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EQUITY INVESTMENT ADVISERS LTD

MORNING REPORT

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Top News

KEY OVERSEAS MARKETS

U.S. stock markets rallied as fears over the omicron Covid-19 variant eased, despite rising inflation and uncertainty over the Federal Reserve's tapering plan. On Monday, the National Association of Business Economists' latest survey indicated inflationary pressures may increase. The NABE panellists forecast that the overall consumer price index will rise 6% year-on-year in the fourth quarter of 2021, compared to September's forecast of 5.1%. CPI inflation is expected to remain high, at least until the end of 2022 at 2.8% year-over-year, compared to September's forecast of 2.4%.
The Consumer Price Index data will be released on Friday.

This morning the Dow Jones Industrial Average was up 1.87%, while the S&P 500 and Nasdaq Composite rose 1.25% and 1.04%, respectively.

Other key markets ended mixed. European stocks closed higher as follows: the FTSE100 (+1.54%), the Dax 30 (+1.39%), CAC 40 (+1.48%) and the STOXX (1.28%). In Asia, the Hang Seng and Shanghai indices were down after troubled Chinese property developer Evergrande warned it may run out of money. In a move to reassure in investors China's central bank cut the amount of funds that banks are required to keep in reserve, which freed 1.2 trillion yuan ($190 billion) for banks to lend. The key Asian indices ended yesterday as follows: Nikkei 225(-0.36%), HSI (-1.76%) and the Shanghai Composite (-0.50%)

The yield on the US 10 - year note was at 1.434%, while the 2 - year note was at 0.635%. Oil also rose to the $69.88 per barrel, up 5.46%. The gold price was at US$1778.50 per ounce, down 0.3%.

ASX AND NZX

The S&P/ASX200 ended Monday just 3.90 points up to 7,245.10 points (+0.054%). The index has been almost flat in the past 5 sessions but gained 9.99% over the last year to date. Six of the eleven sectors ended higher. Utilities was the best performing sector, gaining +1.99%. The top 5 performing stocks in this index were Metcash (7.33%), Silver Lake Resources (+4.55%), APA Group (+4.45%), Mesoblast (+ 4.15%) and Evolution Mining (+3.71%). The 5 worst performers Zip Co (-10.14%), Nearmap Ltd (-7.05%), Points Bet Holdings (-6.99%), Kogan (-6.61%) and Redbubble (-5.69%).

The S&P/NZX 50 closed lower at 12597.81 points down 0.62% on volume of $175.6 million. There were 59 rises and 138 falls. The 3 worst sectors were Utilities (-2.25%), Information Technology (-0.82%), Consumer Staples (-0.61%). The 3 best sectors were Communications Services (+0.50%), Consumer Discretionary (0.20%) and Real Estate Select (+0.18%). The worst 6 stocks were GWC (-14.81%), RAD (-5.26%), NZA (-4.44%), WDT (-4.40%) and GNE and Mel (-3.57%) (-4.22%). The f best performers were PXL (+9.52%), VSL (+5.61%) MPG (+2.78%), PGW (+2.53), (ALF+2.38%) and SKL (2.35%).

NZX Index				
Index	Last	Change		
S&P/NZX All Index	13,800.09	83.10	▼	0.60%
S&P/NZX 50 Index	12,597.81	78.69	▼	0.62%
S&P/NZX MidCap Index	35,878.25	213.50	▼	0.59%
S&P/NZX SmallCap Index	95,614.27	131.10	▼	0.14%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,529.00	14.60	▼	0.19%
S&P/ASX 200	7,245.10	3.90	▲	0.05%
ASX Small Ordinaries	3,329.20	51.40	▼	1.52%
S&P/ASX MIDCAP 50	9,319.40	9.50	▼	0.10%
S&P/ASX 20	3,975.60	7.80	▲	0.20%
Foreign Markets Index				
	Last	Change		
S&P 500	4,595.04	56.61	▲	1.25%
Dow Jones Industrial Average	35,225.66	645.58	▲	1.87%
NASDAQ Composite	15,242.80	157.33	▲	1.04%
FTSE 100	7,232.28	109.96	▲	1.54%
ASX All Ordinaries	7,529.00	14.60	▼	0.19%
NIKKEI 225	27,927.37	102.20	▼	0.36%
HANG SENG INDEX	23,349.38	417.31	▼	1.76%
Currencies (per NZ$ 1.00)				
	Last	Change		
AUD	0.9574	0.0073	▼	0.76%
USD	0.6746			
CNY	4.3011	0.0050	▼	0.12%
EUR	0.598	0.0009	▲	0.15%
CAD	0.8608	0.0060	▼	0.69%
GBP	0.5088	0.0019	▼	0.37%
JPY	76.5702	0.3625	▲	0.48%
US 10 Year Treasury Yield				
US 10YR	1.44%			
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	1,779.70	4.20	▼	0.24%
Silver	22.36	0.12	▼	0.54%
Crude Oil	69.71	3.45	▲	5.21%

Disclaimer: The above information is provided on a best endeavours basis and Equity Investment Advisers Ltd does not accept any liability under any circumstances for errors or omissions. Parties should recheck the information before using it in any decision-making process. Acknowledgements: Equity Investment Advisers (EIA) sincerely expresses its gratitude to the following sources for the contribution of valuable information in the production of EIA morning reports: Yahoo New Zealand, ANZ securities, ASX, Nikkei Indexes, NZX, NYSE, and NASDAQ.

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