

MORNING REPORT

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Top News

KEY OVERSEAS MARKETS

U.S. stock markets closed mixed on Monday with both the S&P 500 and Nasdaq Composite striking all-time highs. The S&P 500 increased 0.43% and the Nasdaq advanced 0.9%, while the Dow Jones Industrial Average dropped 0.16%, ending 225 points below its record peak.

Mega-cap US tech names such as Microsoft Corp. (+1.29%), Apple Inc. (+3.04%) and Alphabet Inc. (0.41%) were all close to record highs as investors capitalised on the likelihood that interest rates would remain near zero for the foreseeable future.

Othe key overseas markets were in the main higher. Britain's FTSE 100 rose 0.32% as Germany's DAX 30 ticked up 0.28% and France's CAC 30 increased 0.08%. Japan's Nikkei rose 0.54% while Hong Kong's Hang Seng index increased 0.52% and China's Shanghai Composite was marginally up 0.17%.

West Texas Intermediate crude oil was trading down 33 cents at US \$68.41 a barrel, while the gold price was down US \$6.60 to close at US \$1810.

ASX AND NZX YESTERDAY

Australian shares ended marginally higher yesterday, led by Fortescue Metals sharp increase of 7%, after the miner reported a record annual profit. However, losses in the big banking stocks capped gains with the big four banks losing between 0.4% and 1.2%. Banks are down due to the risk of double dip recession fears due to the delta waves, as well as global investors selling to avert currency risk The S&P/ASX 200 index rose 0.2% to close at 7,504.5. The broader mining sub-index closed over 3% higher, driven by a jump in iron ore prices. BHP Group and Rio Tinto increased 2.8% and 3.7%, respectively. The gold sub-index rose 2.4% after bullion prices hit a near four-week peak, while slightly higher oil prices led the energy index higher. Investors are worrying about market risk in September as rising inflation and delta waves negatively impact global growth.

In New Zealand, benchmark S&P/NZX 50 ended 0.9% higher to close at 13,180.58. Sky Television Network was the top gainer (+6.0%), after Warner Media extended their partnership ensuring SKY 's access to the popular HBO content. Pacific Edge hit its all-time high (+4.5%), after reporting that it applied for a listing on the ASX. Heartland Bank was also up 4%. ANZ Bank closed 1.2% down. Other poor performers yesterday were ikeGPS (-2.86%), Move (-2.41%), MFB (-2.16%) and AFT (-2.0%).

| NZX Index | | | | |
|--|-----------|--------|---|-------|
| Index | Last | Change | | |
| S&P/NZX All Index | 14,380.51 | 131.46 | ▲ | 0.92% |
| S&P/NZX 50 Index | 13,180.58 | 120.78 | ▲ | 0.92% |
| S&P/NZX MidCap Index | 38,106.42 | 357.86 | ▲ | 0.95% |
| S&P/NZX SmallCap Index | 92,949.58 | 399.34 | ▲ | 0.43% |
| ASX Index | | | | |
| Index | Last | Change | | |
| ASX All Ordinaries | 7,788.60 | 28.50 | ▲ | 0.37% |
| S&P/ASX 200 | 7,504.50 | 16.20 | ▲ | 0.22% |
| ASX Small Ordinaries | 3,534.30 | 28.00 | ▲ | 0.80% |
| S&P/ASX MIDCAP 50 | 9,257.20 | 25.50 | ▲ | 0.28% |
| S&P/ASX 20 | 4,175.10 | 4.90 | ▲ | 0.12% |
| Foreign Markets Index | | | | |
| | Last | Change | | |
| S&P 500 | 4,528.79 | 19.42 | ▲ | 0.43% |
| Dow Jones Industrial Average | 35,399.84 | 55.96 | ▼ | 0.16% |
| NASDAQ Composite | 15,265.89 | 136.39 | ▲ | 0.90% |
| FTSE 100 | 7,148.01 | 23.03 | ▲ | 0.32% |
| ASX All Ordinaries | 7,788.60 | 28.50 | ▲ | 0.37% |
| NIKKEI 225 | 27,789.29 | 148.15 | ▲ | 0.54% |
| HANG SENG INDEX | 25,539.54 | 131.65 | ▲ | 0.52% |
| Currencies (per NZ\$ 1.00) | | | | |
| | Last | Change | | |
| AUD | 0.9596 | 0.0019 | ▲ | 0.20% |
| USD | 0.7002 | 0.0005 | ▲ | 0.07% |
| CNY | 4.5266 | 0.0120 | ▼ | 0.26% |
| EUR | 0.5933 | 0.0001 | ▲ | 0.02% |
| CAD | 0.8826 | 0.0008 | ▼ | 0.09% |
| GBP | 0.5088 | 0.0003 | ▲ | 0.06% |
| JPY | 76.953 | 0.0723 | ▲ | 0.09% |
| US 10 Year Treasury Yield | | | | |
| US 10YR | 1.29% | | | |
| NZ Interest Rates | | | | |
| | Last | | | |
| NZ OCR | 0.25 | | | |
| 90-day Bank Bill | 0.46 | | | |
| 5y Bank Bill | 1.36 | | | |
| 10y Bank Bill | 1.71 | | | |
| Swap rate spread close (bps) | 66 | | | |
| Commodities Futures (Spot Price \$USD) | | | | |
| | Last | Change | | |
| Gold | 1,812.10 | 7.40 | ▼ | 0.41% |
| Silver | 24.06 | 0.06 | ▼ | 0.23% |
| Crude Oil | 69.09 | 0.35 | ▲ | 0.51% |

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