

# MORNING REPORT

As at 9.00 a.m. 2021/12/2

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## Top News

### KEY OVERSEAS MARKET

U.S. stocks prices rose Wednesday, recovering back some losses generated by worries over the Omicron variant and the unwinding of Federal Reserve stimulus. The three leading US indices were up overnight, with the Dow Jones Industrial Average, rising 0.6%, while the S&P 500 and Nasdaq Composite ticked up by 0.5% and 0.9%, respectively. Jerome Powell said before Congress that any acceleration of the tapering plans ahead, would not disrupt financial markets. However, the prospect of higher interest rates is diminishing investors' appetite for riskier corners of the stock market, such as growth sectors like technology. OPEC's production on Friday s being keenly anticipated.

In Europe all the leading stock markets were up as follows: FTSE100 (+1.55%), DAX30 (+2.47%), CAC40 (+2.39%) and the STOXX600 (+1.71). In Asia, virtually all markets were up with the South Korean KOSPI and Singapore STI putting in relatively strong performances at 2.14% and 1.87% respectively. The other key Asian markets were mostly up as follows: the Hang Seng (+0.78%), the NIKKEI 225 (+0.41%) and the Shanghai Composite (+0.36%).

The yield on the US 10 -year note was at 1.424%, while the yield on US 2 - year treasuries was at 0.563%. WTI oil rebounded initially to US\$69 a barrel, after dropping sharply on Tuesday, but is currently at US\$65.46 per barrel (- 1.09%). Gold was at US\$1780.40 (+0.22%).

### ASX AND NZX

The Australian market closed lower with the benchmark index the S&P/ASX200 falling 0.14% to 7,245.70. The index has lost 2.08% for the last five days but has gained 10.00% over the year to date. Materials was the best performing sector, gaining +0.65% and +0.85% for the past five days. The bottom performing stocks in this index were G.U.D Holdings and Pro Medicus, down 10.81% and 7.17% respectively. Some other large cap poor performers were Chalice Mining (- 5.72%) IDP Education (-5.66%) and Amp (-4.83%). The All Ords also ended lower declining 0.25% to 7,568.40. Other top ASX 200 stocks were South 32 (+4.25%), Lynas Rare Earth (+3.04%).

The S&P/NZX50 closed 0.44% lower on Wednesday at 12,665.66 points on moderate volume of \$125.57 million. The three top sectors were Financials (+1.49%), Utilities (+0.77%), and Consumer Discretionary (+0.61%). The worst performing sectors were Materials (-2.52%), Communications (-1.42%), Consumer staples (-1.30%) and Healthcare (-1.16%). The worst performing stocks were AMP (-7.21%), ARB (-5.88%), GFI (-5.56%), DGC (-5.47%) and GTK (-4.23%). Other large cap stocks that did poorly were BIT (-2.94%), WBC (-2.49%), ATM (-2.45%), SPK (-2.28%) and ANZ (-2.08%). The best performing counters were SML (+5.31%), TWL (+4.71%), JLG (+3.66%), VCT (+3.11%) and VNT (+2.36%).

NZX Index				
Index	Last	Change		
S&P/NZX All Index	13,934.66	3.12	▲	0.02%
S&P/NZX 50 Index	12,531.66	100.30	▼	0.79%
S&P/NZX MidCap Index	36,045.71	301.79	▲	0.84%
S&P/NZX SmallCap Index	95,862.16	264.40	▼	0.28%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,557.80	29.60	▼	0.39%
S&P/ASX 200	7,235.90	20.10	▼	0.28%
ASX Small Ordinaries	3,439.80	49.60	▼	1.42%
S&P/ASX MIDCAP 50	9,308.40	78.20	▼	0.83%
S&P/ASX 20	3,959.30	6.70	▲	0.17%
Foreign Markets Index				
	Last	Change		
S&P 500	4,594.10	27.10	▲	0.59%
Dow Jones Industrial Average	34,576.57	92.85	▲	0.27%
NASDAQ Composite	15,554.89	17.20	▲	0.11%
FTSE 100	7,168.68	109.23	▲	1.55%
ASX All Ordinaries	7,557.80	29.60	▼	0.39%
NIKKEI 225	27,935.62	113.86	▲	0.41%
HANG SENG INDEX	23,658.92	183.66	▲	0.78%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9584	0.0012	▲	0.13%
USD	0.6818	0.0007	▼	0.10%
CNY	4.3418	0.0018	▼	0.04%
EUR	0.6024	0.0005	▲	0.08%
CAD	0.8744	0.0024	▲	0.28%
GBP	0.5134	0.0003	▲	0.06%
JPY	76.9061	0.3109	▼	0.40%
US 10 Year Treasury Yield				
US 10YR	1.45%			
NZ Interest Rates				
	Last			
NZ OCR	0.75			
90-day Bank Bill	0.80			
5y Bank Bill	2.31			
10y Bank Bill	2.58			
Swap rate spread close (bps)	59.00			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,782.30	5.80	▲	0.33%
Silver	22.31	0.51	▼	2.21%
Crude Oil	65.98	0.20	▼	0.30%

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