

MORNING REPORT

As at 9.10 AM 17/04/2019

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

NZ shares climb as Kathmandu, A2 lead exporter rally

New Zealand shares rose for a fourth day as exporters including Kathmandu Holdings and A2 Milk helped drive the market higher amid growing optimism over US-China trade talks.

The S&P/NZX 50 Index climbed 62.04 points, or 0.6 percent, to 9,908.39. Within the index, 25 stocks rose, 18 fell and seven were unchanged. Turnover was \$149 million.

A2 hit a record \$16 and ended the day at \$15.77, up 3.6 percent on a volume of 1.5 million, more than its 90-day average of 858,000. The milk marketing firm was one of several exporters at the top of the leader board after positive reports about trade negotiations between the world's two biggest economies.

"The previous week was off a wee bit, but the buyers are certainly back in control this week," said Grant Williamson, a director at Hamilton Hindin Greene.

"The main influence from here is A2 - that's just for its weighting in the index."

Among other exporters on the benchmark index, Kathmandu Holdings rose 3.6 percent to \$2.33 on a smaller than usual volume of 84,000 shares. Fishing company Sanford increased 2.2 percent to \$6.85 on a larger volume than usual of 50,000 shares. Fisher & Paykel Healthcare advanced 1.4 percent to \$15.48 on 2 million shares, more than twice its 680,000 three-monthly average.

NZD steady, focus on CPI data

The New Zealand dollar is steady against the US dollar as the market awaits domestic inflation data for any further clues on whether a rate cut is on the cards next month.

The kiwi was trading at 67.60 US cents at 8am in Wellington versus 67.58 at 5pm in Wellington yesterday. The trade-weighted index was at 73.21 from 73.22.

"Upcoming NZ CPI remains the focus with markets keen to see if the data makes a case for the RBNZ to cut in May," said ANZ FX/Rates strategist Sandeep Parekh.

Economists expect the consumers price index rose 0.3 percent in the three months ended March 31, for an annual increase of 1.7 percent, according to the median estimate from a poll of economists by Bloomberg. That compares to the Reserve Bank's quarterly projection of 0.2 percent for an annual rise of 1.6 percent.

The central bank surprised markets last month when it switched to an overt easing bias and said the most likely direction of the next move in the official cash rate is down. Several economists are now expecting a rate cut as early as May but today's data will be key.

The kiwi pared some of its gains against the Aussie, trading at 94.23 Australian cents versus 94.52 Australian cents yesterday. Parekh said the Aussie benefited from weak US industrial production and optimism about the US-China trade. While the kiwi would normally also benefit, uncertainty about the CPI kept it capped.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	10,727.10	64.70	▲ 0.61%
S&P/NZX 50 Index	9,908.39	62.04	▲ 0.63%
S&P/NZX MidCap Index	28,471.32	61.75	▲ 0.22%
S&P/NZX SmallCap Index	59,347.15	60.04	▲ 0.10%
S&P/NZAX All Index	625.55	2.25	▼ 0.36%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,372.30	24.40	▲ 0.38%
S&P/ASX 200	6,277.40	26.00	▲ 0.42%
ASX Small Ordinaries	2,818.20	15.50	▲ 0.55%
S&P/ASX MIDCAP 50	6,749.70	35.60	▲ 0.53%
S&P/ASX 20	3,495.40	11.60	▲ 0.33%

Foreign Markets Index			
	Last	Change	
S&P 500	2,907.06	1.48	▲ 0.05%
Dow Jones Industrial Average	26,452.66	67.89	▲ 0.26%
NASDAQ Composite	8,000.23	24.21	▲ 0.30%
DAX PERFORMANCE-INDEX	12,101.32	81.04	▲ 0.67%
ASX All Ordinaries	6,372.30	24.40	▲ 0.38%
NIKKEI 225	22,221.66	52.55	▲ 0.24%
HANG SENG INDEX	30,129.87	319.15	▲ 1.07%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9427	0.0002	▲ 0.02%
USD	0.6766	0.0003	▲ 0.04%
CNY	4.5360	0.0000	0.00%
EUR	0.5994	0.0001	▲ 0.02%
CAD	0.9035	0.0007	▲ 0.08%
GBP	0.5183	0.0020	▲ 0.39%
JPY	75.7565	0.0180	▲ 0.02%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.88	
5-year Swap	1.88	
10-year Swap	2.31	

Commodities Futures (Spot Price \$USD)			
	Last	Change	
Gold	1,279.50	11.80	▼ 0.91%
Silver	14.95	0.02	▼ 0.13%
Crude Oil	64.33	0.93	▲ 1.47%

Disclaimer: The above information is provided on a best endeavours basis and Equity Investment Advisers Ltd does not accept any liability under any circumstances for errors or omissions. Parties should recheck the information before using it in any decision-making process. Acknowledgements: Equity Investment Advisers (EIA) sincerely expresses its gratitude to the following sources for the contribution of valuable information in the production of EIA morning reports: Yahoo New Zealand, ANZ securities, ASX, Nikkei Indexes, NZX, NYSE, NASDAQ, business desk.

Do you need to make any changes to your portfolio?
www.equity.co.nz E-mail: Info@equity.co.nz

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