

# MORNING REPORT

As at 8.58 AM 3/10/2019

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## Top News

### NZ shares fell on concerns about stalling global growth

New Zealand shares played follow-the-leader, following Wall Street lower after poor US manufacturing data highlighted the risks to the global economy.

The benchmark S&P/NZX 50 Index fell 45.35 points, or 0.4 percent, to 10,951.64. Within the index, 10 stocks rose, 34 fell and 6 were unchanged. Turnover was \$121.7 million.

The broad measure of US stocks, the S&P 500 Index, shed 1.23 percent overnight and markets throughout Asia were following it lower today.

The US Institute for Supply Management's factory index fell in September to its lowest level since June 2009 and followed disappointing manufacturing data from Europe and China, suggesting the US-China trade war is denting world growth.

New Zealand equities manager at JB Were, Rickey Ward, says trading today was quiet because of school holidays and because those at work are busy writing their September quarter reports.

Some of the larger, high-yielding blue chip stocks that pay steady dividends and have been benefiting from falling interest rates led the market lower such as Goodman Property Trust, Contact Energy and Meridian Energy with strong volumes traded.

Goodman units fell 1 cent, or 0.45 percent, to \$2.21 with more than 3 million shares traded, making it the most heavily traded stock today. But its shares are still up more than 44 percent in the past 12 months compared with the NZX 50's 17 percent gain.

### NZ dollar benefits from weaker-than-expected US jobs data

The New Zealand dollar was higher as a slowdown in US monthly private-sector hiring added to concerns about the health of the world's largest economy.

The kiwi was trading at 62.69 US cents at 7:50 am in Wellington versus 62.46 cents at 5:30 pm yesterday. The trade-weighted index was at 70.14 from 69.84.

The greenback – already under pressure after weak manufacturing data the previous day – took a further tumble when hiring by US private firms slowed further in September, with private employers adding 135,000 jobs, the ADP National Employment report showed.

Also, data for August was revised downward to show private payrolls increasing by 157,000 jobs instead of the previously reported 195,000 positions.

"The job market has shown signs of a slowdown," said Ahu Yildirmaz, vice president and co-head of the ADP Research Institute in a statement. "The average monthly job growth for the past three months is 145,000, down from 214,000 for the same time period last year."

Mark Zandi, chief economist of Moody's Analytics, said, "businesses have turned more cautious in their hiring."

NZX Index			
Index	Last	Change	
S&P/NZX All Index	11,820.32	46.11	▼ 0.39%
S&P/NZX 50 Index	10,951.64	45.35	▼ 0.41%
S&P/NZX MidCap Index	31,268.65	80.80	▼ 0.26%
S&P/NZX SmallCap Index	61,617.59	163.47	▼ 0.26%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,753.30	99.70	▼ 1.45%
S&P/ASX 200	6,639.90	102.90	▼ 1.53%
ASX Small Ordinaries	2,875.10	44.60	▼ 1.53%
S&P/ASX MIDCAP 50	7,023.00	114.70	▼ 1.61%
S&P/ASX 20	3,678.00	62.10	▼ 1.66%

Foreign Markets Index			
	Last	Change	
S&P 500	2,888.54	51.71	▼ 1.76%
Dow Jones	26,087.72	485.32	▼ 1.83%
NASDAQ Composite	7,788.65	120.04	▼ 1.52%
DAX	11,925.25	338.58	▼ 2.76%
ASX All Ordinaries	6,753.30	99.70	▼ 1.45%
NIKKEI 225	21,778.61	106.63	▼ 0.49%
HANG SENG INDEX	26,042.69	49.58	▼ 0.19%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9349	0.0039	▲ 0.42%
USD	0.63	0.0030	▲ 0.48%
CNY	4.4690	0.0070	▲ 0.16%
EUR	0.57	0.0012	▲ 0.21%
CAD	0.8351	0.0097	▲ 1.16%
GBP	0.51	0.0024	▲ 0.47%
JPY	67.2135	-0.0365	▼ 0.05%

NZ Interest Rates		
	Last	Change
NZ OCR	1.00	
3m Bank Bill	1.09	
5y Swap	0.89	
10y Swap	1.19	

Commodities Futures (Spot Price \$USD)			
	Last	Change	
Gold	1,505.70	16.70	▲ 1.12%
Silver	17.61	0.31	▲ 1.81%
Crude Oil	52.59	1.03	▼ 1.92%

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