



MORNING REPORT

As at 8.50 AM 1/10/2019

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Top News

Firm start to the week as A2 drives NZ shares higher

NZ dollar hits 4-year low as White House downplays de-listing Chinese firms

New Zealand shares edged higher today led by A2 Milk, while retirement village stocks were among the day's gainers.

The S&P/NZX50 Index increased 89.12 points, or 0.8 percent, to 10,925.62. Within the index, 41 stocks rose, 8 fell, and one was unchanged. Turnover was \$153.8 million, with just 12 stocks trading on volumes of more than a million shares.

"There's been a reasonable start to the week, and a lot of that improvement relates to upside in A2 Milk," said Grant Williamson, an investment adviser at Hamilton Hindin Greene.

Shares in the milk marketing company were up by 1.4 percent to \$13.26 on a volume of 1.1 million shares.

"It has been under some selling pressure so there is some bargaining hunting," Williamson added.

Shares in Spark were up by 2 cents or 0.5 percent to \$4.41 off a volume of 2.8 million, as investors liked the yield of the telecom company, Williamson said.

Shares in Sky Network Television fell as it indicated it would need shareholders to approve a plan to extend its Sanzaar rugby rights. Its share price fell by 0.9 percent to \$1.12 on a volume of 1.3 million.

NZ dollar hits 4-year low as White House downplays de-listing Chinese firms

The New Zealand dollar hit a four-year low as the greenback was buoyed when concerns over the ongoing US-China trade war were allayed by the White House playing down reports that it was considering de-listing Chinese firms from the US stock exchange.

The kiwi fell as low as 62.50 US cents, and was trading at 62.62 cents at 8am in Wellington from 62.66 cents at 5pm yesterday. The trade-weighted index was at 69.89 from 69.97.

Stocks on Wall Street rose and the greenback remained strong after White House trade adviser Peter Navarro dismissed reports that the US administration is considering de-listing Chinese firms to limit their access to US investment. The US dollar strength came at a time when the kiwi was already under pressure from yesterday's weak business confidence reading in spite of the Reserve Bank's efforts to revive investment by cutting the official cash rate to 1 percent.

"We remain of the view that the RBNZ's growth forecasts are too optimistic and expect further OCR cuts in November and February," Bank of New Zealand interest rate strategist Nick Smyth said in a note.

"The NZ dollar has underperformed over the past 24 hours and it is the second weakest currency in the G10, above only the Swedish krona."

NZX Index				
Index	Last	Change		
S&P/NZX All Index	11,789.37	90.48	▲	0.77%
S&P/NZX 50 Index	10,925.62	89.12	▲	0.82%
S&P/NZX MidCap Index	31,325.44	233.33	▲	0.75%
S&P/NZX SmallCap Index	61,674.06	250.44	▼	0.40%

ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,800.60	23.50	▼	0.34%
S&P/ASX 200	6,688.30	27.80	▼	0.41%
ASX Small Ordinaries	2,894.30	3.70	▲	0.13%
S&P/ASX MIDCAP 50	7,057.00	36.80	▼	0.52%
S&P/ASX 20	3,714.00	15.50	▼	0.42%

Foreign Markets Index				
	Last	Change		
S&P 500	2,976.62	14.83	▲	0.50%
Dow Jones	26,935.27	115.02	▲	0.43%
NASDAQ Composite	7,992.21	52.58	▲	0.66%
DAX	12,428.08	47.14	▲	0.38%
ASX All Ordinaries	6,800.60	23.50	▼	0.34%
NIKKEI 225	21,755.84	123.06	▼	0.56%
HANG SENG INDEX	26,092.27	137.46	▲	0.53%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9276	-0.0026	▼	0.28%
USD	0.63	-0.0027	▼	0.43%
CNY	4.4770	-0.0080	▼	0.18%
EUR	0.57	-0.0003	▼	0.05%
CAD	0.8289	-0.0039	▼	0.47%
GBP	0.51	-0.0020	▼	0.39%
JPY	67.6810	-0.2240	▼	0.33%

NZ Interest Rates		
	Last	Change
NZ OCR	1.00	
3m Bank Bill	1.15	
5y Swap	0.94	
10y Swap	1.21	

Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,480.30	26.10	▼	1.73%
Silver	17.11	0.54	▼	3.04%
Crude Oil	54.23	1.68	▼	3.00%

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