



MORNING REPORT

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Top News

NZ dollar holds gains against greenback; eyes on US jobs data

The New Zealand dollar remained firm but largely range-bound with pending US jobs data capping some of the risk appetite gained on news that US-Mexico tariffs may be delayed.

Markets were cheered after Bloomberg cited unidentified sources saying that US President Donald Trump could delay the tariffs he had threatened to put on Mexican goods as soon as Monday. Investors, however, were cautious after Trump said he would decide whether to carry out his threat to hit Beijing with tariffs on at least US\$300 billion in Chinese goods after a meeting of leaders of the world's largest economies later this month.

The kiwi was also helped as some US data weighed on the greenback. The US April trade deficit narrowed but both exports and imports were weaker. ANZ Bank FX/rates strategist Sandeep Parekh said the focus will now be on the US non-farm payrolls data, due later in the global trading day.

Capital Economics is expecting a 190,000 gain in non-farm jobs. "That said, the weak ADP employment report released on Wednesday suggests the risks to that forecast lie firmly to the downside." It also expects a small lift in the unemployment rate to 3.7 percent in May, from 3.6 percent.

NZ shares gain as growth stocks recover; Comvita bounces

New Zealand shares rose, led by growth stocks Synlait Milk and Fisher & Paykel Healthcare. Comvita soared on news its former chief executive will put its under-performing units under the microscope.

Synlait led the market higher, up 2.5 percent at \$8.75 on a volume of 189,000 shares, slightly more than its 90-day average of 121,000 shares. The gain ended four straight declines, rising from a six-month low. The milk processor often tracks with A2 Milk, which it supplies, but has also been beset by a covenant that may prevent it from opening a second factory. A2 was up 0.2 percent at \$14.28.

Among other growth stocks lifting the index higher, Fisher & Paykel Healthcare rose 2.4 percent to \$15.45, and Tourism Holdings was up 1.9 percent at \$3.82. Gentrack Group increased 1.2 percent, or 6 cents, to \$5.30 after shedding rights to a 5 cent dividend.

Outside the benchmark index, Comvita soared 13 percent to \$3.52, extending a recovery from a five-year low. Chief executive Scott Coulter today signalled his exit, and former CEO Brett Hewlett will take on a temporary executive role to run the ruler of the honey products maker's under-performing units.

NZX was unchanged at \$1.05 on an unusually large volume of 1.5 million shares after its Smartshares unit listed eight new exchange-traded funds. Among the ETFs, which are backed by global asset manager BlackRock, were two thematic funds. The Smartshares Health Innovation Fund rose 0.9 percent to \$2.33, while the Smartshares Automation and Robotics ETF increased 0.9 percent to \$2.70.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	10,796.18	25.00	▲	0.23%
S&P/NZX 50 Index	9,987.00	22.44	▲	0.23%
S&P/NZX MidCap Index	28,603.11	5.93	▼	0.02%
S&P/NZX SmallCap Index	59,245.72	295.38	▲	0.50%
S&P/NZAX All Index	552.34	0.01	▲	0.00%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,466.40	22.80	▲	0.35%
S&P/ASX 200	6,383.00	24.50	▲	0.39%
ASX Small Ordinaries	2,765.40	7.60	▲	0.28%
S&P/ASX MIDCAP 50	6,700.10	32.20	▲	0.48%
S&P/ASX 20	3,580.10	3.30	▲	0.09%
Foreign Markets Index				
	Last	Change		
S&P 500	2,843.49	17.34	▲	0.61%
Dow Jones Industrial Average	25,720.66	181.09	▲	0.71%
NASDAQ Composite	7,615.55	40.08	▲	0.53%
DAX PERFORMANCE-INDEX	11,953.14	27.67	▼	0.23%
ASX All Ordinaries	6,466.40	22.80	▲	0.35%
NIKKEI 225	20,774.04	2.06	▼	0.01%
HANG SENG INDEX	26,965.28	69.84	▲	0.26%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9491	0.0001	▲	0.01%
USD	0.66	0.0006	▲	0.09%
CNY	4.5760	0.0000	▲	0.00%
EUR	0.59	0.0001	▲	0.02%
CAD	0.8849	-0.0029	▼	0.33%
GBP	0.52	0.0001	▲	0.02%
JPY	71.7895	0.0495	▲	0.07%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.50			
3m Bank Bill	1.63			
5y Swap	1.54			
10y Swap	1.92			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,339.80	6.20	▲	0.46%
Silver	14.88	0.08	▲	0.57%
Crude Oil	53.11	1.43	▲	2.77%

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