



## MORNING REPORT

As at 9.15 AM 6/11/2019

Web: [www.equity.co.nz](http://www.equity.co.nz) / E-mail: [Info@equity.co.nz](mailto:Info@equity.co.nz) / Tel: +64 (9)304 0145 / Address: Level 7, 12-26 Swanson Street, Auckland, NZ

### Top News

#### NZD dips after robust US data

The New Zealand dollar dipped ahead of local jobs data after a lift in US non-manufacturing data eased fears that manufacturing weakness is spreading to the services sector.

The kiwi was trading at 63.82 US cents at 8am versus 64.07 cents at 5pm in Wellington. The trade-weighted index was at 70.29 points from 70.57.

The greenback got a lift when economic activity in the non-manufacturing sector grew in October for the 117th consecutive month, according to the latest report from the country's Institute for Supply Management. It rose to 54.7 from 52.6 and business activity, new orders and employment all rose.

Some of the kiwi's losses were pared after the strong overnight dairy auction. Global dairy prices lifted 3.7 percent with whole milk powder prices up 3.6 percent to an average US\$3,254 a tonne.

The market's focus will now shift to domestic jobs data said Parekh. He said ANZ is expecting an unemployment rate of 4.2 percent and annual wage growth to hold steady at 2.2 percent.

#### NZ shares nudge up amid growing optimism over US-China trade

New Zealand shares joined a rally across Asia as investors remained confident that US and China will end their protracted trade war. Fletcher Building led the market higher as the stock continued its recovery this month.

International equity markets were broadly stronger, with Hong Kong's Hang Seng up 0.5 percent in afternoon trading, Australia's S&P/ASX 200 Index rose 0.2 percent, and Singapore's Straits Times Index advanced 0.4 percent. Investors have been more upbeat about the US and China trade dispute, and Chinese President Xi Jinping today added to that sentiment by saying more needs to be done to bring down trade protections.

New Zealand and China reached a deal to upgrade their existing free trade agreement yesterday, however, that didn't spur on the local market today, which has a large number of domestically focused firms, such as power and telecommunications utilities and property firms.

Fletcher Building led the market higher, up 3.2 percent at \$4.85 on a volume of 2.3 million shares, more than its 90-day average of 1.6 million. The stock has gained 5.9 percent so far this month, having been sold down through October on the expectation that it would be removed from the MSCI New Zealand Index.

A2 Milk fell 1.5 percent to \$12.76 and supplier Synlait Milk was down 0.7 percent at \$9.40. Williamson said A2 had been under pressure since its last trading update, and that investors were hoping the next one would be better. The milk marketing firm was a major beneficiary at last year's online Singles Day sales in China, and next week's event could prove to be another boon for the company.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	11,733.85	45.93	▲	0.39%
S&P/NZX 50 Index	10,841.54	39.99	▲	0.37%
S&P/NZX MidCap Index	31,165.91	102.57	▲	0.33%
S&P/NZX SmallCap Index	63,943.50	288.81	▲	0.45%

ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,811.60	11.80	▲	0.17%
S&P/ASX 200	6,697.10	10.20	▲	0.15%
ASX Small Ordinaries	2,917.00	2.70	▼	0.09%
S&P/ASX MIDCAP 50	7,080.60	1.80	▲	0.03%
S&P/ASX 20	3,686.70	8.00	▲	0.22%

Foreign Markets Index				
	Last	Change		
S&P 500	3,077.52	0.75	▼	0.02%
Dow Jones Industrial Average	27,525.37	63.26	▲	0.23%
NASDAQ Composite	8,444.09	10.89	▲	0.13%
DAX PERFORMANCE-INDEX	13,148.50	12.22	▲	0.09%
ASX All Ordinaries	6,811.60	11.80	▲	0.17%
NIKKEI 225	23,251.99	401.22	▲	1.76%
HANG SENG INDEX	27,683.40	136.10	▲	0.49%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9259	-0.0038	▼	0.41%
USD	0.64	-0.0022	▼	0.34%
CNY	4.4720	-0.0250	▼	0.56%
EUR	0.58	0.0014	▲	0.24%
CAD	0.8395	-0.0025	▼	0.30%
GBP	0.50	-0.0017	▼	0.34%
JPY	69.6820	0.1785	▲	0.26%

NZ Interest Rates				
	Last	Change		
NZ OCR	1.00			
3m Bank Bill	1.14			
5y Swap	1.18			
10y Swap	1.50			

Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,485.50	25.60	▼	1.69%
Silver	17.61	0.46	▼	2.52%
Crude Oil	57.18	0.64	▲	1.13%

Disclaimer: The above information is provided on a best endeavours basis and Equity Investment Advisers Ltd does not accept any liability under any circumstances for errors or omissions. Parties should recheck the information before using it in any decision-making process. Acknowledgements: Equity Investment Advisers (EIA) sincerely expresses its gratitude to the following sources for the contribution of valuable information in the production of EIA morning reports: Yahoo New Zealand, ANZ securities, ASX, Nikkei Indexes, NZX, NYSE, NASDAQ, business desk.

**Do you need to make any changes to your portfolio?**  
[www.equity.co.nz](http://www.equity.co.nz) E-mail: [Info@equity.co.nz](mailto:Info@equity.co.nz)

Contact Equity Investment Advisers today.  
Tel: +64 (9)304 0145 / NZ: 0800 474 669