

MORNING REPORT

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Top News					
KEY OVERSEAS MARKETS					
<p>US stock markets recouped earlier losses and turned positive, as investors become more optimistic that congressional Democrats and Republicans could reach a deal to avert a government debt default. In the afternoon trade, the Dow Jones Industrial Average rose 0.14% to 34,363.3 points, while the S&P 500 gained 0.25% to 4,356.69. The Nasdaq Composite added 0.43% to 14,495.61. Stocks fell earlier, after private payrolls increased by 568,000 jobs last month. Economists were expecting a rise of 428,000 jobs. The more comprehensive non-farm payrolls data is due on Friday, which is expected to support the case for the Fed's slowing of asset purchases. Oil prices hit multi-year highs early, but retreated later. U.S. gas prices are now sitting at around \$3.21 per gallon across the nation, which is the highest it has been in the last seven years. Some Energy expectit to be \$3.30/gal by the end of the October.</p> <p>European stockwere adversely impacted by sharply rising energy prices. Automakers, retail and travel shares fell more than 2.5% on Wednesday. Concerns that soaring oil and gas will lead to inflation denting economic growth. The pan-European STOXX 600 index fell 1%, losing virtually all of the gains made on Tuesday. Asian equities have been adversely impacted by foreign investors selling due to concerns about China's property sector and expectations that major central banks would raise interest rates soon, as well as about rising inflationary pressures. Bothe The nikkei225 and the Hang Seng were down 1.05% and 0.57%. The Shanghai Composite was up 0.9%.</p>					
NZX AND ASX					
<p>ASX finished more than 0.5% down. The Australian Prudential Regulation Authority yesterday told the big banks, it expects them to increase the so-called serviceability buffer from 2.5% to 3% from the end of October. The serviceability buffer assesses new borrower's ability to make loan repayments, if interest rates rise, or there is a change in their personal circumstances. It is a figure added onto the rate of an existing mortgage. While Australia's RBA does not expect to lift rates until 2024, there is a feeling it could occur earlier, if inflation expectations are exceeded. Financials fell by nearly 1%, while tech ended up by 0.46%, along with energy.</p> <p>The S&P/NZX 50 ended 0.3% lower, at 13,166.44, on turnover of \$162 million following yesterday's NZ Reserve Bank decision to raise the official cash rate for the first time in seven years. Expectations are that that the NZ central bank will gradually increase the cash rate to around 2% by September 2023. Among the larger cap stocks, some of the worst performers were: ATM (-6.31%), CNU (-3.0%), NPH (-1.6%), OCA (-1.42%). Among the large cap stocks the best performers were: SKL (3.18%), PCT (1.51%), MCY (1.49%), KMD (1.29%), and AIR (1.18%)</p>					
NZX Index					
Index	Last	Change			
S&P/NZX All Index	14,375.26	33.09	▼	0.23%	
S&P/NZX 50 Index	13,166.44	33.54	▼	0.25%	
S&P/NZX MidCap Index	37,822.94	3.13	▼	0.01%	
S&P/NZX SmallCap Index	94,130.63	259.54	▲	0.28%	
ASX Index					
Index	Last	Change			
ASX All Ordinaries	7,496.20	40.30	▼	0.53%	
S&P/ASX 200	7,206.50	41.90	▼	0.58%	
ASX Small Ordinaries	3,373.40	29.40	▼	0.86%	
S&P/ASX MIDCAP 50	9,096.50	52.30	▼	0.57%	
S&P/ASX 20	3,959.50	25.90	▼	0.65%	
Foreign Markets Index					
	Last	Change			
S&P 500	4,349.25	3.53	▲	0.08%	
Dow Jones Industrial Average	34,319.39	4.72	▲	0.01%	
NASDAQ Composite	14,454.46	20.63	▲	0.14%	
FTSE 100	6,995.87	81.23	▼	1.15%	
ASX All Ordinaries	7,496.20	40.30	▼	0.53%	
NIKKEI 225	27,528.87	293.25	▼	1.05%	
HANG SENG INDEX	23,966.49	137.66	▼	0.57%	
Currencies (per NZ\$ 1.00)					
	Last	Change			
AUD	0.9508	0.0037	▼	0.39%	
USD	0.6917	0.0043	▼	0.62%	
CNY	4.4589	0.0273	▼	0.61%	
EUR	0.5985	0.0015	▼	0.25%	
CAD	0.8709	0.0045	▼	0.51%	
GBP	0.5091	0.0016	▼	0.31%	
JPY	77.0612	0.5088	▼	0.66%	
US 10 Year Treasury Yield					
US 10YR	1.52%				
NZ Interest Rates					
	Last				
NZ OCR	0.25				
90-day Bank Bill	0.64				
5y Bank Bill	1.50				
10y Bank Bill	1.99				
Swap rate spread close (bps)	81				
Commodities Futures (Spot Price \$USD)					
	Last	Change			
Gold	1,765.00	4.10	▲	0.23%	
Silver	22.69	0.08	▲	0.36%	
Crude Oil	76.94	1.99	▼	2.52%	

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