

Westpac result fails to lift ASX

By Lucy Battersby

The Sydney Morning Herald

Tuesday 4th May 2021

383 words

Page 25 | Section: Business

275cm on the page



Westpac result fails to lift ASX

Lucy Battersby

EQUITIES

The Australian sharemarket failed to capitalise on the strong half-year result and rising dividends from big four lender Westpac to start the week flat, as early gains evaporated on the back of investors looking to lock in profits.

The benchmark S&P/ASX 200 index closed flat yesterday at 7028.8 points, despite the banks putting on a good show.

Westpac outperformed its peers with a stunning 5 per cent rise to \$26.23. National Australia Bank gained 2.1 per cent to \$27.23, ANZ gained 1.3 per cent to \$29.10 and Commonwealth Bank closed higher at \$89.70.

Telstra jumped 3 per cent to close at a three-week high of \$3.49 and TPG Telecom lifted off its post-merger lows to close 5.4 per

cent higher at \$5.81. However, iron ore miners slipped despite the commodity still trading at high prices amid a strong outlook for steel prices. BHP dropped 1.4 per cent to \$47.03 and Rio Tinto fell 0.9 per cent to \$120.09. Fortescue fell 0.5 per cent to \$22.48.

Growth stocks also took a hit as investors locked in some of the gains made in the past year.

Afterpay dropped 3.1 per cent to \$114, but the buy now, pay later darling was still up more than 1000 per cent since hitting a low of \$8.70 in March last year.

“We are coming off a pretty hot month,” said Bell Direct analyst Jessica Amir, adding May and June were traditionally very quiet or negative months as investors got their portfolios in order for the end of the tax year. “We just closed off the most bullish month of the year. But we are heading into a bunkering-down period, there is a

lot of repositioning and readjusting and profit taking.”

The ASX200 gained 3.5 per cent in April and has risen every month for the past 13 months, except for September.

This week is also thick with economic data with the Reserve Bank board meeting and import and export data out tomorrow.

HOW THE MARKET MOVED

Monday (%)

Financials	+1.42
Comms	+1.21
Real estate	+0.73
Utilities	-0.33
Cons disc	-0.35
Healthcare	-0.43
Cons staples	-0.64
Industrials	-0.69
Materials	-1.01
Energy	-1.04
IT	-1.94

Percentage moves in the 11 sectors that make up the S&P/ASX 200 Index. SOURCE: BLOOMBERG