

ASX Today: Energy surge slows and ASX ends the week red



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In a repeat of Tuesday's trading session, a stellar open on the ASX was soured by an afternoon decline as oil prices settled down from their overnight surge.

Energy was the talk of the town today after President Trump suggested Saudi Arabia and Russia will cut production to **boost oil prices**. What followed was a surge in oil and a subsequent strong performance on Wall Street.

The ASX was all dressed up to follow suit this morning but turned back when the **President's claims were downplayed** by Saudi and Russian authorities this afternoon.

Our benchmark **S&P/ASX 200** index, which today happens to be celebrating its 20th birthday, surged 1.7 per cent or 88.5 points ahead in the opening minutes of trade. However, come market close, the index was 1.68 per cent lower at 5067.50 points.

In a day when oil overshadowed bleak US jobs reports, our local **energy sector** set the tone for the wider market movements. The sector soared a hefty 9.12 per cent to take back two week's worth of losses this morning, but by the end of the day was barely holding on to a 0.32 per cent gain.

Woodside ended up closing 0.36 per cent higher and Caltex 0.17 per cent lower. Origin Energy gained 0.21 per cent, Santos gained 0.5 per cent, and Oil Search gained 4.6 per cent.

The **materials sector** helped offset the heaviest of today's losses with a marginally-green close. BHP closed 1.61 per cent up, Rio Tinto 1.75 per cent up, and Fortescue Metals 5.71 per cent up.

Meanwhile, our **banking stocks** sank lower for the second day in a row. Each of our big four banks declined between 1.85 and 2.94 per cent. Macquarie Group lost 4.27 per cent.

Consumer stocks also fell victim to the pre-weekend sell-off as punters are scared to hold over the weekend with such frequent dramatic news. Our discretionary stocks led today's decline with Wesfarmers slumping 3.4 per cent, Tabcorp 6.42 per cent, and JB Hi-Fi 8.17 per cent.

Even the **health care sector** missed out again. Biotech giant CSL declined 1.35 per cent, Cochlear 4.2 per cent, and Fisher and Paykel 1.49 per cent.

As for our neighbours to the east, it was another sad day across **Asian markets** to top off a red week. When the ASX closed for the weekend, the **Asia Dow** was 0.82 per cent lower and the **Nikkei 225** 0.57 per cent lower. Hong Kong's **Hang Seng** was down by 0.77 per cent.

Meanwhile, the **Aussie dollar** is slightly stronger today, buying 60.60 US cents, 49.01 pence, and 11.27 South African Rand.

Today's ups and downs

Health and wellness company **Skin Elements (ASX:SKN)** is the latest ASX-listed company to try to make a profit off of the COVID-19 pandemic. The company signed a deal with fellow-listed **Holista Colltech (ASX:HCT)** to start producing "all-natural" hand sanitiser products in Australia using HCT's "PathAway" ingredient, which has already been in the coronavirus spotlight. SKN shares gained a stunning 89.47 per cent today and HCT shares increased by 14.29 per cent.

Meanwhile, companies are tapping investors in droves for some extra capital to weather the coronavirus storm. Medical imaging specialist **ImpediMed (ASX:IPD)** is one such company, announcing a \$24.9 million entitlement offer yesterday. Investors seem concerned, however, that the company is burning cash too quickly, and shares closed 10 per cent lower at 3.6 cents each today.