

# MORNING REPORT

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## Top News

### KEY FACTORS IMPACTING KEY OVERSEAS

U.S. stocks rose to record highs Thursday, with the Dow Jones Industrial Average, the S&P 500 index and the Nasdaq Composite index up 0.78%, 0.6% and 0.78%, respectively. Both the S&P 500 and the Nasdaq closed at all-time highs, while the Dow finished 80 points below its peak. The initial jobless claims fell to 385,000 in last week of July in line with analyst expectations.

Automaker stocks rose on the back of President Biden's plan to make half of all U.S. passenger vehicles sold by 2030 to be electric. Robinhood Markets Inc. fell over 27% after stating in a filing that existing stockholders will sell up to 97.9 million shares over time. Moderna Inc. reported earnings and revenue that exceeded Wall Street estimates and said its COVID-19 vaccine was 93% effective through the six months following the administration of a second dose. They are expecting to have a booster shot by September.

Other overseas markets were mixed, with Britain's FTSE 100 down 0.05% after the Bank of England kept policy unchanged and warned the U.K.'s economy would face above-target inflation in the near term. Germany's DAX 30 closed 0.33% higher and France's CAC 40 increased 0.52%. In Asia, Japan's Nikkei 225 rose 0.52% while Hong Kong's Hang Seng index and China's Shanghai Composite declined 0.31% and 0.84%, respectively.

### SOME KEY FACTORS IMPACTING NZX & ASX YESTERDAY

Australian stocks closed at a record high on Thursday, led by the banks ahead of next week's earnings from two of the "Big Four" lenders. The S&P/ASX 200 index was marginally higher by 0.1% at 7,511.1.

The "Big Four" banks climbed between 0.2% and 1.2%. Commonwealth Bank of Australia, performing the best. Miners were the biggest losers, falling 1.6%, with Rio Tinto and BHP Group dropping around 1.7% each. Fortescue Metals Group dropped 3.4%. A sharp drop in iron ore prices due to soft Chinese demand impacted the sector. Concerns about the COVID-19 situation also capped gains, with Sydney recording its worst day of the pandemic.

New Zealand's NZX 50 closed 0.3% to 12,753.76. The NZX was disconnected at 3:30pm yesterday and remained in trading halt until the official closing time. Without a closing auction, there were no closing prices yesterday, although most stocks were at lower prices before the trading halt. The stock exchange has decided not to open the cash markets today. Reconnection has resumed. However, it is not yet known, whether trading will commence at the normal opening time.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	13,920.24	46.31	▼	0.33%
S&P/NZX 50 Portfolio Index	8,081.71	27.86	▼	0.34%
S&P/NZX MidCap Index	35,842.53	118.50	▼	0.33%
S&P/NZX SmallCap Index	91,137.73	102.90	▼	0.11%

ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,779.60	0.90	▲	0.01%
S&P/ASX 200	7,511.10	7.90	▲	0.11%
ASX Small Ordinaries	3,446.70	9.40	▼	0.27%
S&P/ASX MIDCAP 50	9,148.20	15.50	▼	0.17%
S&P/ASX 20	4,247.50	6.20	▲	0.15%

Foreign Markets Index				
	Last	Change		
S&P 500	4,429.10	26.44	▲	0.60%
Dow Jones Industrial Average	35,064.25	271.58	▲	0.78%
NASDAQ Composite	14,895.12	114.58	▲	0.78%
FTSE 100	7,120.43	3.43	▼	0.05%
ASX All Ordinaries	7,779.60	0.90	▲	0.01%
NIKKEI 225	27,728.12	144.04	▲	0.52%
HANG SENG INDEX	26,204.69	221.86	▼	0.84%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9534	0.0011	▼	0.12%
USD	0.7055	0.0001	▼	0.01%
CNY	4.5588	0.0054	▲	0.12%
EUR	0.5961	0.0009	▲	0.15%
CAD	0.882	0.0013	▼	0.15%
GBP	0.5065	0.0008	▼	0.16%
JPY	77.44	0.1865	▲	0.24%

US 10 Year Treasury Yield	
US 10YR	1.22%

NZ Interest Rates	
	Last
NZ OCR	0.25
90-day Bank Bill	0.46
5y Bank Bill	1.15
10y Bank Bill	1.52
Swap rate spread close (bps)	74

Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,802.70	7.80	▼	0.43%
Silver	25.18	0.28	▼	1.08%
Crude Oil	69.17	1.02	▲	1.50%

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