

MORNING REPORT

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Top News

KEY FACTORS IMPACTING KEY OVERSEAS

Treasury yields were modestly lower on Wednesday, trading in a tight range as investors awaited the data of private payrolls data on Thursday and the monthly federal jobs report on Friday. The Benchmark 10 - year Treasury yield was down to 1.594%.

The two-year treasury yield, a barometer for investor expectations about interest rate hikes, has remained flat at 0.147%.

While economic data has shown signs that reopening is driving growth, the labour market recovery has been slower than expected. In the Fed's most recent review of economic conditions, it said U.S. economic recovery accelerated in recent weeks, despite a long list of supply chain troubles, hiring difficulties and as rising prices spread through the country. The Fed has said that it will keep monetary policy loose until maximum employment has been achieved.

The US Federal Reserve has announced it will soon begin selling off the corporate bonds and exchange-traded funds it amassed last year. This will be done over the remainder of this year.

SOME KEY FACTORS IMPACTING NZX & ASX YESTERDAY

The NZ dollar remained relatively strong with many commentators expecting the Kiwi dollar to strengthen further against the USA dollar. Some are seeing it as high as US 76c.

The NZX 50 was marginally down by 0.2%, led by FPH which fell 2.7%. Ryman also continued to slide, dropping 1.9%. Key fund managers are reducing their exposure to property, as they expect interest rates to continue to rise.

Kathmandu had a strong performance, with an increase of 3.1%.

The ASX had a good day on the back of relatively strong performance from energy and material stocks.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	13,572.41	20.88	▼	0.15%
S&P/NZX 50 Portfolio Index	7,977.25	6.13	▲	0.08%
S&P/NZX MidCap Index	35,961.35	48.08	▲	0.13%
S&P/NZX SmallCap Index	89,791.53	465.73	▲	0.52%
ASX Index				
Index	Last		Change	
ASX All Ordinaries	7,468.90	76.80	▲	1.04%
S&P/ASX 200	7,217.80	75.20	▲	1.05%
ASX Small Ordinaries	3,307.70	28.90	▲	0.88%
S&P/ASX MIDCAP 50	8,757.80	72.20	▲	0.83%
S&P/ASX 20	4,085.90	41.30	▲	1.02%
Foreign Markets Index				
	Last		Change	
S&P 500	4,208.12	6.08	▲	0.14%
Dow Jones Industrial Average	34,600.38	25.07	▲	0.07%
NASDAQ Composite	13,756.33	19.85	▲	0.14%
FTSE 100	7,108.00	27.54	▲	0.39%
ASX All Ordinaries	7,468.90	76.80	▲	1.04%
NIKKEI 225	28,946.14	131.80	▲	0.46%
HANG SENG INDEX	29,297.62	170.38	▼	0.58%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9333	0.0027	▼	0.29%
USD	0.7235	0.0022	▼	0.30%
CNY	4.6166	0.0117	▼	0.25%
EUR	0.5926	0.0015	▼	0.25%
CAD	0.8706	0.0051	▼	0.58%
GBP	0.5106	0.0023	▼	0.45%
JPY	79.256	0.1950	▼	0.25%
US 10 Year Treasury Yield				
US 10YR	1.59%			
NZ Interest Rates				
	Last			
NZ OCR	0.25			
90-day Bank Bill	0.26			
5y Bank Bill	0.34			
10y Bank Bill	0.70			
Swap rate spread close (bps)	58			
Commodities Futures (Spot Price \$USD)				
	Last		Change	
Gold	1,911.00	6.00	▲	0.31%
Silver	28.30	0.20	▲	0.70%
Crude Oil	68.73	1.01	▲	1.49%

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