



MORNING REPORT

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Top News

Kiwi gets lift from Chinese March PMI data

The New Zealand dollar was back above 68 cents early Monday after Chinese March official manufacturing data was better than expected.

Chinese March official manufacturing PMI was 50.5 in March versus an expected 49.7.

Kelleher said the main focus for global markets, however, is Brexit after UK Prime Minister Theresa May's departure plan was rejected a third time. MPs last week rejected the European Union's withdrawal agreement by 58 votes..

According to ANZ FX/rates strategist Sandeep Parekh, the uncertainty created by the ongoing stalemate in the House of Commons has raised concerns that the UK is set to crash out of the EU on 12 April.

It was at 95.90 Australian cents from 95.49 and Parekh said this week's Reserve Bank of Australian cash rate decision will provide "meaningful direction" for the Aussie. Today's NAB business confidence data will also be closely watched.

NZX50 delivers 12% gain in March quarter as low rates spur demand for yield

The S&P/NZX 50 Index climbed almost 12 percent to end the March quarter at a record, as a late tailwind from the Reserve Bank's bias towards lower rates spurred demand for companies with reliable dividends such as Meridian Energy and Genesis Energy.

Reserve Bank governor Adrian Orr this week indicated the next move for the official cash rate will be down, triggering a surge in demand for New Zealand equities as investors sought reliable returns from companies with relatively high dividend yields. That typically includes utilities such as power companies and real estate investors. The country's electricity generator-retailers spent much of the week hitting new highs.

Cinema software analytics firm Vista Group International, which generates most of its income overseas, was the best performer in the quarter, up 30 percent at \$4.88, while A2 Milk rose 28 percent to \$14.31. Meridian at \$4.185 and Genesis at \$3.22 were up 28 percent and 24 percent respectively, while telecommunications network operator Chorus gained 22 percent to \$5.90 in the March quarter.

Greg Smith, head of research at Fat Prophets, said the low rate environment and the weaker currency was a boon for exporters, who generate bigger returns from export receipts when the kiwi declines.

Exporter Sanford led the market higher today, up 3.8 percent at \$7.06, while Pushpay Holdings rose 3.6 percent to \$3.21. Contact Energy gained 3.3 percent to \$6.94 and utilities software developer Gentrack rose 3.2 percent to \$4.90.

Spark New Zealand was the most traded stock with a volume of 4.4 million shares. It fell 0.5 percent to \$3.80 today. The telecommunications company today said it was seeking a content partner for its Lightbox service.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	10,649.69	80.03	▲	0.76%
S&P/NZX 50 Index	9,844.95	78.76	▲	0.81%
S&P/NZX MidCap Index	28,111.26	240.72	▲	0.86%
S&P/NZX SmallCap Index	57,626.94	148.36	▼	0.26%
S&P/NZAX All Index	595.46	1.01	▲	0.17%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,261.70	5.20	▲	0.08%
S&P/ASX 200	6,180.70	4.60	▲	0.07%
ASX Small Ordinaries	2,744.70	5.70	▲	0.21%
S&P/ASX MIDCAP 50	6,617.10	5.30	▲	0.08%
S&P/ASX 20	3,450.60	3.80	▲	0.11%
Foreign Markets Index				
	Last	Change		
S&P 500	2,834.40	18.96	▲	0.67%
Dow Jones Industrial Average	25,928.68	211.18	▲	0.82%
NASDAQ Composite	7,729.32	60.15	▲	0.78%
DAX PERFORMANCE-INDEX	11,526.04	97.84	▲	0.86%
ASX All Ordinaries	6,261.70	5.20	▲	0.08%
NIKKEI 225	21,205.81	172.01	▲	0.82%
HANG SENG INDEX	29,051.36	276.15	▲	0.96%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9580	0.0008	▼	0.08%
USD	0.6829	0.0025	▲	0.37%
CNY	4.5760	0.0050	▲	0.11%
EUR	0.6081	0.0016	▲	0.26%
CAD	0.9111	0.0036	▲	0.40%
GBP	0.5239	0.0023	▲	0.44%
JPY	75.8050	0.3800	▲	0.50%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.85			
5-year Swap	1.77			
10-year Swap	2.16			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,297.00	1.70	▲	0.13%
Silver	15.10	0.13	▲	0.85%
Crude Oil	60.18	0.88	▲	1.48%

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