

MORNING REPORT

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Top News

KEY OVERSEAS MARKETS

U.S. stock markets were mixed Thursday, as investors sifted through a flood of earnings reports. The number of Americans filing new claims for unemployment benefits dropped to a 19-month low last week, pointing to a tightening labour market. The Dow Jones Industrial Average slipped 0.16%, while the S&P 500 was marginally up 0.17% and the Nasdaq Composite ended higher by 0.51%. Tesla announced record quarterly revenue and profits. Shares were trading at or close to record highs.

Other key overseas markets were down, with Germany's DAX 30 down 0.06%, France's CAC 40 losing 0.39% and Britain's FTSE 100 declining 0.54%. Japan's Nikkei 225 sank 1.87% and Hong Kong's Hang Seng dipped 0.45%. China's Shanghai Composite closed marginally up 0.22%.

The US 10-year note yield rose to 1.68%, a five-month high, as a tighter labour market pointed to a recovering economy that faces renewed questions about the pace of inflation and whether the Federal Reserve will raise interest rates earlier, than previously indicated. West Texas Intermediate crude oil declined 47 cents to \$82.95 a barrel while gold fell \$1.60 to \$1,783.30 an ounce.

ASX AND NZX

The Australian sharemarket finished flat on the back of weakness from the resources and banking stocks. The benchmark S&P/ASX200 ended marginally lower at 7374.9, while the All Ordinaries ended up at 7690.2. The following heavy weight mining stocks were down: Rio Tinto (-3.25%), BHP (-2.04%), Fortescue (-1.22%) and South 32 (-2.27%). However, OZ Minerals was up 0.69%, due to a rise in copper prices. ANZ eased 0.32%, while NAB slipped 0.49% and Westpac declined 0.39%. CBA was marginally down.

The New Zealand S&P/NZX 50 ended 0.09% higher at 13,125.98, on turnover of \$129 million. The market was supported by rises from both Meridian (+3.5%) and Contact (+0.7%), as South Island hydro storage increased in September. Other large cap stocks that did well were Mainfreight and Ebos, which were up 1.6% and 1.5% respectively. Port of Tauranga also ended 1.2% higher. Exporters remained weak due to a stronger Kiwi dollar. A2 Milk's shares also dropped after reports of a second-class, action which deflated investor appetite yesterday for 2 Milk with its price falling 2.6%, the worst performing big stock yesterday. Both Fisher & Paykel Healthcare and Skellerup declined 1.9% and 1.2% respectively. Restaurant Brands lost 0.8%. Stride Property fell 2.1%.

A new listing namely Greenfern Industries, a medicinal cannabis company was added to the NZX. It listed at \$0.25 and surged to close at \$0.415, a 66% rise on debut!

NZX Index					
Index	Last		Change		
S&P/NZX All Index	14,339.66	9.26	▲	0.06%	
S&P/NZX 50 Index	13,125.98	11.74	▲	0.09%	
S&P/NZX MidCap Index	37,541.90	123.98	▲	0.33%	
S&P/NZX SmallCap Index	95,258.33	400.00	▼	0.42%	
ASX Index					
Index	Last		Change		
ASX All Ordinaries	7,728.50	1.30	▲	0.02%	
S&P/ASX 200	7,415.40	1.70	▲	0.02%	
ASX Small Ordinaries	3,550.50	0.30	▲	0.01%	
S&P/ASX MIDCAP 50	9,404.20	0.70	▲	0.01%	
S&P/ASX 20	4,070.40	8.00	▼	0.20%	
Foreign Markets Index					
	Last		Change		
S&P 500	4,544.11	7.92	▲	0.17%	
Dow Jones Industrial Average	35,551.63	57.71	▼	0.16%	
NASDAQ Composite	15,198.99	77.31	▲	0.51%	
FTSE 100	7,190.30	32.80	▼	0.45%	
ASX All Ordinaries	7,728.50	1.30	▲	0.02%	
NIKKEI 225	28,708.58	546.97	▼	1.87%	
HANG SENG INDEX	26,017.53	118.49	▼	0.45%	
Currencies (per NZ\$ 1.00)					
	Last		Change		
AUD	0.9582	0.0001	▲	0.01%	
USD	0.7152	0.0048	▼	0.67%	
CNY	4.5723	0.0330	▼	0.72%	
EUR	0.6153	0.0029	▼	0.47%	
CAD	0.8852	0.0021	▼	0.24%	
GBP	0.5189	0.0021	▼	0.40%	
JPY	81.5071	0.8578	▼	1.04%	
US 10 Year Treasury Yield					
US 10YR	1.68%				
NZ Interest Rates					
	Last				
NZ OCR	0.50				
90-day Bank Bill	0.68				
5y Bank Bill	1.62				
10y Bank Bill	2.09				
Swap rate spread close (bps)	84				
Commodities Futures (Spot Price \$USD)					
	Last		Change		
Gold	1,784.20	0.70	▼	0.04%	
Silver	24.22	0.23	▼	0.94%	
Crude Oil	82.65	0.77	▼	0.92%	

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