



MORNING REPORT

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Top News

NZD dollar tad higher after Fed minutes, mild US inflation

The New Zealand dollar firmed against the US dollar after minutes from the latest Federal Reserve policy meeting underscored the US central bank will remain patient when it comes to any change in interest rates.

The minutes came on the heels of US inflation data, which was slightly weaker than expected, adding to the pressure on the greenback. March core inflation was 2 percent higher than a year earlier, against economist expectations of 2.1 percent.

Domestically, investors will be watching for New Zealand's food price index, which is the last piece of data that feeds into next week's inflation data. China's inflation data is also due later today.

The kiwi was at 94.30 Australian cents from 94.56 cents at 5pm yesterday. It was at 51.63 British pence from 51.66, at 59.96 euro cents from 59.93, 75 Japanese yen from 74.99 yen and 4.5395 Chinese yuan from 4.5313.

NZ shares fall as yield appeal dims; retirement stocks extend decline

New Zealand shares fell as the attraction of yield stocks lost their lustre now most have shed rights to dividends. Retirement village operators such as Metlifecare and Ryman Healthcare extended their decline.

The S&P/NZX 50 index dropped for a sixth session, down 79.34 points, or 0.8 percent, at 9,707.96. Within the index, 31 stocks fell, 14 gained, and five were unchanged. Turnover was \$150.4 million.

Stocks across Asia were broadly weaker, following Wall Street's lead, as ongoing trade tensions between the US and China and a downgraded global growth outlook from the International Monetary Fund kept investors uneasy.

Property and utilities stocks, which typically pay reliable dividends, were the most traded stocks. A number of companies gave up recent gains after shedding rights to their recently announced dividend payments.

Several of those yield plays have been trading near records as investors who would usually seek stable returns in corporate bonds have sought higher returns in the low interest rate environment. The NZX50's average dividend yield of 4.83 percent is the third highest across Asia-Pacific benchmark indices tracked by Refinitiv.

Spark New Zealand was the most traded stock on a volume of 4 million shares and was down 2.1 percent at \$3.575. Meridian Energy dropped 2.2 percent to \$3.97 on a volume of 2.9 million shares and Kiwi Property Group was down 0.7 percent at \$1.465 on a volume of 1.5 million shares.

Among other companies trading on volumes of more than a million shares, Fletcher Building fell 1.4 percent to \$4.96, Contact Energy fell 1.2 percent to \$6.67, Precinct Properties New Zealand decreased 0.3 percent to \$1.555, A2 Milk Co declined 0.7 percent to \$14.62, Argosy Property was unchanged at \$1.27 and Sky Network Television fell 1.6 percent to a new low of \$1.24.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	10,513.89	86.30	▼	0.81%
S&P/NZX 50 Index	9,707.96	79.34	▼	0.81%
S&P/NZX MidCap Index	28,094.02	105.69	▼	0.37%
S&P/NZX SmallCap Index	58,688.48	305.46	▼	0.52%
S&P/NZAX All Index	627.23	10.40	▲	1.69%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,316.50	1.00	▲	0.02%
S&P/ASX 200	6,223.50	1.70	▲	0.03%
ASX Small Ordinaries	2,790.00	5.80	▲	0.21%
S&P/ASX MIDCAP 50	6,701.40	28.40	▼	0.42%
S&P/ASX 20	3,467.10	3.00	▲	0.09%
Foreign Markets Index				
	Last	Change		
S&P 500	2,888.21	10.01	▲	0.35%
Dow Jones Industrial Average	26,157.16	6.58	▲	0.03%
NASDAQ Composite	7,964.24	54.97	▲	0.69%
DAX PERFORMANCE-INDEX	11,905.91	55.34	▲	0.47%
ASX All Ordinaries	6,316.50	1.00	▲	0.02%
NIKKEI 225	21,687.57	115.02	▼	0.53%
HANG SENG INDEX	30,119.56	37.93	▼	0.13%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9432	0.0030	▼	0.32%
USD	0.6766	0.0023	▲	0.34%
CNY	4.5440	0.0190	▲	0.42%
EUR	0.5999	0.0013	▲	0.22%
CAD	0.9015	0.0027	▲	0.30%
GBP	0.5167	0.0001	▼	0.02%
JPY	75.0985	0.1525	▲	0.20%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.82			
5-year Swap	1.84			
10-year Swap	2.27			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,311.90	3.60	▲	0.28%
Silver	15.20	0.01	▼	0.07%
Crude Oil	64.46	0.48	▲	0.75%

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