

MORNING REPORT

As at 9.00 a.m. 2021/10/5

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Top News

KEY OVERSEAS MARKETS

U.S. stock markets were under pressure on Monday, with the three main indices declining. The Nasdaq Composite closed 2.15% lower, while the Dow Industrial Average and the S&P 500 fell 0.91% and 1.23%, respectively. These were driven by the stalling of President's Biden's economic agenda and rising inflation concerns. The Democrats in Congress are struggling to achieve consensus on both the bipartisan infrastructure bill and a \$3.5 trillion spending plan. Moderate Democratic Sens. Joe Manchin of West Virginia and Kyrsten Sinema of Arizona came out against the size of the spending package. The 10 - year bond yield was at 1.49%.

Other key overseas markets were choppy with European exchanges closing mixed with Britain's FTSE 100 rising 0.16% while France's CAC 40 and Germany's DAX 30 fell 0.28% and 0.61%, respectively. In Asia, Japan's Nikkei 225 dropped 1.13% and Hong Kong's Hang Seng index declined 2.19%. China's Shanghai Composite was closed for holiday and won't reopen until Friday. The shares of Evergrande Group were suspended in Hong Kong, ahead of a major announcement. Chinese state media Global Times reported Evergrande will sell about 51% of its property services business to the developer Hopson.

West Texas Intermediate crude oil rose \$1.90 to \$77.78 a barrel, while gold increased marginally by \$3 to \$1,761.40 an ounce.

The Australian market closed more than 1% higher on Monday, driven by financials, energy, and gold stocks. The S&P/ASX 200 ended 1.3% up at 7,287.5. Commonwealth Bank of Australia notched its best session in a year and a half and was the top performer yesterday rising 5.1%. National Australia Bank Ltd, Australia and New Zealand Banking Group and Westpac Banking Corp were also up between 1.9% and 2.2%. Consequently, the financials sub- index jumped 2.6%. Energy stocks closed 1.4% higher, with major oil and gas explorers Santos Ltd and Woodside Petroleum ending 1.7% and 1.6% up, respectively.

ASX & NZX

Australia's Minister of Health said yesterday that the Delta outbreak appeared to have levelled off, as vaccination rates approached national targets.

New Zealand's benchmark S&P/NZX 50 index closed 0.4% higher at 13,337.27. Among the large cap stocks, some of the best performers were: AMP (+5.71%), SKT (+3.14%), AIR (+2.74%), GMT (+2.27%), SKC (+2.17%), ANZ (+2.27%), IFT (+1.85%), WBC (+1.96%) and ATM (+1.52%), while among the worst performers in the top 50 large cap stocks were: PEB (-2.67%), BIT (-2.27%), JPG (-1.62%), VHP (-1.30%), TEMP (-1.14%), CEN (-1.07%), FCT (-0.93%), and EBO (-0.94%).

NZX Index				
Index	Last	Change		
S&P/NZX All Index	14,556.06	61.98	▲	0.43%
S&P/NZX 50 Index	13,337.27	58.12	▲	0.44%
S&P/NZX MidCap Index	38,146.15	52.25	▲	0.14%
S&P/NZX SmallCap Index	94,526.31	451.70	▲	0.48%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,576.80	90.20	▲	1.20%
S&P/ASX 200	7,278.50	93.00	▲	1.29%
ASX Small Ordinaries	3,438.60	18.70	▲	0.55%
S&P/ASX MIDCAP 50	9,210.80	121.90	▲	1.34%
S&P/ASX 20	3,997.70	59.00	▲	1.50%
Foreign Markets Index				
	Last	Change		
S&P 500	4,291.20	65.84	▼	1.51%
Dow Jones Industrial Average	33,954.91	371.55	▼	1.08%
NASDAQ Composite	14,210.58	356.11	▼	2.44%
FTSE 100	7,011.01	16.06	▼	0.23%
ASX All Ordinaries	7,576.80	90.20	▲	1.20%
NIKKEI 225	28,444.89	326.18	▼	1.13%
HANG SENG INDEX	24,036.37	539.27	▼	2.19%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9562	0.0002	▼	0.02%
USD	0.6966	0.0025	▲	0.36%
CNY	4.4909	0.0149	▲	0.33%
EUR	0.5995	0.0007	▲	0.12%
CAD	0.8767	0.0010	▼	0.11%
GBP	0.512	0.0004	▼	0.08%
JPY	77.3131	0.3158	▲	0.41%
US 10 Year Treasury Yield				
US 10YR	1.49%			
NZ Interest Rates				
	Last			
NZ OCR	0.25			
90-day Bank Bill	0.61			
5y Bank Bill	1.52			
10y Bank Bill	2.01			
Swap rate spread close (bps)	83			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,766.10	7.70	▲	0.44%
Silver	22.60	0.06	▲	0.28%
Crude Oil	77.67	1.79	▲	2.36%

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