

MORNING REPORT

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Top News

NZ shares rise in heavy trading as Spark, Contact clear big orders

New Zealand shares rose in heavy trading with Spark New Zealand and Contact Energy attracting some big placements from large investors repositioning their portfolios. Sky Network Television extended its recovery on large volumes.

The S&P/NZX 50 Index increased 47.81 points, or 0.5 percent, to 9,435.50. Within the index, 19 stocks gained, 26 fell, and five were unchanged. Turnover was \$449 million, of which Spark accounted for \$199.1 million and Contact \$102.8 million.

Trading was unusually busy today with a number of large placements from international investors driving volumes. Upcoming index reweightings have underpinned increased activity this month, but Nikko Asset Management portfolio manager James Lindsay said that wasn't driving the big trades.

"There are some interesting things going on in the New Zealand market at the moment, with a number of very chunky placements from offshore, reasonably long-term shareholders in a number of names that have been exiting their positions and distributed around to others," Lindsay said.

Spark was the most traded stock with 55.4 million shares changing hands, including one trade of 47.5 million at \$3.595 a share. That compares to its 90-day average volume of 4.9 million. The stock decreased 2.2 percent, or 8 cents, to \$3.62 today, having shed rights to 12.5 cents of ordinary and special dividends.

Contact fell 1.1 percent to \$6.40 on a volume of 16.3 million shares, compared to its usual 1.2 million. That included one trade of 15.2 million shares at \$6.31 apiece.

NZ dollar down on US-China trade war worries

The New Zealand dollar fell on news that the US and China likely won't be inking a deal to end their trade war this month.

The kiwi traded at 68.16 US cents at 8am in Wellington from 68.40 US cents at 5pm. The trade-weighted index was at 74.03 from 74.22.

Markets were jittery after Bloomberg reported that a meeting between President Donald Trump and President Xi Jinping is more likely to happen in April at the earliest. "Risk sentiment took a hit," said ANZ Bank FX Rates strategist Sandeep Parekh.

The kiwi was trading at 51.51 British pence from 51.60 British pence after British MPs voted by 412 to 202 for Prime Minister Theresa May to ask the European Union for a delay to Brexit. Britain's Parliament now has to formally request an extension and it will have to be unanimously approved by the 27 EU leaders.

"This pair will remain volatile as the vote on extending the Brexit deadline nears," said Parekh.

"The length of the extension is key," he said. "If politicians agree to the deal that May has previously tabled then only a short extension will be required, whereas a new plan will require a significant extension and therefore heighten the risk that Brexit will actually happen."

NZX Index				
Index	Last	Change		
S&P/NZX All Index	10,224.23	9.95	▲	0.10%
S&P/NZX 50 Index	9,435.50	11.40	▲	0.12%
S&P/NZX MidCap Index	27,244.27	58.16	▼	0.21%
S&P/NZX SmallCap Index	58,094.99	321.57	▼	0.55%
S&P/NZAX All Index	560.54	0.00	▼	0.00%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,266.80	20.80	▲	0.33%
S&P/ASX 200	6,179.60	18.40	▲	0.30%
ASX Small Ordinaries	2,788.40	24.60	▲	0.89%
S&P/ASX MIDCAP 50	6,651.50	26.80	▲	0.40%
S&P/ASX 20	3,441.20	4.80	▲	0.14%
Foreign Markets Index				
	Last	Change		
S&P 500	2,810.95	0.03	▲	0.00%
Dow Jones	25,725.37	22.48	▲	0.09%
NASDAQ Composite	7,639.95	3.45	▼	0.05%
DAX	11,587.47	15.06	▲	0.13%
ASX All Ordinaries	6,266.80	20.80	▲	0.33%
NIKKEI 225	21,287.02	3.22	▼	0.02%
HANG SENG INDEX	28,851.39	43.94	▲	0.15%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9654	0.0010	▼	0.10%
USD	0.6821	0.0037	▼	0.54%
CNY	4.5840	0.0120	▼	0.26%
EUR	0.6036	0.0016	▼	0.26%
CAD	0.9088	0.0033	▼	0.36%
GBP	0.5159	0.0019	▲	0.37%
JPY	76.2075	0.0020	▲	0.00%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	1.96			
10-year Swap	2.35			
Commodities Futures				
	Last	Change		
Gold	1,295.90	13.40	▼	1.02%
Silver	15.18	0.28	▼	1.79%
Crude Oil	58.49	0.23	▲	0.39%

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