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ASX Hits Record High Amid Market Rally

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The Australian sharemarket achieved its highest-ever closing level on Tuesday, with the S&P/ASX200 surging 1.4% to finish at 8,890 points. This historic milestone came as nine of eleven sectors posted gains, led by financial and technology stocks. The record-breaking performance followed strong leads from Wall Street, where major indices climbed on renewed expectations of US Federal Reserve rate cuts.

Market analysts attribute the rally to improving investor sentiment and robust corporate earnings. The big four banks collectively added 56 points to the index, while After pay owner Block soared 8.2% on positive payment processing data. Materials stocks also performed strongly despite mixed commodity prices, with BHP and Rio Tinto both gaining over 2%. Trading volumes exceeded the 30-day average by 15%, indicating broad market participation.

The Australian Securities Exchange (ASX) has now delivered five consecutive months of gains, defying earlier predictions of economic slowdown. This sustained performance reflects confidence in the domestic economy's resilience, particularly in the financial and mining sectors. Market capitalization surpassed A\$3 trillion for the first time, cementing Australia's position as a leading Asia-Pacific market.



As the ASX breaks new ground, investors will watch whether this momentum can be sustained through earnings season. The record close demonstrates how local markets continue benefiting from global liquidity conditions while showcasing the strength of Australia's corporate sector. With inflation cooling and monetary policy easing, the foundations appear set for potential further gains, though market veterans caution that valuations now demand scrutiny.