



MORNING REPORT

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Top News

U.S. Stocks Edge Higher on Mixed Coronavirus News

U.S. equities edged higher after the World Health Organization said a spike in coronavirus diagnoses doesn't necessarily reflect a sudden surge in new infections. Treasuries trimmed their gains and West Texas crude advanced.

The S&P 500 Index rose Thursday, recovering from early lows after a top WHO official said many of the added cases date back days and weeks. Earlier, the benchmark had slumped alongside European and Asian equity gauges when officials in China deployed a revised methodology to diagnose the virus, sending the number of confirmed cases soaring.

"It's too early to tell the overall impact on U.S. markets. We seem to continue to be strong and U.S. consumers continue to be strong," Chris Gaffney, president of world markets at TIAA, said by phone. "The question now is, how quickly can the virus get under control and can China limit the extent and get things back to normal as quickly as possible?"

The euro traded near the lowest since 2017, while the U.K. pound gained and gilts retreated after Sajid Javid quit as Chancellor of the Exchequer. The FTSE 100 Index also declined.

Investor sentiment had improved in recent sessions amid speculation the impact from the coronavirus outbreak on global growth would be short-lived. That assumption was thrown into doubt when Hubei, the province at the center of the epidemic, reported almost 15,000 new cases after it revised its data to include "clinically diagnosed" cases in its daily disclosure.

Elsewhere, stock gauges in Japan, Shanghai, Hong Kong and South Korea all declined, though shares in Australia edged higher. Oil climbed even as the International Energy Agency said the coronavirus means global demand will drop this quarter for the first time in over a decade.

China and the U.S. on Friday are scheduled to lower tariffs on billions of dollars of respective imports as part of the trade deal signed last month.

Tesla Plans \$2 Billion Offering as Elon Musk Seizes on Stock Surge

Tesla Inc. is selling about \$2 billion of common stock, taking advantage of its surging shares just two weeks after Elon Musk said raising capital didn't make sense.

Assuming underwriters exercise their option to purchase additional securities, the offering could bring in about \$2.3 billion in proceeds, Tesla said in a statement. That will help fund as much as \$3.5 billion in capital expenditures this year, a plan the company disclosed less than an hour earlier in a regulatory filing.

Tesla shares climbed as much as 3.8% as of midday Thursday after analysts said the offering will both shore up the company's balance sheet and support Musk's plans for growth. The stock has more than tripled since the company released the first of two straight positive earnings reports in October.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	12,837.22	20.49	↓	0.16%
S&P/NZX 50 Index	11,880.84	17.40	↓	0.15%
S&P/NZX MidCap Index	32,806.34	89.17	↓	0.27%
S&P/NZX SmallCap Index	65,389.18	183.40	↓	0.28%

ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,204.60	19.30	▲	0.27%
S&P/ASX 200	7,103.20	15.00	▲	0.21%
ASX Small Ordinaries	3,063.10	14.00	▲	0.46%
S&P/ASX MIDCAP 50	7,636.30	7.10	▼	0.09%
S&P/ASX 20	3,951.40	15.00	▲	0.38%

Foreign Markets Index				
	Last	Change		
S&P 500	3,378.36	1.09	▼	0.03%
Dow Jones Industrial Average	29,468.19	83.23	▼	0.28%
NASDAQ Composite	9,723.35	2.61	▼	0.03%
DAX PERFORMANCE-INDEX	13,745.43	4.35	▼	0.03%
ASX All Ordinaries	7,204.60	19.30	▲	0.27%
NIKKEI 225	23,827.73	33.48	▼	0.14%
HANG SENG INDEX	27,730.00	93.66	▼	0.34%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9581	-0.0013	▼	0.14%
USD	0.64	-0.0022	▼	0.34%
CNY	4.4950	-0.0110	▼	0.24%
EUR	0.59	-0.0003	▼	0.05%
CAD	0.8542	-0.0023	▼	0.27%
GBP	0.49	-0.0053	▼	1.07%
JPY	70.7415	-0.4135	▼	0.58%

NZ Interest Rates				
	Last	Change		
NZ OCR	1.00			
3m Bank Bill	1.22			
5y Swap	1.26			
10y Swap	1.53			

Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,579.10	7.50	▲	0.48%
Silver	17.63	0.13	▲	0.76%
Crude Oil	51.60	0.43	▲	0.84%

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