

MORNING REPORT

As at 9.00 AM 13/12/2018

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

Top News

Stocks on Wall Street rose, with the Standard & Poor's 500 index up 1.4 percent in late trading, and Asian stocks also gained as investor confidence recovered on news that China plans to cut tariffs on US auto tariffs as the world's two biggest economies attempt to rebuild strained relationships. Australia's S&P/ASX 200 index was up 1.4 percent in afternoon trading and Hong Kong's Hang Seng was up 1.5 percent. New Zealand shares joined an Asia-wide rally on signs that China-US trade relations may be thawing.

Trade Me led the market higher, up 3.1 percent to a record close \$6.37, in heavier than usual trading with 2.6 million shares changing hands. The online marketplace's board agreed to support a \$2.56 billion takeover by British private equity firm Apax Partners, which raised its bid to \$6.45 a share. The transaction would be via a scheme of arrangement and will need shareholder, High Court, and Overseas Investment Office approval.

Growth stocks benefited from the lift in sentiment, with Pushpay Holdings up 3.5 percent at \$3.28 on very light volumes and A2 Milk rising 2.5 percent to \$10.89 on less than half its average volume. Fletcher Building increased 1.7 percent to \$4.70 in smaller than usual activity. Australian fund manager Perpetual increased its stake in construction firm to 11 percent from 10 percent. Investors are expecting an announcement on the sale of the Formica international business in the coming weeks. Spark New Zealand rose 1.3 percent to \$4.33 in heavier trading than usual with 5 million shares traded. SkyCity Entertainment Group advanced 0.9 percent to \$3.48 on a volume of 4.1 million, more than four times its average. Sky Network Television fell 3.3 percent to \$2.06 in light trading. Hallenstein Glasson dropped 6.7 percent to \$4.06, a 10-month low. The retailer warned its margins may be squeezed in the second half on rising costs and unfavourable foreign exchange movements.

A broadly weaker New Zealand dollar fell sharply against the British pound as traders bet UK Prime Minister Theresa May will be able to survive a 'no confidence' vote. It also fell to 68.47 US cents from 68.90 cents yesterday. The kiwi fell to 94.87 Australian cents from 95.42 cents yesterday and dropped to 4.7099 Chinese yuan from 4.7436 yuan. It fell to 77.53 yen from 78.17 yen yesterday and declined to 60.26-euro cents from 60.83 cents. The trade-weighted index fell to 74.78 from 75.35.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,496.21	62.98	▲	0.67%
S&P/NZX 50 Index	8,738.36	66.84	▲	0.77%
S&P/NZX MidCap Index	25,904.84	134.63	▲	0.52%
S&P/NZX SmallCap Index	57,901.21	464.37	▼	0.80%
S&P/NZAX All Index	518.98	0.21	▲	0.04%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	5,727.30	76.10	▲	1.35%
S&P/ASX 200	5,653.50	77.60	▲	1.39%
ASX Small Ordinaries	2,514.30	27.90	▲	1.12%
S&P/ASX MIDCAP 50	6,161.90	84.70	▲	1.39%
S&P/ASX 20	3,167.20	46.40	▲	1.49%
Foreign Markets Index				
	Last	Change		
S&P 500	2,661.68	24.90	▲	0.94%
Dow Jones Industrial Average	24,611.28	241.04	▲	0.99%
NASDAQ Composite	7,128.90	97.07	▲	1.38%
DAX PERFORMANCE-INDEX	10,929.43	148.92	▲	1.38%
ASX All Ordinaries	5,727.30	76.10	▲	1.35%
NIKKEI 225	21,602.75	454.73	▲	2.15%
HANG SENG INDEX	26,186.71	415.04	▲	1.61%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9495	0.0049	▼	0.02%
USD	0.6859	0.0016	▼	0.25%
CNY	4.7190	0.0230	▼	0.42%
EUR	0.6028	0.0045	▼	0.36%
CAD	0.9155	0.0050	▼	0.91%
GBP	0.5425	0.0079	▼	0.09%
JPY	77.6265	0.3140	▼	0.21%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75	1.75		
3-month Bank Bill	1.94	1.94		
5-year Swap	2.36	2.33	▼	0.00
10-year Swap	2.79	2.75	▼	0.00
Commodities Futures				
	Last	Change		
Gold	1,250.70	3.50	▲	0.28%
Silver	14.84	0.21	▲	1.42%
Crude Oil	51.13	0.52	▼	1.01%

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 E-mail: Info@equity.co.nz

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