

MORNING REPORT

As at 9.00 a.m. 3/08/2021

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Top News

KEY FACTORS IMPACTING KEY OVERSEAS

U.S. equity markets closed mixed Monday. The Dow Jones Industrial Average and the S&P 500 index slipped 0.28% and 0.18% respectively, while the Nasdaq Composite ticked up 0.06%. The Senate on Sunday unveiled a \$1 trillion bipartisan infrastructure plan that would provide cash for roads, bridges, broadband and other infrastructure.

Strong acquisitions and mergers continue with Square Inc., agreeing to acquire Australia-based Afterpay for about \$29 billion in an all-stock deal. Foot Locker Inc. said it would buy two smaller shoe retailers for a total of about \$1.1 billion. The defence company has agreed to buy British rival Meggitt for 6.3 billion pounds (\$8.8 billion).

Other overseas markets were stronger across the board. France's CAC 40 was up 0.95%, while Britain's FTSE 100 and Germany's DAX 30 were higher by 0.7% and 0.16%, respectively.

In Asia, China's Shanghai Composite index rose 1.97%, Japan's Nikkei 225 advanced 1.82% and Hong Kong's Hang Seng index rose 1.06%.

West Texas Intermediate crude oil fell \$2.69 to \$71.26 barrel and gold was marginally up to \$1,818.10 per ounce.

SOME KEY FACTORS IMPACTING NZX & ASX YESTERDAY

Australian stocks jumped to a record close on Monday, with buy-now-pay-later giant Afterpay leading the charge after it agreed to a \$29 billion buyout by Square Inc. The benchmark ASX 200 index closed 1.3% higher at 7,491.4. The market expects more acquisition activity and listings in the BNPL space. Tech stocks jumped 6.5% in their best session since late March 2020, while financials rose 1.9% to their highest close since June 22, with all the "Big Four" banks in positive territory. Australia's No.2 BNPL firm, Zip Co Ltd, closed 9% higher. Even the oil and energy sector saw significant acquisitions and merger activity with Santos Ltd. reaching an agreement with Oil Search in a take-over bid. Mining stocks were mixed. The Australian market is now expecting the central bank to reverse last month's decision to taper its bond buying programme.

New Zealand's NZX 50 climbed 0.9% to 12,702.97, with logistics firm Mainfreight Ltd., being best performer among the top 50, rising 3.5%. TLL was also up 10.39%. Other positive performers were ATM, MCY and FPH up 2.7%, 2.3% and 2.0% respectively.

VTL, RBD and AIA closed 2.6%, 2.1% and 1.8% lower respectively. Other poor performers were BLT, MHM and SCL 5.3%, 4.6% and 1.96% down respectively.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	13,868.58	114.28	▲	0.83%
S&P/NZX 50 Index	12,703.00	1,048.87	▲	0.90%
S&P/NZX MidCap Index	35,869.11	108.31	▲	0.30%
S&P/NZX SmallCap Index	91,712.22	338.67	▲	0.37%

ASX Index				
Index	Last		Change	
ASX All Ordinaries	7,760.50	96.30	▲	1.26%
S&P/ASX 200	7,491.40	98.80	▲	1.34%
ASX Small Ordinaries	3,440.70	34.40	▲	1.01%
S&P/ASX MIDCAP 50	9,149.70	102.50	▲	1.13%
S&P/ASX 20	4,236.30	62.90	▲	1.51%

Foreign Markets Index				
	Last		Change	
S&P 500	4,387.16	8.10	▼	0.18%
Dow Jones Industrial Average	34,838.16	97.31	▼	0.28%
NASDAQ Composite	14,681.07	8.39	▲	0.06%
FTSE 100	7,081.72	49.42	▲	0.70%
ASX All Ordinaries	7,760.50	96.30	▲	1.26%
NIKKEI 225	27,781.02	497.43	▲	1.82%
HANG SENG INDEX	26,235.80	274.77	▲	1.06%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.947	0.0028	▼	0.29%
USD	0.6975	0.0008	▲	0.11%
CNY	4.5032	0.0050	▼	0.11%
EUR	0.5873	0.0001	▲	0.02%
CAD	0.8721	0.0042	▲	0.48%
GBP	0.5022	0.0011	▲	0.22%
JPY	76.24	0.1820	▼	0.24%

US 10 Year Treasury Yield	
US 10YR	1.18%

NZ Interest Rates	
	Last
NZ OCR	0.25
90-day Bank Bill	0.46
5y Bank Bill	1.15
10y Bank Bill	1.54
Swap rate spread close (bps)	72

Commodities Futures (Spot Price \$USD)				
	Last		Change	
Gold	1,816.80	0.40	▼	0.02%
Silver	25.46	0.09	▼	0.34%
Crude Oil	71.49	2.46	▼	3.33%

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