



## MORNING REPORT

As at 9.15 AM 17/06/2019

Web: [www.equity.co.nz](http://www.equity.co.nz) / E-mail: [Info@equity.co.nz](mailto:Info@equity.co.nz) / Tel: +64 (9)304 0145 / Address: Level 7, 12-26 Swanson Street, Auckland, NZ

### Top News

#### NZ dollar lower on stronger than expected US retail data

The New Zealand dollar was trading lower after stronger than expected US retail data ahead of the Federal Reserve's meeting this week.

US retail sales lifted in May and April was also revised higher, suggesting a pick-up in consumer spending and easing fears about an economic slowdown.

Headline retail sales rose 0.5 percent on the month in May, from a revised 0.3 percent lift in April. Core and control group level figures also rose by the same amount, beating expectations, according to ANZ Bank. Industrial production and manufacturing production also rebounded from the April drop, rising 0.4 percent on the month and 0.2 percent respectively.

#### NZ shares edge higher; US rate uncertainty buoys local blue chips

New Zealand shares rose with blue-chips including Auckland International Airport and Ebos Group hitting new highs as investors remain uncertain about whether US and Australian central banks will cut interest rates. Summerset group fell in unusually busy trading.

Equity markets were mixed across Asia, as investors remained uncertain about the impact of the persistent trade dispute between the US and China, while at the same time weighing up the impact of expected interest rate cuts in the US and Australia.

The low interest rate environment has been a boon for local blue-chip stocks, utilities, and property firms due to the reliable dividends New Zealand firms often pay investors. Auckland International Airport rose 0.2 percent to a record \$9.02. Goodman Property Trust rose 1.3 percent to \$1.885 on a volume of 1.73 million units, Ryman Healthcare increased 1.2 percent to \$11.65, and Genesis Energy increased 1.1 percent to \$3.17.

Ebos Group hit a record \$23.50, closing at \$23, down 0.8 percent and Mainfreight hit a record \$42.50, closing at \$39.71, down 0.2 percent.

That weighed on other retirement village stocks, which have fallen out of favour among investors who often tie the companies' fortunes with the residential property market. Oceania Healthcare fell 1 percent to \$1.04, Metlifecare declined 0.7 percent to \$4.34, and Arvida Group was down 0.8 percent at \$1.32.

Kathmandu Holdings posted the biggest decline, down 4.1 percent at \$2.09 on almost 115,000 shares. The retailer has declined 5 percent this week, having shed rights to its 4 cent dividend on June 4.

Spark New Zealand was unchanged at \$3.875 on 4.7 million shares, down on its 90-day average of 5.4 million. Of other stocks trading on volumes of more than a million shares, Kiwi Property Group fell 0.3 percent to \$1.57, Fletcher Building rose 0.6 percent to \$5.43, Meridian Energy was up 0.1 percent at \$4.485, Precinct Properties New Zealand advanced 0.6 percent to \$1.685 and Z Energy increased 0.2 percent to \$6.05.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	11,059.11	14.80	▲	0.13%
S&P/NZX 50 Index	10,235.37	11.56	▲	0.11%
S&P/NZX MidCap Index	29,307.29	22.07	▼	0.08%
S&P/NZX SmallCap Index	59,531.05	161.71	▲	0.27%
S&P/NZAX All Index	559.57	0.58	▲	0.10%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,633.60	14.50	▲	0.22%
S&P/ASX 200	6,554.00	11.60	▲	0.18%
ASX Small Ordinaries	2,842.00	10.50	▲	0.37%
S&P/ASX MIDCAP 50	6,874.90	43.70	▲	0.64%
S&P/ASX 20	3,670.00	2.70	▼	0.07%
Foreign Markets Index				
	Last	Change		
S&P 500	2,886.98	4.66	▼	0.16%
Dow Jones Industrial Average	26,089.61	17.19	▼	0.07%
NASDAQ Composite	7,796.66	40.47	▼	0.52%
DAX PERFORMANCE-INDEX	12,096.40	72.60	▼	0.60%
ASX All Ordinaries	6,633.60	14.50	▲	0.22%
NIKKEI 225	21,116.89	84.89	▲	0.40%
HANG SENG INDEX	27,118.35	176.35	▼	0.65%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9452	-0.0002	▼	0.02%
USD	0.65	0.0000	▲	0.00%
CNY	4.5000	0.0000	▲	0.00%
EUR	0.58	-0.0001	▼	0.02%
CAD	0.8715	0.0000	▲	0.00%
GBP	0.52	-0.0002	▼	0.04%
JPY	70.5300	0.0050	▲	0.01%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.50			
3m Bank Bill	1.57			
5y Swap	1.48			
10y Swap	1.84			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,345.30	1.60	▲	0.12%
Silver	14.85	0.04	▼	0.28%
Crude Oil	52.51	0.23	▲	0.44%

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](http://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