

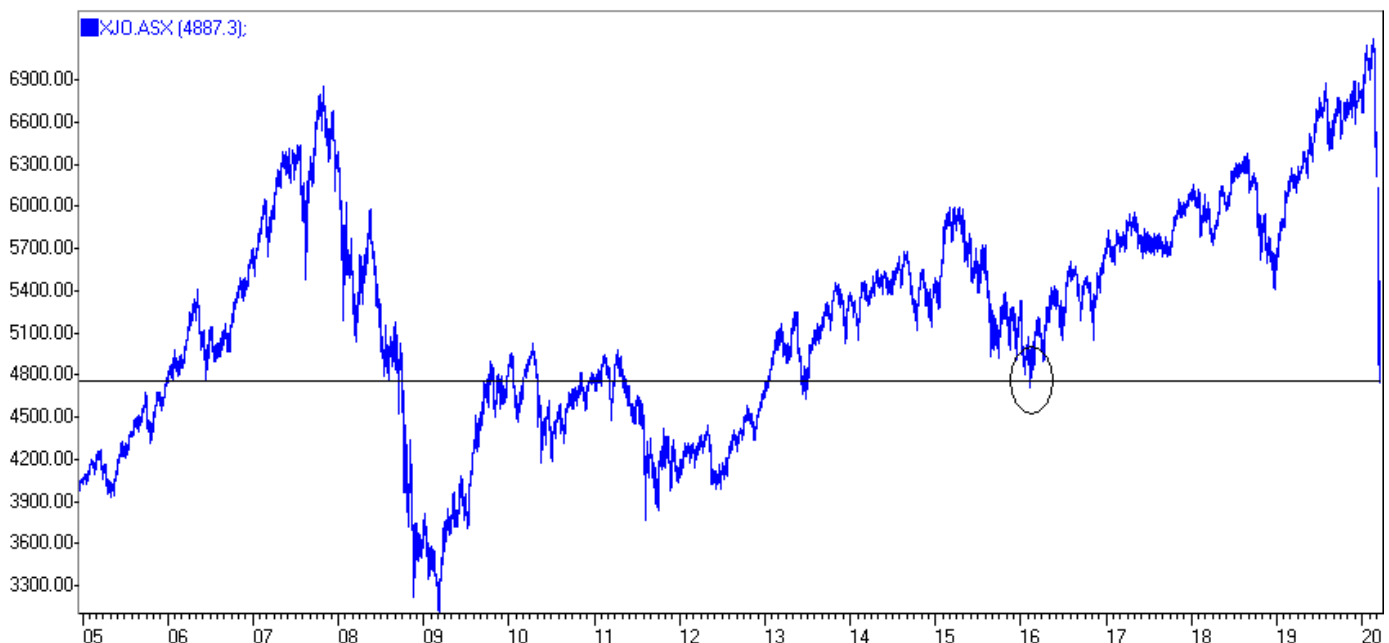
Market Wrap

Market Update – 20/03/2020

The ASX 200 continued its downward move this week closing at 4900 points with the market down 28% from the highs of only a month ago. The market has traced back to the lows of 2016 which is considered a resistance point. If the market bottoms around this level, we expect a quick recovery.

The catch is the COVID 19 factor. As government continue to bring in more restrictions, further job losses will follow. It is this uncertainty which plagues the market. The market continues to struggle with the uncertainty of change, the more changes the more volatility we can expect.

Last Friday there was a 11% intraday swing in the market to the positive side, this Friday a number of individual shares had massive gains, After Pay up 39%, Macquarie Bank up 10% and Qantas up 15% to be fair all of these companies had large falls during the week and will close lower for the week, but the swings indicate that the at least these companies are cheap.



If this is the bottom, we should expect to see the market claw back some loss over the coming weeks pushing our market back up to 6100 to 6200 points.

With COVID 19 being the unknown event, we cannot quantify, we are focusing on finding value in oversold companies.

ASX 200 close down 11.5% for the week ending 20/03/2020.

