

MORNING REPORT

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Top News

KEY OVERSEAS MARKETS

U.S. stock markets closed mixed Monday as the Dow Jones Industrial Average and the S&P achieved the fifth straight day record highs. The Dow Jones Industrial Average gained 0.31%, and the S&P 500 increased 0.26%, while the Nasdaq Composite slid 0.2%. Chinese linked stocks, including Alibaba Group, JD.com Inc. and Baidu Inc., were under pressure after retail sales and industrial production data in the country slowed sharply.

Other overseas markets were broadly lower. European exchanges were weaker across the board with Britain's FTSE 100 losing 0.9%, France's CAC 40 lower by 0.83% and Germany's DAX 30 0.32% down. In Asia, Japan's Nikkei 225 and Hong Kong's Hang Seng index fell 1.62% and 0.8%, respectively, while China's Shanghai Composite was marginally up 0.03%.

West Texas Intermediate crude oil declined \$1.15 to \$67.29 a barrel and gold edged up \$11.70 to \$1,786.90 an ounce.

NZX & ASX

Australian shares closed lower on Monday, driven by increasing COVID-19 restrictions and an earnings-led selling in heavyweight blue-chip stocks. After Friday's record close, the S&P/ASX 200 index closed 0.6% lower to end at 7,582.5. Sydney recorded its deadliest day of the pandemic on Monday, while Melbourne extended its restrictions.

The ASX 200 Energy index was the biggest drag on the benchmark index, closing 3.4% lower, on falling oil prices. Beach Energy, Bendigo and Adelaide Bank and LendLease Group were the biggest losers on the benchmark, falling between 8 and 10%. The ASX 300 Metals and Mining index fell 1.2%, tracking lower iron ore and copper prices, after data from China showed signs of a slowing Chinese economy. Alkane Resources Ltd dropped 9.2%, while Perenti Global Ltd lost 7.7%.

The big positive was a2 Milk closing 14.8% higher, buoyed by reports that potential acquirers are circling the company. New Zealand's benchmark S&P/NZX 50 index was marginally down 0.3%, closing at 12,720.15 on volume of \$179 million.

ATM was also the star performer on the NZX closing 13% higher, on the back of reports that Nestle were considering a takeover bid. However, the majority of stocks on the NZX were lower. Of the heavy weight stocks, ANZ and Infratil were both down 2.8% and 2.3% respectively. Meridian was also down 2.1%.

Plexure closed 9.3% higher on the back of its acquisition of Task, a payment platform.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	13,883.39	44.73	▼	0.32%
S&P/NZX 50 Portfolio Index	8,122.83	6.85	▼	0.08%
S&P/NZX MidCap Index	36,061.06	228.00	▼	0.63%
S&P/NZX SmallCap Index	91,577.33	241.50	▼	0.26%

ASX Index				
Index	Last		Change	
ASX All Ordinaries	7,849.60	48.10	▼	0.61%
S&P/ASX 200	7,582.50	46.40	▼	0.61%
ASX Small Ordinaries	3,498.20	19.80	▼	0.56%
S&P/ASX MIDCAP 50	9,243.10	58.00	▼	0.62%
S&P/ASX 20	4,266.40	34.60	▼	0.80%

Foreign Markets Index				
	Last		Change	
S&P 500	4,479.71	11.71	▲	0.26%
Dow Jones Industrial Average	35,625.40	110.02	▲	0.31%
NASDAQ Composite	14,793.76	29.13	▼	0.20%
FTSE 100	7,153.98	64.73	▼	0.90%
ASX All Ordinaries	7,849.60	48.10	▼	0.61%
NIKKEI 225	27,523.19	453.96	▼	1.62%
HANG SENG INDEX	26,181.46	210.16	▼	0.80%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9571	0.0013	▲	0.14%
USD	0.7023	0.0020	▼	0.28%
CNY	4.5469	0.0126	▼	0.28%
EUR	0.5963	0.0007	▼	0.12%
CAD	0.8828	0.0009	▲	0.10%
GBP	0.5074	0.0009	▼	0.18%
JPY	76.71	0.5139	▼	0.67%

US 10 Year Treasury Yield	
US 10YR	1.25%

NZ Interest Rates	
	Last
NZ OCR	0.25
90-day Bank Bill	0.67
5y Bank Bill	1.37
10y Bank Bill	1.70
Swap rate spread close (bps)	64

Commodities Futures (Spot Price \$USD)				
	Last		Change	
Gold	1,789.10	10.90	▲	0.61%
Silver	23.85	0.07	▲	0.30%
Crude Oil	67.43	1.01	▼	1.48%

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