

# MORNING REPORT

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## Top News

### KEY OVERSEAS MARKETS

US markets have been on a streak and given investors a cause for celebration with the Dow Jones the key US exchanges all finished higher. The Dow Jones Market Data Group reported that the Dow finished up 12585.35 points, or 57.42%, over the last five quarters, making it the largest five-quarter percentage gain since 1976. The S&P saw its greatest five-quarter percentage gain since 1936, 66.27%, over the past five quarters, the Nasdaq has gained 88.36%, up 6803.85 points, in the same period.

On the economic news front the ongoing worker shortage, was a common theme in the day's economic data. Jobless claims continued to decline reaching their lowest level since the pandemic shutdown. Activity at U.S. factories increased at a slightly slower rate according to the Institute for Supply Management's (ISM) purchasing managers' index (PMI). Both the employment and manufacturing data released today supports continued growth but at a slower rate. Friday's jobs report is expected to show payrolls growing by 700,000 and unemployment down to 5.7%. However, too-strong economic data could be a bad thing for markets if it caused the Fed to raise rates faster than expected. After Friday's jobs data, the markets will be looking forward to the second-quarter earnings season set start in a few weeks.

European shares rose on Thursday as investors focused on signs of a steady economic recovery, worrying less about a jump in inflation and the spread of the Delta Covid variant. European STOXX 600 rose 0.6%.

Asian shares were marginally weaker. The Shanghai Composite index closed 0.07% down while CSI300 index was up 0.11% after falling as much as 0.62% earlier. Japan's Nikkei index closed down 0.29%. Hong Kong's stock market is closed yesterday.

### NZX & ASX YESTERDAY

New Zealand's benchmark S&P/NZX 50 index rose 0.2% to 12683.6. Listed property had a good day with Argosy and Stride up 4.5% and 2.9% respectively. Both Ryman and Vital Healthcare closed 2.4%. Auckland Airport was 0.7% lower due to concerns about the Australian lockdowns.

The S&P/ASX 200 index fell 0.65% to 7,265.6 points, closing at its lowest level in more than two weeks, with only gold miners making significant gains as the market concerns increased about extended Covid lockdowns. The key financial sector experienced the biggest losses largest banking group, Commonwealth Bank of Australia sinking up to 1.3%. Energy stocks closed 0.4% lower. In contrast, gold stocks gained the most among sectors, up 2.6%, benefiting from firmer bullion prices.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	13,841.42	33.66	▲	0.24%
S&P/NZX 50 Portfolio Index	8,099.89	36.22	▲	0.45%
S&P/NZX MidCap Index	36,346.78	205.73	▲	0.57%
S&P/NZX SmallCap Index	91,326.04	197.41	▲	0.22%

ASX Index				
Index	Last		Change	
ASX All Ordinaries	7,541.50	43.50	▼	0.57%
S&P/ASX 200	7,265.60	47.40	▼	0.65%
ASX Small Ordinaries	3,365.60	18.00	▼	0.53%
S&P/ASX MIDCAP 50	8,947.40	45.70	▼	0.51%
S&P/ASX 20	4,093.00	27.80	▼	0.67%

Foreign Markets Index				
	Last		Change	
S&P 500	4,319.94	22.44	▲	0.52%
Dow Jones Industrial Average	34,633.53	131.02	▲	0.38%
NASDAQ Composite	14,522.38	18.42	▲	0.13%
FTSE 100	7,125.16	87.69	▲	1.25%
ASX All Ordinaries	7,541.50	43.50	▼	0.57%
NIKKEI 225	28,707.04	84.49	▼	0.29%
HANG SENG INDEX	28,827.95	166.15	▼	0.57%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.933	0.0011	▲	0.12%
USD	0.6965	0.0016	▼	0.23%
CNY	4.5054	0.0038	▼	0.08%
EUR	0.5879	0.0015	▼	0.25%
CAD	0.8664	0.0001	▲	0.01%
GBP	0.5062	0.0012	▲	0.24%
JPY	77.699	0.1390	▲	0.18%

US 10 Year Treasury Yield	
US 10YR	1.50%

NZ Interest Rates	
	Last
NZ OCR	0.25
90-day Bank Bill	0.26
5y Bank Bill	0.34
10y Bank Bill	0.70
Swap rate spread close (bps)	58

Commodities Futures (Spot Price \$USD)				
	Last		Change	
Gold	1,777.40	5.80	▲	0.33%
Silver	26.16	0.04	▼	0.15%
Crude Oil	74.98	1.51	▲	2.06%

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