



MORNING REPORT

As at 9.20 AM 17/12/2019

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

U.S. Stocks Climb to Record on Trade Momentum: Markets Wrap

U.S. equities climbed to a new high amid hopes that a partial trade deal between America and China will ease a key risk for investors heading into year-end. Treasuries and the dollar fell.

With tech and health-care leading the charge, the S&P 500 Index pushed higher Monday in the wake of the agreement, which will see Washington reduce tariffs and Beijing increase purchases of American farm goods, although many details are still to be ironed out. In another positive sign, the Federal Reserve Bank of New York's survey measure of general business conditions in the next six months jumped to a five-month high.

The Stoxx Europe 600 also hit a new peak as it jumped for a fourth day. Stocks were mixed in Asia, but equities in Shanghai rose after Chinese data showed industrial output and retail sales both exceeded expectations. The U.K.'s FTSE 100 Index reached its highest since August.

The announcement of the preliminary U.S.-China deal staved off a scheduled Dec. 15 tariff hike, a prospect that had loomed large for markets. It remains unclear how China will follow through on pledges to boost American agricultural imports, or how quickly the U.S. promise to roll back half of a September tariff hike will happen.

"Now that the 'good news' is here, what is next for stocks? This week should be the last week with any decent volume as investors head for home for Christmas and the New Year's holiday," Paul Nolte, a portfolio manager at Kingsview Asset Management in Chicago, wrote to clients. "Slow volume should also mean modest moves in stocks, so investors should be able to sleep easy and dream of sugar plum fairies to close out a very good year."

Still, China's threat of retaliation against Germany if it excludes Huawei Technologies Co. as a supplier of 5G wireless equipment shows tensions remain high elsewhere. Also, the U.S. spent Monday acting to ease Mexico's concerns over labor monitors under the USMCA trade deal, even as the accord drives the peso toward its strongest year-end closing since 2015.

Elsewhere, oil hovered near a three-month high and gold held steady. Bitcoin slipped below \$7,000.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	12,151.68	16.59	↓	0.14%
S&P/NZX 50 Index	11,226.47	14.76	↓	0.13%
S&P/NZX MidCap Index	31,199.49	83.43	↑	0.27%
S&P/NZX SmallCap Index	64,615.61	118.15	↓	0.18%

ASX Index				
Index	Last		Change	
ASX All Ordinaries	6,952.30	107.70	▲	1.57%
S&P/ASX 200	6,849.70	110.00	▲	1.63%
ASX Small Ordinaries	2,915.40	35.10	▲	1.22%
S&P/ASX MIDCAP 50	7,341.50	126.60	▲	1.75%
S&P/ASX 20	3,764.30	58.30	▲	1.57%

Foreign Markets Index				
	Last		Change	
S&P 500	3,194.45	25.65	▲	0.81%
Dow Jones Industrial Average	28,263.97	128.59	▲	0.46%
NASDAQ Composite	8,821.41	86.53	▲	0.99%
DAX PERFORMANCE-INDEX	13,407.66	124.94	▲	0.94%
ASX All Ordinaries	6,952.30	107.70	▲	1.57%
NIKKEI 225	23,952.35	70.75	▼	0.29%
HANG SENG INDEX	27,508.09	179.67	▼	0.65%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9578	-0.0016	▼	0.17%
USD	0.66	-0.0004	▼	0.06%
CNY	4.6150	0.0050	▲	0.11%
EUR	0.59	-0.0013	▼	0.22%
CAD	0.8682	-0.0021	▼	0.24%
GBP	0.49	-0.0007	▼	0.14%
JPY	72.3200	0.1550	▲	0.21%

NZ Interest Rates		
	Last	Change
NZ OCR	1.00	
3m Bank Bill	1.22	
5y Swap	1.38	
10y Swap	1.70	

Commodities Futures (Spot Price \$USD)				
	Last		Change	
Gold	1,475.20	0.40	▼	0.03%
Silver	17.10	0.09	▲	0.52%
Crude Oil	60.26	0.19	▲	0.32%

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.

www.equity.co.nz [E-mail: Info@equity.co.nz](mailto:Info@equity.co.nz)

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