

# MORNING REPORT

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## Top News

### KEY FACTORS IMPACTING KEY OVERSEAS

U.S. stock markets closed mixed on Wednesday. The Dow Jones Industrial Average fell 0.92%, while the S&P 500 lost 0.46% and the Nasdaq Composite index rose 0.13%. The July ADP employment report showed private-sector hiring slowed sharply in July, while COVID-19 infections continue to rise. U.S. firms added only 330,000 new workers in July, down from 680,000 in June.

Robinhood Markets Inc. soared past its \$38 IPO price. General Motors Co. become profitable this past quarter and raised its full-year forecast as it continued to prioritize high-margin vehicles amid the global chip shortage. Lyft Inc. ride-hailing company said it had 17.14 million riders last quarter, down from 21.2 million in the first quarter of 2020, however its revenue increased 125% on the previous year. Activision Blizzard Inc. beat Wall Street estimates.

In other overseas markets, indices closed mainly higher. European exchanges closed higher across the board. The German DAX 30 was up 0.88%, France's CAC 40 gaining 0.33% and Britain's FTSE 100 rising 0.26%. In Asia, Hong Kong's Hang Seng index and China's Shanghai Composite advanced 0.88% and 0.85%, respectively, while Japan's Nikkei 225 lost 0.21%.

West Texas Intermediate crude oil fell \$2.415 to \$68.19 a barrel. Gold was marginally up and closed at \$1,810.50 an ounce.

### SOME KEY FACTORS IMPACTING NZX & ASX YESTERDAY

Australian stocks closed at a record high on Wednesday, driven by miners after iron ore prices rose. The S&P/ASX 200 index ended up 0.4% at 7,503.2, with miners adding 1.3% as supply concerns lifted iron ore prices. Rio Tinto, BHP Group and Fortescue Metals Group increased between 1.6% and 2.7%.

Afterpay fell 0.9%, after a two-day strong rally. Some of its peers like Z1P and Sizzle were down 0.6 and 1.4% respectively. The big four banks rose between 0.35 to 1.03%.

The S&P/NZX 50 index closed 0.8% higher at 12,797.29, with top performer a2 Milk Co up 1.9%. The strong jobs data for the second quarter, has again revived bets that monetary policy may be tightened this month. Air New Zealand announced that its fiscal 2022 loss would be bigger than expected due to suspension of a quarantine-free travel arrangement with Australia.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	13,966.56	100.85	▲	0.73%
S&P/NZX 50 Portfolio Index	8,109.57	67.91	▲	0.84%
S&P/NZX MidCap Index	35,961.08	264.63	▲	0.74%
S&P/NZX SmallCap Index	91,240.69	249.70	▼	0.27%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,778.70	28.20	▲	0.36%
S&P/ASX 200	7,503.20	28.70	▲	0.38%
ASX Small Ordinaries	3,456.10	9.30	▲	0.27%
S&P/ASX MIDCAP 50	9,163.70	13.40	▲	0.15%
S&P/ASX 20	4,241.30	19.40	▲	0.46%
Foreign Markets Index				
	Last	Change		
S&P 500	4,402.66	20.49	▼	0.46%
Dow Jones Industrial Average	34,792.67	323.73	▼	0.92%
NASDAQ Composite	14,780.53	19.24	▲	0.13%
FTSE 100	7,123.86	18.14	▲	0.26%
ASX All Ordinaries	7,778.70	28.20	▲	0.36%
NIKKEI 225	27,584.08	57.75	▼	0.21%
HANG SENG INDEX	26,426.55	231.73	▲	0.88%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9544	0.0058	▲	0.61%
USD	0.7044	0.0027	▲	0.38%
CNY	4.5561	0.0150	▲	0.33%
EUR	0.5951	0.0036	▲	0.61%
CAD	0.8837	0.0038	▲	0.43%
GBP	0.5072	0.0029	▲	0.58%
JPY	77.0955	0.5845	▲	0.76%
US 10 Year Treasury Yield				
US 10YR	1.19%			
NZ Interest Rates				
	Last			
NZ OCR	0.25			
90-day Bank Bill	0.46			
5y Bank Bill	1.20			
10y Bank Bill	1.60			
Swap rate spread close (bps)	74			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,814.70	0.60	▲	0.03%
Silver	25.43	0.15	▼	0.59%
Crude Oil	68.01	2.55	▼	3.61%

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