

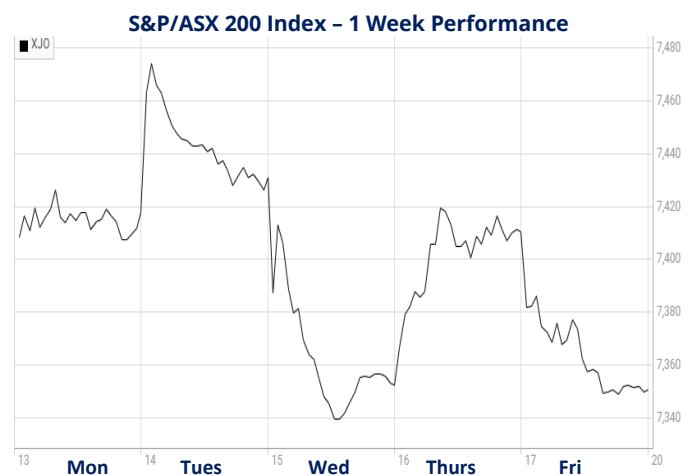


Highlights of the week

- An additional \$424 million in funding will be spent to provide Indigenous Australians with clean water, food and better housing.
- Australia's unemployment rate rose 0.2% to 3.7% in January following the loss of 11,500 jobs.

Market Action

Sector	Returns % (excluding distributions)		
	17-Feb-23	10-Feb-23	Change (%)
S&P/ASX 200	7350.4	7431.9	-1.1%
All Ordinaries	7555.2	7629.6	-1.0%
Small Ordinaries	2896.4	2898.4	-0.1%
S&P 500	4090.4	4081.5	0.2%
NASDAQ	11855.8	11789.6	0.6%
FTSE 100	8012.5	7911.2	1.3%
Hang Seng	20987.7	21624.4	-2.9%
Nikkei	27696.4	27584.4	0.4%



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

US equity markets responded to mixed economic data, closing relatively flat with the S&P500 and NASDAQ up 0.2% and 0.6% respectively. The Federal Reserve reinforced the need to raise cash rates despite US inflation falling for the seventh straight month. The FTSE 100 rose 1.3% after UK CPI came in at 10.1%, a 0.4% drop from December's reading and below the forecasted reading of 10.3%.

The Hang Seng fell -2.9% over continued US-China tensions and a 0.8% fall in China's Producer Price Index whilst the Nikkei edged up 0.4% as Japan avoided a technical recession with GDP rising 0.6% in the December quarter. The S&P/ASX 200 fell -1.1% this week with losses led by the Financials sector (-4.2%). Small caps outperformed large and mid-caps this week, remaining flat.

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

ASX Code	Company	Closing Price	Change*
ORA	Orora	\$3.43	17.9%
GUD	GUD Holdings	\$9.95	16.9%
SHL	Sonic Healthcare	\$33.12	14.8%
QBE	QBE Insurance Group	\$14.47	9.6%
NAN	Nanosonics	\$4.90	7.2%

*Prices as at 3.00PM on 17/02/2023

Orora climbed 17.9% after reporting a more than 10% growth in volumes in the first half and a 7.8% increase in net profit after tax. GUD Holdings also rose 16.9% after revealing a 55.7% jump in revenue and an 88.7% rise in net profit. Sonic Healthcare gained 14.8% after announcing an increased interim dividend of \$0.42 per share. QBE rose 9.6% after reporting a \$20 million increase in net profit after tax for FY22 and a \$0.30 per share dividend, which is a 57% increase on the FY21 dividend. Nanosonics rebounded 7.2% as investors await its half-year results conference call next week.

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

ASX Code	Company	Closing Price	Change*
SGR	Star Entertainment	\$1.48	-22.3%
AMP	AMP	\$1.12	-16.6%
LKE	Lake Resources NL	\$0.63	-15.7%
BRN	Brainchip Holdings	\$0.55	-12.1%
RMS	Ramelius Resources	\$0.84	-11.0%

Star Entertainment Group crashed -22.3% to a record low after revealing a poor 1HFY23 earnings result with \$20 million in remediation costs. AMP fell -16.6% on missed forecasts despite returning to profit and announcing its first dividend in 5 years. Lake Resources led the losses in the lithium sector, down -15.7% as lithium prices eased. Brainchip fell -12.1% despite releasing no significant news, even prompting an ASX price query. Ramelius Resources continued to decline from last week, down -11.0% as the gold price continued to fall throughout the week.

Upcoming Dividend Dates

ASX Code	Company	Estimated Dividend Ex-date	Dividend Per Share (\$)	Franking (%)
ANN	Ansell Limited	20/02/2023	\$0.29	0%
VCX	Vicinity Centre	20/02/2023	\$0.06	0%
WES	Wesfarmers Limited	20/02/2023	\$0.80	100%
CPU	Computershare Limited	21/02/2023	\$0.30	0%
EDV	Endeavour Limited	21/02/2023	\$0.14	0%
NWL	Netwealth Group Limited	22/02/2023	\$0.11	100%
JBH	JB Hi-Fi Limited	23/02/2023	\$1.97	100%
GUD	GUD Holdings Limited	24/02/2023	\$0.17	100%

Topic of the week

The Reserve Bank of Australia (RBA) has released their quarterly Statement of Monetary Policy, providing an assessment of Australia's current economic situation and the economic outlook. Inflation remains a key concern worldwide although it appears to have peaked as supply chains recover and energy prices fall. Domestically, the year-on-year CPI inflation rate reached 7.8% in December, a 32 year high. Higher prices for services and a tight rental market were major drivers of inflation in the December quarter although year on year inflation continues to be broad based. The RBA, however, considers this rate to be at, or close to, the peak, with inflation now forecast to return to 4.75% in 2023 and 3% by mid-2025. The RBA also reinforced its priority of bringing inflation back down to its target of 2-3% and expects they will have to continue to increase the cash rate to do so.

The RBA's GDP growth outlook for the next two years is projected to be a rate of 1.5%. A fall in demand is expected as high interest rates and a higher cost of living takes its toll on spending, resulting in the low estimated growth rate. Household spending growth has already slowed across all categories except overseas travel, as real household wealth and real disposable income falls.

Australia's unemployment rate is expected to grow as the economy slows in the coming years. The unemployment rate currently sits at historic lows of around 3.5% but is forecast to hit 4.5% in mid-2025. Wage growth on the other hand is expected to reach 4.25% in 2023 before falling to 3.75% in mid-2025, again as the economy slows. Further detail and information can be found on the RBA's full report, published on their website.

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	5.12%	6.14%	6.84%	5.12%	6.24%	6.94%
NAB	5.24%	6.09%	6.69%	5.49%	6.14%	6.79%
Macquarie	4.84%	5.25%	5.55%	5.04%	5.45%	5.75%

*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 US Corporate Reporting Season continues with NVIDIA, Walmart and Newmont expected to report.
- The ASX Corporate Reporting continues with Coles, Santos, Rio Tinto and Woolworths all expected to report.



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.

