

MORNING REPORT

As at 9.00 a.m. 29/07/2021

Web: www.equity.co.nz / E-mail: Info@equity.co.nz / Tel: +64 (9)304 0145 / Address: Level 8, 115 Queen Street, Auckland, NZ

Top News

KEY FACTORS IMPACTING KEY OVERSEAS

U.S. stock markets closed Wednesday mixed. The Dow Jones Industrial Average fell 0.37%, while the S&P 500 was little change, and the Nasdaq Composite closed 0.7% higher.

The Fed held its benchmark interest rate close to zero and said it would continue to buy at least \$120 billion of Treasury securities and other assets each month. It also reiterated and that "inflation has risen but continues to show signs of being transitory". It further said that the economy showing signs of recovering from the disruptions caused by Covid-19.

The benchmark 10-year yield ended up 2 basis points near 1.26%.

Apple Inc. beat on both the top and bottom lines as every product line posted annual sales growth of at least 12%. The tech giant warned the chip shortage would impact iPhone and iPad sales in the current quarter. Microsoft Corp. posted record quarterly profit as revenue from its Azure cloud service soared 51%. Sales guidance for the current quarter exceeded expectations. Alphabet reported a revenue record with advertising revenue up 70% boosted by online shopping during Covid-19.

Other overseas markets closed mixed. European exchanges were higher across the board with France's CAC gaining 1.18%, Britain's FTSE 100 up 0.29% and Germany's DAX 30 higher by 0.33%. In Asia, Hong Kong's Hang Seng index advanced 1.54% while Japan's Nikkei 225 and China's Shanghai Composite fell 1.39% and 0.58%, respectively. West Texas Intermediate crude oil rose 74 cents to \$72.39 a barrel and gold was unchanged at \$1,799.50 an ounce.

SOME KEY FACTORS IMPACTING NZX & ASX YESTERDAY

Continued regulation fears in China continued to impact world markets, including the ASX and the NZX. The ASX200 closed 0.7% lower on Wednesday to close at 7379, after recording its biggest loss in over a week. All sub - indices were lower, except for property. Tech stocks dropped 2.13%. The All Ordinaries closed 0.71 per cent lower at 7649.6.

In New Zealand the S&P/NZX 50 Index closed marginally lower at 12,595.32 on turnover of \$202m. The biggest drops on the NZX were Vista Group, and Pushpay down 3% and 2.2% respectively. Both SkyCity and Z Energy closed 3.2% higher

| NZX Index | | | | |
|--|-----------|--------|--------|-------|
| Index | Last | | Change | |
| S&P/NZX All Index | 13,756.28 | 4.79 | ▲ | 0.03% |
| S&P/NZX 50 Portfolio Index | 8,002.36 | 4.48 | ▲ | 0.06% |
| S&P/NZX MidCap Index | 35,936.24 | 28.84 | ▲ | 0.08% |
| S&P/NZX SmallCap Index | 91,540.06 | 189.20 | ▼ | 0.21% |
| ASX Index | | | | |
| Index | Last | | Change | |
| ASX All Ordinaries | 7,649.60 | 54.40 | ▼ | 0.71% |
| S&P/ASX 200 | 7,379.30 | 52.10 | ▼ | 0.70% |
| ASX Small Ordinaries | 3,364.90 | 24.10 | ▼ | 0.71% |
| S&P/ASX MIDCAP 50 | 9,028.20 | 43.90 | ▼ | 0.48% |
| S&P/ASX 20 | 4,169.90 | 36.20 | ▼ | 0.86% |
| Foreign Markets Index | | | | |
| | Last | | Change | |
| S&P 500 | 4,400.64 | 0.82 | ▼ | 0.02% |
| Dow Jones Industrial Average | 34,930.93 | 127.59 | ▼ | 0.36% |
| NASDAQ Composite | 14,762.58 | 102.01 | ▲ | 0.70% |
| FTSE 100 | 7,016.63 | 20.55 | ▲ | 0.29% |
| ASX All Ordinaries | 7,649.60 | 54.40 | ▼ | 0.71% |
| NIKKEI 225 | 27,581.66 | 388.56 | ▼ | 1.39% |
| HANG SENG INDEX | 25,473.88 | 387.45 | ▲ | 1.54% |
| Currencies (per NZ\$ 1.00) | | | | |
| | Last | | Change | |
| AUD | 0.9436 | 0.0018 | ▼ | 0.19% |
| USD | 0.6961 | 0.0005 | ▲ | 0.07% |
| CNY | 4.516 | 0.0133 | ▼ | 0.29% |
| EUR | 0.5875 | 0.0014 | ▼ | 0.24% |
| CAD | 0.8716 | 0.0053 | ▼ | 0.60% |
| GBP | 0.5005 | 0.0009 | ▼ | 0.18% |
| JPY | 76.481 | 0.1350 | ▲ | 0.18% |
| US 10 Year Treasury Yield | | | | |
| US 10YR | 1.50% | | | |
| NZ Interest Rates | | | | |
| | Last | | Change | |
| NZ OCR | 0.25 | | | |
| 90-day Bank Bill | 0.41 | | | |
| 5y Bank Bill | 1.20 | | | |
| 10y Bank Bill | 1.64 | | | |
| Swap rate spread close (bps) | 81 | | | |
| Commodities Futures (Spot Price \$USD) | | | | |
| | Last | | Change | |
| Gold | 1,805.90 | 6.10 | ▲ | 0.34% |
| Silver | 25.00 | 0.35 | ▲ | 1.42% |
| Crude Oil | 72.30 | 0.65 | ▲ | 0.91% |

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E-mail: Info@equity.co.nz

Tel: +64 (9)304 0145 / NZ: 0800 474 669