

MORNING REPORT

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Top News

Stocks Fluctuate After Deal Assessment Begins

U.S. stocks traded near record highs as investors assessed the details of the partial trade deal with China. Soybeans slumped after China signaled purchases would be demand-based.

The S&P 500 retreated from the highs of the day as President Donald Trump presided over a signing ceremony with Chinese officials. The deal commits China to do more to crack down on the theft of American technology and corporate secrets by its companies and state entities, while outlining a \$200 billion spending spree to try to close its trade imbalance with the U.S.

"While it does not appear that the 'phase one' deal addresses many of the structural issues that started the trade spat, it does mitigate the uncertainty that ongoing trade tensions present, namely the threat of new tariffs at a moment's notice," said Jason Pride, chief investment officer of private wealth at Glenmede Trust Co. in Philadelphia. S&P 500 members in overbought territory relatively low compared with past rallies

The S&P 500 set an intraday record for the sixth consecutive trading session, largely ignoring disappointing quarterly results from Goldman Sachs Group Inc. and Bank of America Corp. The Nasdaq Composite and Dow Jones Industrial Average indexes also set fresh highs. U.S. markets received an added boost earlier after White House economic adviser Larry Kudlow promoted more tax cuts.

The Stoxx Europe 600 Index finished little changed, while equities across most of Asia fell. Russia's currency weakened as much as 0.6% against the dollar. President Vladimir Putin replaced his long-serving prime minister and called for sweeping constitutional changes, fueling speculation that the Russian leader is moving to extend his grip on power beyond the end of his term in 2024.

Meanwhile, oil futures drifted, with West Texas Intermediate trading around \$58 a barrel. Gold nudged higher.

Putin Names New Premier Amid Major Constitutional Shakeup

President Vladimir Putin replaced his long-serving prime minister and called for sweeping constitutional changes, fueling speculation that the Russian leader is moving to extend his grip on power beyond the end of his term in 2024.

The constitution now requires Putin to step down as president then but he could take on another post to ensure his continued influence. Putin hasn't commented on his plans and his proposals didn't include any overhauls that would have created a new post for him. But the shifts could reduce the sweeping powers currently held by the president, potentially reining in any successor while making other bodies more influential.

Putin gave little public explanation for the dramatic and unexpected upheaval, which saw Dmitry Medvedev, one of his most loyal lieutenants, ousted after nearly 8 years in office.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	12,639.46	55.11	↑	0.44%
S&P/NZX 50 Index	11,676.68	51.55	↑	0.44%
S&P/NZX MidCap Index	33,334.68	212.57	↑	0.64%
S&P/NZX SmallCap Index	66,765.91	239.30	↑	0.36%

ASX Index				
Index	Last		Change	
ASX All Ordinaries	7,113.50	35.50	▲	0.50%
S&P/ASX 200	6,994.80	32.60	▲	0.47%
ASX Small Ordinaries	3,051.80	29.40	▲	0.97%
S&P/ASX MIDCAP 50	7,546.40	38.70	▲	0.52%
S&P/ASX 20	3,833.90	16.60	▲	0.43%

Foreign Markets Index				
	Last		Change	
S&P 500	3,286.43	3.28	▲	0.10%
Dow Jones Industrial Average	29,028.55	88.88	▲	0.31%
NASDAQ Composite	9,254.73	3.40	▲	0.04%
DAX PERFORMANCE-INDEX	13,432.30	24.19	▼	0.18%
ASX All Ordinaries	7,113.50	35.50	▲	0.50%
NIKKEI 225	23,916.58	108.59	▼	0.45%
HANG SENG INDEX	28,773.59	111.55	▼	0.39%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9573	-0.0008	▼	0.08%
USD	0.66	-0.0007	▼	0.11%
CNY	4.5550	0.0020	▲	0.04%
EUR	0.59	-0.0019	▼	0.32%
CAD	0.8617	-0.0023	▼	0.27%
GBP	0.51	-0.0008	▼	0.16%
JPY	72.6170	-0.1420	▼	0.20%

NZ Interest Rates				
	Last		Change	
NZ OCR	1.00			
3m Bank Bill	1.28			
5y Swap	1.32			
10y Swap	1.65			

Commodities Futures (Spot Price \$USD)				
	Last		Change	
Gold	1,555.00	10.40	▲	0.67%
Silver	17.99	0.25	▲	1.40%
Crude Oil	57.98	0.25	▼	0.43%

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