



Highlights of the week

- The Australian Financial Review Property Summit was held, hosting leaders and investors to discuss both the commercial and residential property sector.
- The African Union has joined the G20 as a permanent member.

Market Action

Sector	Returns % (excluding distributions)		
	15-Sep-23	8-Sep-23	Change (%)
S&P/ASX 200	7283.4	7151.9	1.8%
All Ordinaries	7484.9	7353.9	1.8%
Small Ordinaries	2810.6	2780.8	1.1%
S&P 500	4505.1	4451.1	1.2%
NASDAQ	13926.1	13748.8	1.3%
FTSE 100	7673.1	7441.7	3.1%
Hang Seng	18047.9	18202.1	-0.8%
Nikkei	32706.5	32991.1	-0.9%

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

US equity markets rose this week, with the S&P 500 and the NASDAQ rising 1.2% and 1.3% respectively, driven by the Consumer Discretionary and Utilities sectors and despite an uptick in inflation. The annual US headline inflation rate rose from 3.2% to 3.7% in August. The FTSE100 rallied 3.1% as gains from a weaker pound were partially offset by data revealing a contraction in UK GDP.

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

ASX Code	Company	Closing Price	Change*
CRN	Coronado Resources	\$1.78	12.8%
CIA	Champion Iron	\$6.63	12.5%
LNK	Link Administration	\$1.41	9.5%
CNI	Centuria Capital	\$1.57	8.3%
WHC	Whitehaven Coal	\$6.66	7.8%

*Prices as at 3.00PM on 15/09/2023

Coronado Global Resources and Whitehaven Coal rose 12.8% and 7.8% respectively, driven by a spike in coal prices. Coal prices have returned to a 4-month high with increased demand from China. Champion Iron gained 12.5% as iron ore rebounded to a 6-month high on a bounce in activity from Chinese steelmakers. Link climbed 9.5% after receiving all regulatory approvals for the sale of its UK and Ireland Fund Solutions business. The sale is expected to be completed in October. Centuria Capital Group rose 8.3% after securing a new \$500 million institutional investment mandate with a US private investment firm.

S&P/ASX 200 Index - 1 Week Performance



The Hang Seng fell -0.8% as China escaped deflation with a 0.1% increase in its consumer price index for the year to August, whilst the Nikkei gained lost -0.9% on the yen's appreciation and a fall in Japanese industrial production. The S&P/ASX 200 rallied 1.8% with gains driven by the Materials and Financials sector. Small caps underperformed both mid and large caps, returning 1.1%.

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

ASX Code	Company	Closing Price	Change*
IGO	IGO	\$13.34	-8.4%
CWY	Cleanaway Waste	\$2.41	-8.4%
SGM	Sims	\$14.12	-8.2%
BSL	BlueScope Steel	\$19.62	-7.7%
CHN	Chalice Mining	\$2.90	-7.4%

IGO and Bluescope Steel fell -8.4% and -7.7% respectively, after both traded ex-dividend. They will be making respective dividend payments of \$0.60 and \$0.25 per share. IGO also began drilling at its Double Magic Project in Western Australia. Cleanaway Waste Management dropped -8.4% after the retirement of their chairman. Sims fell -8.2% after releasing an update on market conditions, noting subdued steel demand and a low scrap price was squeezing their margins. Chalice Mining continues to decline after setbacks to its Gonnevillie project, falling -7.7% this week despite no new significant news being released.

Upcoming Dividend Dates

ASX Code	Company	Estimated Dividend Ex-date	Dividend Per Share (\$)	Franking (%)
CCP	Credit Corp Group Limited	18/09/2023	\$0.47	100%
COH	Cochlear Limited	18/09/2023	\$1.75	70%
QUB	Qube Holdings Limited	18/09/2023	\$0.04	100%
FLT	Flight Centre Travel Group Limited	20/09/2023	\$0.18	100%
NWH	NRW Holdings Limited	21/09/2023	\$0.08	100%

Topic of the week

Oil prices have rebounded to near 10-month highs, having rallied steadily over the past three weeks. The major driver of the price increase has been the extension of production cuts by Russia and Saudi Arabia. Russia will be extending their 300,000 barrels per day (bpd) production cut to the end of this year whilst Saudi Arabia will do the same with their 1 million bpd production cut. Both cuts are voluntary and in addition to production cuts agreed upon by the Organisation of the Petroleum Exporting Countries and other oil producing countries (OPEC+). Libya, an OPEC member has also closed four of its oil export terminals after Storm Daniel caused two dams to burst, causing extensive flooding.

Demand for crude oil has remained surprisingly resilient despite global economic growth fears. OPEC released their forecasts this

week, estimating a 2.44 million bpd growth in demand for 2023 and a 2.25 million bpd increase in 2024. The US has also seen a fall in its crude oil reserves over the last month, with local production interrupted by poor weather and a fire at its third largest oil refinery.

Oil prices are also a major component of inflation. Not only is automotive fuel a direct component of the index, but petroleum products are also key to plastic manufacturing, goods transportation, and power, all of which will flow through into other components. When oil prices skyrocketed early last year due to the Russia Ukraine conflict, inflation rates also began to rise. Inflation has since fallen off due to monetary policy, but a return to high oil prices may cause inflation to rise again.

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	6.44%	6.99%	6.84%	6.50%	7.04%	6.94%
NAB	6.49%	6.54%	6.69%	6.59%	6.64%	6.79%
Macquarie	5.89%	6.15%	6.05%	6.09%	6.29%	6.19%

*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 Reserve Bank of Australia (RBA) will release its quarterly bulletin on the economy and the financial system.
- The Australian Bureau of Statistics will release the first public consultation review of Australian Standard Classification of Languages and Religious Groups.



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