

MORNING REPORT

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Top News

KEY FACTORS IMPACTING KEY OVERSEAS

US stock markets had a broad closing rally despite a choppy session early on, as investors processed quarterly earnings during one of the season's busiest weeks for reports. The Dow Jones Industrial Average and the S&P 500 closed 0.8%, and 0.82% higher, respectively. The S & P closing at a new record led by healthcare, energy, and industrials. The Nasdaq Composite closed 0.55% higher.

European stocks closed at record highs on Tuesday, driven by strong earnings updates from heavyweights such as BP and Societe Generale, although gains were capped by concerns over rising Delta variant cases across the globe and China's continued regulatory moves. The region - wide STOXX 600 index closed 0.2% higher. Travel and leisure stocks tumbled 2.6% with the spread of the Delta variant. Technology stocks were rattled by Chinese officials targetting videogame makers. The world's biggest container shipping company, A.P. Moller-Maersk, fell 2.0% after some analysts saw its outlook as sub par as chaotic conditions in the global supply chain pushed freight rates higher.

In Asia, equities fell across the board. The Nikkei 225 Index closed 0.50% lower, while the Hang Seng Index slipped 0.16% and the Shanghai Composite Index closed 0.47% lower.

Oil dropped 0.91% to \$70.61 per barrel, while gold traded down 0.47% to \$1,813 an ounce.

SOME KEY FACTORS IMPACTING NZX & ASX YESTERDAY

Australian shares fell on Tuesday, led by miners and energy stocks, as the country's central bank stuck to its decision to cut back stimulus, despite heavily - populated centres remaining under lockdowns. The cash rate was kept at 0.1%. The S&P/ASX 200 index fell 0.2% to end at 7,474.5. Mining stocks as a group were down 1%. Rio Tinto, BHP Group and Fortescue Metals fell between 0.6% and 1.6%. The Energy index fell 1.4%, while the Tech index rose 4.4% after Afterpay had another good performance.

In New Zealand, the benchmark NZX 50 index fell 0.02% to 12,700.5, on low turnover of \$105m. Concerns are rising about the slowing Chinese economy, given that about half of China's provinces now have the Delta variant and this may negatively impact our exports to China. The Port of Tauranga Ltd., lost 2.5%, while leading exporters like SKL and ATM closed 2.5% and 1.65% lower. MFT also fell 2.1%. However, despite the concerns about the export sector, some other stocks like THL and FPH increased 2.5% and 1.6% respectively. Infratil's received its settlement of approximately \$2bn for the sale of TILT which they have used to settle all their debt and still remain very cash flush.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	13,865.71	2.87	▼	0.02%
S&P/NZX 50 Portfolio Index	8,041.66	18.27	▼	0.23%
S&P/NZX MidCap Index	35,696.44	172.60	▼	0.48%
S&P/NZX SmallCap Index	91,490.48	221.70	▼	0.24%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,750.50	10.00	▼	0.13%
S&P/ASX 200	7,474.50	16.90	▼	0.23%
ASX Small Ordinaries	3,446.80	6.10	▲	0.18%
S&P/ASX MIDCAP 50	9,150.30	0.60	▲	0.01%
S&P/ASX 20	4,221.90	14.40	▼	0.34%
Foreign Markets Index				
	Last	Change		
S&P 500	4,423.15	35.99	▲	0.82%
Dow Jones Industrial Average	35,116.40	278.24	▲	0.80%
NASDAQ Composite	14,761.29	80.23	▲	0.55%
FTSE 100	7,105.72	24.00	▲	0.34%
ASX All Ordinaries	7,750.50	10.00	▼	0.13%
NIKKEI 225	27,641.83	139.19	▼	0.50%
HANG SENG INDEX	26,194.82	40.98	▼	0.16%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9487	0.0020	▲	0.21%
USD	0.7015	0.0046	▲	0.66%
CNY	4.538	0.0347	▲	0.77%
EUR	0.5912	0.0040	▲	0.68%
CAD	0.8794	0.0075	▲	0.86%
GBP	0.504	0.0020	▲	0.40%
JPY	76.49	0.3135	▲	0.41%
US 10 Year Treasury Yield				
US 10YR	1.18%			
NZ Interest Rates				
	Last			
NZ OCR	0.25			
90-day Bank Bill	0.45			
5y Bank Bill	1.15			
10y Bank Bill	1.53			
Swap rate spread close (bps)	73			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,813.20	9.00	▼	0.49%
Silver	25.60	0.03	▲	0.12%
Crude Oil	70.42	0.84	▼	1.18%

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