng	18736.4	17660.9	6.1%
Nikkei	28226.1	28383.1	-0.6%

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

The S&P 500 and the NASDAQ rallied behind Federal Reserve Chair Jerome Powell's speech with interest rate hikes expected to slow, rising 1.2% and 1.7% respectively. The FTSE 100 also rose 1.2% and reached a five-month high as inflation in Europe begins to fall. The Nikkei has fallen by -0.6% after weak October retail sales data was released driven by inflation and the falling yen.

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

ASX Code	Company	Closing Price	Change*
FPH	Fisher & Paykel	\$22.64	17.9%
NAN	Nanosonics	\$4.80	15.3%
RAM	Ramelius Resources	\$0.99	13.9%
CIA	Champion Iron	\$6.76	12.5%
SIQ	Smartgroup Corp.	\$5.12	10.7%

Prices as at 3.00PM on 2/12/2022

Fisher & Paykel led the gains for the week, its share price rising 17.9% after beating its August operating revenue guidance by \$20.6 million. Gold producer Ramelius Resources rose another 13.9% as the price of gold reached US\$1,800/oz. A recovery in the iron ore price has sent the share price of producer Champion Iron up 12.5%. Smartgroup Corporation gained 10.7% after announcing a contract renewal with NSW Health. Nanosonics rose 15.3% despite no significant news.

S&P/ASX 200 Index - 1 Week Performance



The Hang Seng climbed 6.1% this week with increased hopes of changes to China's zero-Covid Policy after mass protests broke out in various cities. The elderly are being urged by Chinese authorities to get vaccinated as Covid rules begin to lift. The S&P/ASX 200 rose 0.7% led by Materials, Information Technology and Communication Services sectors.

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

ASX Code	Company	Closing Price	Change*
CKF	Collins Foods	\$7.89	-21.1%
HLS	Healius	\$3.01	-9.6%
IPH	IPH	\$8.38	-7.6%
WDS	Woodside Energy	\$35.70	-6.5%
CTD	Corporate Travel	\$15.67	-6.3%

Collins Foods fell -21.1% after releasing its half year results with profits impacted by cost inflation. Collins Foods also moved ex-dividend, further contributing to the price drop. Healius fell -9.6% after a trading update revealed a 18.3% decrease in EBITDA margin from YTD FY22. Woodside has lost -6.5% after releasing their FY23 production guidance despite forecasting a 4% compound annual growth rate to 2027. IPH and Corporate Travel have fallen -7.6% and -6.3% respectively despite no significant news being released by either company.

Upcoming Dividend Dates

ASX Code	Company	Estimated Dividend Ex-date	Dividend Per Share (\$)	Franking (%)
CKF	Collins Foods	5/12/2022	\$0.12	100%
IPL	Incitec Pivot	5/12/2022	\$0.17	100%
FPH	Fisher & Paykel Healthcare Corporation	8/12/2022	\$0.16	0%

Topic of the week

Meat consumption has been a much-discussed topic in recent times given the resources required to fulfil the growing global demand and the carbon emissions generated during meat production. Global meat consumption has increased by 0.7% on average each year as the world's population rises and developing countries become richer. Food production is considered responsible for around a third of global emissions with meat comprising the majority. Beef has been measured to create 99.5kg of greenhouse gas emissions per kilogram of beef produced compared to 4.5kg for rice and 0.46kg for potatoes. Other concerns have been raised regarding its high requirements of water usage and land, both for grazing and feed production.

Meat consumption has long been linked with a country's wealth with higher income countries tending to consume the most meat and developing countries tending to consume more as

they grow. Recently however, this trend may be weakening with various countries reaching peaks in consumption. Using data from 2000 to 2019, New Zealand, Canada, and Switzerland appear to have reached a peak, with meat consumption falling. New Zealand had the largest drop from 86.7kg to 75.2kg of meat per person over the period as people moved towards plant-based alternatives. France also experienced an 8.8% decline in meat consumption from 2008 to 2017 as the flexitarian diet consisting of eating mainly plant-based foods with meat and fish in moderation became popular. India was also an exception with a 14.3% decrease despite incomes increasing by 66% over the same decade.

More countries will need to transition away from high meat consumption in the coming decades with estimates that the world population could become too large for the Earth to sustain by 2050.

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	4.69%	5.94%	6.84%	4.99%	6.14%	7.04%
NAB	4.74%	5.84%	6.64%	5.24%	5.84%	6.79%
Macquarie	4.54%	5.49%	5.79%	4.79%	5.69%	5.99%

*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

- The Reserve Bank of Australia (RBA) will release their quarterly Bulletin about the economy and financial system.
- The Australian Bureau of Statistics (ABS) will release their quarterly Australian National Accounts data, estimating GDP, Expenditure, Income, Household Saving and more.



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.

