

# MORNING REPORT

As at 9.08 AM 14/10/2019

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## Top News

### NZ shares rise; Sky TV recovers on rugby rights rumour

New Zealand shares started soft but ended stronger as Sky Network Television pared back some of yesterday's losses amid speculation it's won the rights to broadcast All Blacks and Super rugby matches.

The S&P/NZX50 50 Index increased by 36.98 points, or 0.3 percent, to 10,923.71. Within the index, 27 stocks rose, 16 fell, and seven were unchanged. Turnover was \$83.3 million

Sky recouped some of yesterday's slump, rising 1.1 percent to 89 cents, having shed about a fifth of its value yesterday. Almost 1.5 million shares traded hands, after 3.3 million were traded yesterday. Its 90-day average is 848,000 shares.

The pay-TV operator bounced back from yesterday's loss of the domestic cricket broadcasting rights, announcing this morning it will keep world cup cricket coverage for the next four years.

Later in the day, Sky played down speculation it kept the broadcasting rights for all All Blacks, Rugby Championship and Super Rugby matches until 2025 in a \$400 million deal, saying the negotiations were continuing.

The rumours come ahead of Sky's annual meeting next week, where shareholders will be asked to vote on whether management can negotiate "as they see fit" for the rights.

### NZ dollar benefits from possible US-China trade deal

The New Zealand dollar was higher after the US and China reached the first phase of a deal to end their trade war.

The kiwi was trading at 63.30 US cents at 8am from 63.36 cents late Friday in New York and 63.21 cents in Wellington. The trade-weighted index was at 70.34 from 70.40.

The so-called "phase-1" agreement between US President Donald Trump and China's Vice Premier Liu He is intended to be inked when Trump meets with Chinese President Xi at the APEC leaders' meeting in Chile in November.

According to Dow Jones Newswires, President Trump said the US would call off planned tariff increases on Chinese goods next week while Beijing would buy US\$40 billion to US\$50 billion worth of American agricultural products - which China hasn't publicly confirmed.

The kiwi was "swept up by the ongoing risk-on tone filtering through markets, and benefits from a broadly weaker US dollar," said ANZ FX/rates strategist Sandeep Parekh.

BNZ senior markets strategist Jason Wong said the deal challenges his assumption that the kiwi could fall to 61.50 US cents by the year-end but he stopped short of any upward revisions to his forecasts as the greenback is unlikely to tumble.

The absence of the Oct. 15 tariffs reduces the need for an immediate move higher in the greenback against the Chinese yuan and "expected broader emerging market spill-overs, to which AUD and NZD have been so highly correlated all year," he said.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	11,793.66	35.39	▲ 0.30%
S&P/NZX 50 Index	10,923.71	36.98	▲ 0.34%
S&P/NZX MidCap Index	31,657.17	72.80	▲ 0.23%
S&P/NZX SmallCap Index	61,566.14	146.24	▼ 0.24%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,721.90	59.00	▲ 0.89%
S&P/ASX 200	6,606.80	59.70	▲ 0.91%
ASX Small Ordinaries	2,857.00	8.40	▲ 0.29%
S&P/ASX MIDCAP 50	7,016.80	55.00	▲ 0.79%
S&P/ASX 20	3,656.30	39.40	▲ 1.09%

Foreign Markets Index			
	Last	Change	
S&P 500	2,970.27	32.14	▲ 1.09%
Dow Jones Industrial Average	26,816.59	319.89	▲ 1.21%
NASDAQ Composite	8,057.04	106.26	▲ 1.34%
DAX PERFORMANCE-INDEX	12,511.65	347.45	▲ 2.86%
ASX All Ordinaries	6,721.90	59.00	▲ 0.89%
NIKKEI 225	21,798.87	246.87	▲ 1.15%
HANG SENG INDEX	26,308.44	600.54	▲ 2.34%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9328	-0.0001	▼ 0.01%
USD	0.63	-0.0008	▼ 0.13%
CNY	4.4920	0.0000	▲ 0.00%
EUR	0.57	-0.0006	▼ 0.10%
CAD	0.8360	-0.0006	▼ 0.07%
GBP	0.50	0.0008	▲ 0.16%
JPY	68.5650	-0.1300	▼ 0.19%

NZ Interest Rates		
	Last	Change
NZ OCR	1.00	
3m Bank Bill	1.03	
5y Swap	0.94	
10y Swap	1.26	

Commodities Futures (Spot Price \$USD)			
	Last	Change	
Gold	1,493.50	7.40	▼ 0.49%
Silver	17.57	0.03	▼ 0.18%
Crude Oil	54.91	1.36	▲ 2.54%

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