



Highlights of the week

- Michele Bullock has officially been appointed the Governor of the Reserve Bank of Australia.
- Crude oil prices have reached a 10-month high on OPEC+ production cut extensions and falling global inventories.

Market Action

Sector	Returns % (excluding distributions)		
	22-Sep-23	15-Sep-23	Change (%)
S&P/ASX 200	7056.2	7283.4	-3.1%
All Ordinaries	7256.7	7484.9	-3.0%
Small Ordinaries	2722.3	2810.6	-3.1%
S&P 500	4402.2	4505.1	-2.3%
NASDAQ	13469.1	13926.1	-3.3%
FTSE 100	7731.7	7673.1	0.8%
Hang Seng	17885.6	18047.9	-0.9%
Nikkei	33023.8	32706.5	1.0%

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

US equity markets fell this week, with the S&P 500 and the NASDAQ down -2.3% and -3.3% respectively. Despite the Federal Reserve leaving the US cash rate unchanged, markets responded negatively to the forecast of one more rate hike and the need to keep rates higher for longer than anticipated. The FTSE100 gained 0.8% as UK inflation fell 0.1% to 6.7% in August and the Bank of England elected to keep interest rates unchanged at 5.25%.

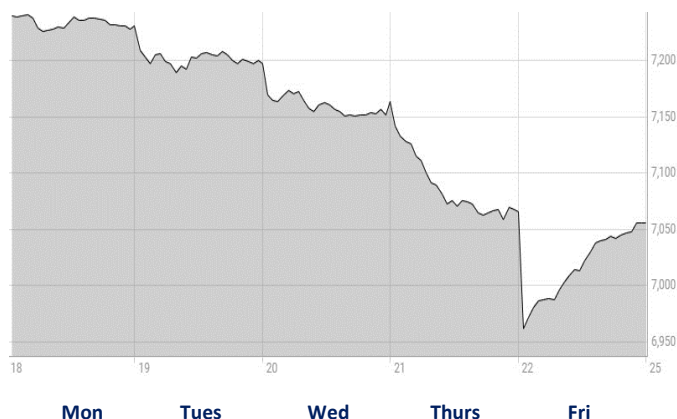
S&P/ASX 200 - Top five of the week

ASX Code	Company	Closing Price	Change*
RMS	Ramelius Resources	\$1.48	13.9%
NWH	NRW Holdings	\$2.68	6.8%
LNK	Link Administration	\$1.44	5.5%
WHC	Whitehaven Coal	\$6.68	4.9%
PDN	Paladin Energy	\$0.98	4.8%

*Prices as at 3.00PM on 22/09/2023

Ramelius rose 13.9% after acquiring 91.37% of Musgrave Minerals, the threshold that enables the company to compulsorily acquire the remaining shares. NRW rose 6.8% despite trading ex-dividend for a payment of \$0.30 per share whilst Link climbed a further 5.5% this week after confirming the divestment of its UK and Ireland business. Whitehaven Coal climbed 4.9% upon news it was participating in the sale process of BHP Mitsubishi Alliance's two metallurgical coal mines in Queensland. Paladin Energy rallied 4.8% as uranium prices reached a twelve year high on supply concerns.

S&P/ASX 200 Index - 1 Week Performance



The Hang Seng fell -0.9% due to rate hike concerns and the slow introduction of economic stimulus by the Chinese Government whilst the Nikkei gained 1.0% on a falling yen as the markets await the Bank of Japan's monetary policy decision. The S&P/ASX 200 fell 3.1% this week as the global economic outlook soured, with losses led by the Information Technology and Energy sectors. Small caps performed in line with both mid and large caps, falling by -3.1%.

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

ASX Code	Company	Closing Price	Change*
SQ2	Block Inc.	\$71.38	-16.0%
SGR	Star Entertainment	\$0.74	-15.3%
WBT	Weebit Nano	\$3.45	-14.4%
IEL	IDP Education	\$22.22	-9.8%
SYA	Sayona Mining	\$0.09	-9.5%

Block Inc., and newcomer to the ASX 200, Weebit Nano lost -16.0% and -14.4% respectively as market sentiment turned negative towards technology shares. Sayona Mining led lithium producers down, falling -9.5% as lithium prices experienced another drop. Goldman Sachs has recently released its forecast of lithium prices, predicting large falls in price over FY24 and FY25. Star Entertainment Group and IDP Education fell -15.3% and -9.8% respectively, despite no significant news being released from either company.

Upcoming Dividend Dates

ASX Code	Company	Estimated Dividend Ex-date	Dividend Per Share (\$)	Franking (%)
AIA	Auckland International Airport	25/09/2023	\$0.04	0%
ARF	Arena REIT	28/09/2023	\$0.04	0%
CIP	Centuria Industrial REIT	28/09/2023	\$0.03	0%
HDN	HomeCo Daily Needs REIT	28/09/2023	\$0.03	0%

Topic of the week

NSW Treasurer Daniel Mookhey released the FY23-24 NSW State Budget during the week, with the key measures focused on reducing debt whilst simultaneously addressing high profile issues, such as the housing crisis. The Budget forecast total State debt to hit \$188.2 billion in 2026, which would result in interest payments of \$7 billion in that year.

A \$3.6 billion essential services fund will be established to pay for public sector employee wage rises. \$2.5 billion will also be allocated to improve healthcare services including recruiting more nurses, converting temporary and casual contracts into permanent roles as well as new subsidies for healthcare students.

Regarding the housing crisis, the first home buyers' assistance scheme will be expanded so that buyers will receive a stamp duty exemption for any property purchased for less than \$800,000, with a concessional rate also available for properties purchased for

between \$800,000 and \$1 million. The government will also spend \$2.2 billion to construct new housing and infrastructure, including 4700 new dwellings to be built by Landcom. A portable bond scheme will also be created to prevent renters from being unfairly evicted.

Other benefits include a weekly toll cap of \$60, an energy rebate for families and low-income earners, and funding for new schools and hospital upgrades across Western Sydney.

New sources of funds for the government will consist of raising the minimum ownership stake for a land tax exemption to 25%, the axing of electric vehicle subsidies program and a 2.6% increase to coal royalties starting from July next year. Changes to the transfer duty tax for corporations and multinational corporations will net the government near \$1 billion. Opal transport costs will also be raised across the public transport network.

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%	6.19%	6.69%	7.01%	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 Bureau of Economic Analysis will release the US Personal Consumption Expenditures Price Index.
- The Australian Bureau of Statistics will release the Monthly Consumer Price Index Indicator. Annual inflation fell 0.5% in July.



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