

Australian Market Outlook - 26 May 2023

The Australian stock market is significantly lower on Thursday, extending the losses in the previous three sessions, with the benchmark S&P/ASX 200 falling below the 7,200 level.

The benchmark S&P/ASX 200 Index is losing 67.50 points or 0.94 percent to 7,146.30, after hitting a low of 7,146.20 earlier. The broader All Ordinaries Index is down 69.30 points or 0.94 percent to 7,323.60. Australian stocks ended notably lower on Wednesday

Among major miners, BHP Group and Rio Tinto are down more than 1 percent each, while Mineral Resources is declining almost 2 percent and Fortescue Metals is losing 2.5 percent. Among gold miners, Evolution Mining and Gold Road Resources are slipping almost 3 percent each

Oil stocks are mostly lower. Santos and Origin Energy are edging down 0.1 to 0.4 percent each, while Beach energy is losing almost 1 percent. Woodside Energy is edging up 0.1 percent.

In the tech space, WiseTech Global and Zip are edging up 0.2 to 0.4 percent each, while Afterpay owner Block is gaining almost 3 percent, Appen is surging almost 5 percent and Xero is adding almost 1 percent.

Among the big four banks, Commonwealth Bank, ANZ Banking and Westpac are losing almost 1 percent each, while National Australia Bank is edging down 0.5 percent.

Supermarket prices have risen by about 10% over the past year at the same time as world commodity markets, which track prices received by farmers, have been falling.

While there are many costs that go into food prices paid by shoppers, like processing and transport, there is a growing global view that widening profit margins have not been properly addressed.

Electricity prices will rise by up to a quarter in July in some states after the Australian Energy Regulator issued its decision on the default market offers that set the baseline for retailers.

Small business owners will be spared some of the worst of the rises, with those in NSW covered by Ausgrid to see prices jump 14.7% while those plugged into SA power 28.9%.

Residents with controlled load have separately metered tariffs used for appliances such as electric hot water storage systems, pool pumps or underfloor heating. The changes don't affect feed-in tariffs paid to owners of solar panels who export excess power to the grid, whose payments depend on their retailer. Wholesale energy costs, which account for about a third to half of final bills, the AER said. State and federal bill relief measures will take some of the sting out of the increases.

In the currency updates, the Australian dollar is trading at \$0.653 .

Top Gainers

Company	Last Price (\$)	Change%
ADBRI LTD	\$1.95	21.9%
MEGAPORT LTD	\$6.44	12.8%
COSTA GROUP HOLDINGS LTD	\$2.54	6.7%
NEXTDC LTD	\$12.19	4.4%
ALTium LTD	\$38.48	4.3%

Top Losers

Company	Last Price (\$)	Change%
TREASURY WINE ESTATES LTD	\$11.76	-7.8%
GOLD ROAD RESOURCES LTD	\$1.75	-6.4%
ST BARBARA LTD	\$0.54	-6.1%
REGIS RESOURCES LTD	\$1.95	-5.6%
DOMINO'S PIZZA ENTERPRISES L	\$45.69	-5.4%

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