



MORNING REPORT

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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

NZD weaker as global risk aversion picks up

The New Zealand dollar fell as global risk aversion picked up again after US Treasury yield curve inverted briefly overnight, often viewed as a sign of looming recession.

The kiwi was trading at 64.35 US cents at 5pm in Wellington from 64.58 at 5pm. The trade-weighted index was at 71.61 points from 71.72.

The US Treasury yield curve inverted on Wednesday for the first time since June 2007, with yields on US 2-year notes rising above those on the 10-year note.

Australian labour market data will also be watched for any clues on whether recent rate cuts by the RBA are having an impact.

NZ shares dip as SkyCity result continues steady reporting season

New Zealand shares dipped as the local reporting season continued to meet expectations with SkyCity Entertainment Group posting a small increase in underlying earnings and signalling growth in the current year.

SkyCity decreased 1 percent to \$3.97, with 570,000 shares changing hands, less than its 90-day average of 789,000. The casino operator reported a 1.9 percent lift in normalised earnings, which smooths out the impact of big wins by its high rollers. Those wealthy international players had a good year at the casino operator's expense, helping push down net profit 15 percent.

Fletcher Building fell 1.3 percent to \$4.63 on a volume of 2.5 million shares, more than twice its 1 million average. SkyCity today said it has withheld \$39.5 million of payments from Fletcher over the delayed construction of its downtown Auckland convention centre and hotel.

Precinct Properties New Zealand, which reports on Friday, rose 0.6 percent to \$1.83 on a volume of 2.5 million, almost three times its 893,000 average. The commercial landlord also has a dispute with Fletcher over the construction of its Commercial Bay development in the Auckland CBD.

Lister said company results so far have been in line with expectations, but most firms will report in the coming two weeks. Of those that have reported so far, Contact Energy rose 0.7 percent to \$8.38 on a bigger volume than usual of 2 million shares, Summerset Group increased 0.5 percent to \$5.90 and NZX climbed 2.5 percent to \$1.23, its highest close in almost five years.

Infratil led the market lower, down 2.4 percent at \$4.82 on a volume of 541,000 shares, down on its 733,000. Sky Network Television fell 2.4 percent to \$1.22 and Fonterra Shareholders' Fund units dropped 2.2 percent to \$3.53.

Spark New Zealand was the most traded stock on a volume of 4.3 million shares, more than its 3 million average. It rose 0.4 percent to \$4.07. Of other companies trading on volumes of more than a million shares, Kiwi Property was unchanged at \$1.64, Meridian Energy decreased 0.8 percent to \$4.84 and Goodman Property Trust increased 0.2 percent to \$2.14.

NZX Index

Index	Last	Change
S&P/NZX All Index	11,717.93	4.93 ▼ 0.04%
S&P/NZX 50 Index	10,849.76	5.01 ▼ 0.05%
S&P/NZX MidCap Index	30,908.45	4.51 ▼ 0.01%
S&P/NZX SmallCap Index	61,160.02	158.91 ▲ 0.26%

ASX Index

Index	Last	Change
ASX All Ordinaries	6,677.50	29.40 ▲ 0.44%
S&P/ASX 200	6,595.90	27.40 ▲ 0.42%
ASX Small Ordinaries	2,865.00	2.50 ▲ 0.09%
S&P/ASX MIDCAP 50	6,995.30	24.60 ▲ 0.35%
S&P/ASX 20	3,663.60	16.20 ▲ 0.44%

Foreign Markets Index

	Last	Change
S&P 500	2,840.60	85.72 ▼ 2.93%
Dow Jones Industrial Average	25,479.42	800.49 ▼ 3.05%
NASDAQ Composite	7,773.94	242.42 ▼ 3.02%
DAX PERFORMANCE-INDEX	11,492.66	257.47 ▼ 2.19%
ASX All Ordinaries	6,677.50	29.40 ▲ 0.44%
NIKKEI 225	20,655.13	199.69 ▲ 0.98%
HANG SENG INDEX	25,302.28	20.98 ▲ 0.08%

Currencies (per NZ\$ 1.00)

	Last	Change
AUD	0.9539	-0.0001 ▼ 0.01%
USD	0.64	-0.0003 ▼ 0.05%
CNY	4.5220	0.0000 ▲ 0.00%
EUR	0.58	-0.0004 ▼ 0.07%
CAD	0.8571	-0.0003 ▼ 0.04%
GBP	0.53	-0.0002 ▼ 0.04%
JPY	68.1475	-0.0215 ▼ 0.03%

NZ Interest Rates

	Last	Change
NZ OCR	1.00	
3m Bank Bill	1.20	
5y Swap	0.99	
10y Swap	1.29	

Commodities Futures (Spot Price \$USD)

	Last	Change
Gold	1,527.30	13.20 ▲ 0.87%
Silver	17.19	0.20 ▲ 1.21%
Crude Oil	54.95	2.15 ▼ 3.77%

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www.equity.co.nz E-mail: Info@equity.co.nz

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