

MORNING REPORT

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Top News

KEY FACTORS IMPACTING KEY OVERSEAS

U.S. stock markets recovered the lion's share of their previous day's losses as stocks battled back after the Dow experienced its steepest one-day decline of 725 points in almost nine months, as a resurgence of COVID-19 infections and ongoing inflation concerns unnerved investors.

The Dow Jones Industrial Average rose 550 points, or 1.62%, while the S&P 500 and the Nasdaq Composite advanced 1.52% and 1.57%, respectively. The strong gains came a day after the Dow lost 725 points, booking its worst day since October, as a resurgence of COVID-19 infections and ongoing inflation concerns rattled investors.

Other overseas markets were mixed. European exchanges were higher across the board with France's CAC 40 advancing 0.81%, Britain's FTSE 100 rising 0.54% and Germany's DAX 30 up 0.55%. In Asia, Japan's Nikkei 225 slid 0.96%, Hong Kong's Hang Seng Index fell 0.84% and China's Shanghai Composite lost 0.07%.

In commodities, West Texas Intermediate crude oil gained \$1 to \$67.42 a barrel and gold advanced \$2.20 to \$1,810.90 an ounce.

SOME KEY FACTORS IMPACTING NZX & ASX

Australian shares recovered sharp losses made in the morning trade but ended lower on Tuesday, as a steep drop in mining and energy stocks outweighed gains in tech and healthcare firms. The S&P/ASX 200 closed 0.5% lower at 7,252.2 points, well off its opening lows of 1.1%. South Australia also joined the increasing number of lock-down states due to rising Covid-19 infections. The heavyweight miners Rio Tinto, BHP Group and Fortescue Metals lost between 0.9% and 2.4%, being among the biggest losers on the mining benchmark, slumping nearly 1.9%.

Australian Energy stocks lost 7% overnight, while healthcare stocks ended 0.9% higher. CSL gained 1.3%.

A leading Australian market commentator is concerned that the US market will experience a sell - off, as global growth looks likely to be downgraded.

In New Zealand, the benchmark S&P/NZX 50 index traded unchanged at 12,650.8 points. The top percentage loser on the index was SkyCity Entertainment Group, down 3.6% due to the covid-19 extended closure of its Adelaide casino operations. FPH closed 2.3% higher. GNE ended 2.6% lower. ANZ closed 1.1% higher after announcing a \$1.5bn share buy-back. WBC was marginally down by 0.1%.

NZX Index

Index	Last	Change
S&P/NZX All Index	13,816.42	7.68 ▼ 0.06%
S&P/NZX 50 Portfolio Index	8,044.81	19.03 ▼ 0.24%
S&P/NZX MidCap Index	35,768.68	97.91 ▼ 0.27%
S&P/NZX SmallCap Index	91,629.46	770.20 ▼ 0.83%

ASX Index

Index	Last	Change
ASX All Ordinaries	7,525.80	33.90 ▼ 0.45%
S&P/ASX 200	7,252.20	33.80 ▼ 0.46%
ASX Small Ordinaries	3,322.10	14.10 ▼ 0.42%
S&P/ASX MIDCAP 50	8,857.60	26.40 ▼ 0.30%
S&P/ASX 20	4,087.50	14.30 ▼ 0.35%

Foreign Markets Index

	Last	Change
S&P 500	4,323.06	64.57 ▲ 1.52%
Dow Jones Industrial Average	34,511.99	549.95 ▲ 1.62%
NASDAQ Composite	14,498.88	223.89 ▲ 1.57%
FTSE 100	6,881.13	36.74 ▲ 0.54%
ASX All Ordinaries	7,525.80	33.90 ▼ 0.45%
NIKKEI 225	27,388.16	264.58 ▼ 0.96%
HANG SENG INDEX	27,259.25	230.53 ▼ 0.84%

Currencies (per NZ\$ 1.00)

	Last	Change
AUD	0.944	0.0013 ▼ 0.14%
USD	0.692	0.0025 ▼ 0.36%
CNY	4.4863	0.0182 ▼ 0.40%
EUR	0.5875	0.0010 ▼ 0.17%
CAD	0.8775	0.0075 ▼ 0.85%
GBP	0.5078	0.0000 0.00%
JPY	76.026	0.0230 ▲ 0.03%

US 10 Year Treasury Yield

US 10YR	1.50%
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NZ Interest Rates

	Last
NZ OCR	0.25
90-day Bank Bill	0.34
5y Bank Bill	1.12
10y Bank Bill	1.64
Swap rate spread close (bps)	88

Commodities Futures (Spot Price \$USD)

	Last	Change
Gold	1,810.30	1.10 ▲ 0.06%
Silver	24.94	0.18 ▼ 0.72%
Crude Oil	67.32	0.90 ▲ 1.36%

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