

Australia Market Outlook - 2 February 2023

The local bourse has resumed its winning ways, finishing at a key level ahead of an all-important meeting by the world's biggest central bank.

The benchmark S&P/ASX200 index on Wednesday closed up 25 points, or 0.33 per cent, to 7,501.7, its first close of more than 7,500 since April 22.

On Wednesday, six of the ASX's 11 official sectors closed higher, two were basically flat and three finished lower.

The interest rate-sensitive real estate sector was the biggest gainer, climbing 1.5 per cent as Stockland added 2.8 per cent to a nine-month high of \$4.04 and Dexus rose 1.7 per cent to a four-month high of \$8.29.

The heavyweight mining sector rose 0.7 per cent as the price of iron ore softened to \$US129 a tonne, a day after rising above \$US130 for the first time in seven months.

Rio Tinto gained 1.4 per cent to an 18-month high of \$128.43, while BHP rose 0.3 per cent to \$49.55 and Fortescue Metals climbed 0.4 per cent to \$22.33.

In the financial sector, CBA edged 0.1 per cent higher to a fresh closing all-time high of \$110.15.

Westpac fell 0.5 per cent to \$23.60 after being up earlier in the day. NAB dipped 0.2 per cent to \$31.73 and ANZ grew 0.8 per cent to \$25.28.

Credit Corp gained 1.7 per cent to \$22 after the debt collector, Mesoblast gained 9.5 per cent to \$1.04.

The total number of building permits issued in Australia was up a seasonally adjusted 18.5 percent on month in December, the Australian Bureau of Statistics said on Thursday - coming in at 16,556.

Interest rates are soaring and inflation is showing no sign of slowing down, sparking concerns that Australia is headed for a recession in 2023.

Australian house price results for January have been released, with broadbased declines recorded across the nation.

Australia's economy is tracking towards a soft landing but the International Monetary Fund envisions more cash rate increases in 2023.

Consumer advocates are warning about the disproportionate cost-of-living impact on renters and families already struggling with energy bills as hefty gas price hikes hit four Australian states on Wednesday.

A ban on a range of single-use plastic and polystyrene items comes into effect in Victoria today.

Assistant Trade and Manufacturing Minister Tim Ayres say there have been several ministerial-level meetings between Australia and China over the past three or four months.

The Australian dollar was buying 70.69 US cents, from 70.29 US cents at Monday's ASX close.

Top Gainers

Company	Last Price	Change%
Credit Corp. Group Ltd.	\$23.95	8.86%
Xero Ltd.	\$82.63	7.51%
Megaport Ltd.	\$5.99	7.35%
Zip Co. Ltd.	\$0.69	6.20%
Evolution Mining Ltd.	\$3.36	5.99%

Top Losers

Company	Last Price	Change%
QBE Insurance Group Ltd.	\$13.31	-3.97%
Pinnacle Investment Management Group Ltd.	\$9.35	-3.11%
Computershare Ltd.	\$23.37	-2.63%
Elders Ltd.	\$9.38	-2.29%
Rio Tinto Ltd.	\$126.10	-1.81%

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