

MORNING REPORT

As at 9.00 a.m. 2021/11/25

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Top News

KEY OVERSEAS MARKETS

U.S. stock markets were mixed at midday Wednesday, following a slew of both disappointing retail earnings and economic reports. A second estimate of 3Q GDP came in at 2.1%, slightly ahead of the previous 2.0% check, but well below the 6.6% growth rate in the second quarter. Durable Goods declined by 0.5%. Prices rocketed by 5% in the year through to October, according to the latest Personal Consumption Expenditures price index data. That topped the previous month's estimates, becoming the strongest increase, since November 1990. Oil was at \$78 per barrel level, after gaining over 2% Tuesday, despite President Biden's mandate to release fifty million barrels from the U.S. strategic reserve to assist a decrease in energy costs. The U.S. 10 – year note was at 1.65% and the 2-year treasury was at 0.642%.

The Dow Jones Industrial Average was lower by 0.14%, while S&P 500 and Nasdaq were higher, with gains of 0.14% and 0.5%, respectively. Financial markets are closed on Thursday for a holiday and on Friday U.S. stocks will trade in a shortened session closing at 1 pm ET.

Other key overseas markets ended Wednesday mixed with FTSE 100 up+0.27%, while the DAX 30 and the CAC were both down 0.37% and 0.03% respectively. The NIKKEI 225 ended 1.58% lower, while and the SHANGHAI COMPOSITE and the HANG SENG closed 0.1% and 0.14% higher.

NZX & ASX

The Australian Market was sluggish and ended lower, with the All Ordinaries closing 0.21% lower at 7725.5 points, while the S&P/ASX 200 ended the day 0.15% lower at 7399.4 points, with declines in tech, materials, and industrials more than offsetting the energy sector's rises. The five worst performers in the S&P/ASX 200 were Zimplats Holdings (-12.66%), Technology One Ltd (-8.61%), Pinnacle Investment Management Group (-5.60%) and Netwealth Group Ltd. (-5.56%). The best five performers in the benchmark index were Lendlease Group (+3.23%), Liontown Resources Ltd. (+2.56%), Beach Energy Ltd. (+2.40%), Santos Ltd. (+2.23%) and Spark Infrastructure Group (+1.77%).

The NZ Reserve Bank lifted the official cash rate (OCR) by 25-basis points to 0.75%, rather than the 50-point hike markets had been expecting. The Reserve Bank is now clearly on a path to slow the economy, as inflation continues to rise. The S&P/NZX 50 ended the day up 0.34%. The best performing stock was VNT, up 28.25%. The top five large cap stock performers were MEL (+3.38%), ARV (+3.09%), POT (+2.23%), FPH (+1.87%) and ANZ (+1.62%). The worst performing large cap stocks were PPH (-4.23%), FBU (-1.73%), SUM (-1.56%) and RYM (-1.44%).

NZX Index				
Index	Last		Change	
S&P/NZX All Index	13,980.30	80.71	▲	0.58%
S&P/NZX 50 Index	12,766.79	78.26	▲	0.62%
S&P/NZX MidCap Index	36,141.41	61.13	▲	0.17%
S&P/NZX SmallCap Index	96,622.58	0.84	▼	0.00%
ASX Index				
Index	Last		Change	
ASX All Ordinaries	7,725.50	16.20	▼	0.21%
S&P/ASX 200	7,399.40	11.20	▼	0.15%
ASX Small Ordinaries	3,509.00	21.80	▼	0.62%
S&P/ASX MIDCAP 50	9,503.20	60.20	▼	0.63%
S&P/ASX 20	4,052.10	4.30	▲	0.11%
Foreign Markets Index				
Index	Last		Change	
S&P 500	4,688.88	1.82	▼	0.04%
Dow Jones Industrial Average	35,736.39	77.41	▼	0.22%
NASDAQ Composite	15,776.88	1.74	▲	0.01%
FTSE 100	7,286.32	19.63	▲	0.27%
ASX All Ordinaries	7,725.50	16.20	▼	0.21%
NIKKEI 225	29,302.66	471.45	▼	1.58%
HANG SENG INDEX	24,685.50	33.92	▲	0.14%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9551	0.0065	▼	0.68%
USD	0.6865	0.0086	▼	1.24%
CNY	4.3883	0.0541	▼	1.22%
EUR	0.6134	0.0044	▼	0.71%
CAD	0.8699	0.0101	▼	1.15%
GBP	0.5151	0.0043	▼	0.83%
JPY	79.2683	0.7581	▼	0.95%
US 10 Year Treasury Yield				
US 10YR	1.64%			
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	1,827.60	10.80	▲	0.59%
Silver	24.58	0.43	▲	1.77%
Crude Oil	81.90	0.63	▲	0.78%

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