

MORNING REPORT

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Top News

KEY FACTORS IMPACTING KEY OVERSEAS

The July consumer price index showed prices jumped 5.4% on an annual basis, matching June's reading for the fastest increase since August 2008. Prices were up 0.5% month over month, declining from the 0.9% increase in June.

The Dow Jones Industrial Average increased 0.62%, while the S&P 500 went up 0.25%, while the Nasdaq Composite slipped 0.16%. Both the Dow and the S&P closed at all-time highs for a second straight day. The Nasdaq closed below its own record peak. Infrastructure related stocks like Caterpillar Inc. and Nucor Corp., continued to outperform.

Other overseas markets were broadly higher with Britain's FTSE 100 leading the gains in Europe, trading up 0.83%, while France's CAC 40 and Germany's DAX 30 increased 0.55% and 0.35%, respectively. In Asia, Japan's Nikkei 225 climbed 0.65%, Hong Kong's Hang Seng index jumped 0.2% and China's Shanghai Composite edged up 0.08%.

West Texas Intermediate crude oil ticked up 96 cents to \$69.25 a barrel after the White House called on OPEC to increase production to support the economic recovery. Meanwhile, gold rose \$21.60 to \$1,750.40 an ounce.

SOME KEY FACTORS IMPACTING NZX & ASX YESTERDAY

Australian stocks closed at a record high on Wednesday, driven by financials such as Commonwealth Bank of Australia which doubled its dividend pay-out and announced a record \$4.41 billion share buyback. The S&P/ASX 200 index closed 0.3% higher at 7,584.6. Commonwealth Bank of Australia (CBA) closed 1.5% higher after posting a 20% increase in annual profit. The financial sub-index gained 0.9%, with the other "big four" lenders up between 0.9% and 1.2%.

Miners also ended 1.2% higher with both Rio Tinto and BHP Group, both climbing above 1%, as the iron ore price increased marginally after five straight sessions of losses. Gold stocks remained the biggest drag on the main index on concerns over a surge in the Delta variant cases, even though bullion prices edged higher.

In New Zealand, the benchmark S&P/NZX 50 index increased marginally 0.07% to 12,772.9 on turnover of \$298m. The majority of the top 50 stocks closed higher led by POT, up 3%. Logistic stocks also did well with FRE and MFT up 2.2% and 0.8% respectively. Electricity stocks also did well, with MCY and GNE up 2.5% and 2% respectively. However, FPH had a disappointing day, closing 3.5% down.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	13,910.22	16.57	▼	0.12%
S&P/NZX 50 Portfolio Index	8,113.08	27.07	▲	0.33%
S&P/NZX MidCap Index	36,277.44	355.14	▲	0.99%
S&P/NZX SmallCap Index	91,436.22	311.21	▲	0.34%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,854.60	24.20	▲	0.31%
S&P/ASX 200	7,584.30	21.70	▲	0.29%
ASX Small Ordinaries	3,501.40	17.20	▲	0.49%
S&P/ASX MIDCAP 50	9,152.90	13.20	▼	0.14%
S&P/ASX 20	4,292.00	17.20	▲	0.40%
Foreign Markets Index				
	Last	Change		
S&P 500	4,447.70	10.95	▲	0.25%
Dow Jones Industrial Average	35,484.97	220.30	▲	0.62%
NASDAQ Composite	14,765.13	22.95	▼	0.16%
FTSE 100	7,220.14	59.10	▲	0.83%
ASX All Ordinaries	7,854.60	24.20	▲	0.31%
NIKKEI 225	28,070.51	182.36	▲	0.65%
HANG SENG INDEX	26,660.16	54.54	▲	0.20%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.955	0.0012	▲	0.13%
USD	0.7043	0.0034	▲	0.49%
CNY	4.5634	0.0174	▲	0.38%
EUR	0.5998	0.0017	▲	0.28%
CAD	0.8807	0.0032	▲	0.36%
GBP	0.5079	0.0014	▲	0.28%
JPY	77.776	0.2710	▲	0.35%
US 10 Year Treasury Yield				
US 10YR	1.32%			
NZ Interest Rates				
	Last			
NZ OCR	0.25			
90-day Bank Bill	0.47			
5y Bank Bill	1.12			
10y Bank Bill	1.51			
Swap rate spread close (bps)	73			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,753.80	22.10	▲	1.28%
Silver	23.53	0.14	▲	0.59%
Crude Oil	69.37	1.08	▲	1.58%

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