



MORNING REPORT

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Top News

NZ dollar weaker after Trump authorises use of emergency crude stockpile

The New Zealand dollar fell against the US dollar after President Donald Trump authorised the use of the country's emergency crude stockpile after the weekend attack on Saudi Arabia's major oil facilities.

The US dollar got a lift after Trump's authorisation helped temper the surge in oil prices, which initially jumped around 20 percent in response to the drone strikes that impacted around 5 percent of global output.

New Zealand's gross domestic product data Thursday will also be watched. The median in a Bloomberg poll predicts gross domestic product expanded 0.4 percent in the three months ended June 30, slowing from a 0.6 percent pace of growth in the March quarter, and below the Reserve Bank's forecast 0.5 percent.

Shorter term, investors will be watching for today's minutes from the September monetary policy meeting of the Reserve Bank of Australia board. The RBA cut its cash rate on June 5 and July 3 by 25 basis points each time down to 1 percent. It then remained on hold for the next two meetings.

NZ shares fall; high oil prices weigh on Air NZ, Mainfreight

New Zealand shares fell as the attack on Saudi Arabian oil facilities unnerved investors and higher oil prices weighed on transport stocks including Air New Zealand and Mainfreight.

Stocks across Asia were mixed as investors digest the drone attacks on two Saudi facilities. Brent crude oil prices rose as much as 19 percent, before settling at US\$66.30 a barrel, at the end of the local trading session, up 10 percent. Hong Kong's Hang Seng was down 1 percent in afternoon trading, Australia's S&P/ASX 200 index was flat, and South Korea's Kospi 200 Index rose 0.2 percent.

National carrier Air New Zealand fell 1.9 percent to \$2.655 on a volume of 1.6 million shares, more than twice its 90-day average of 749,000 shares. Global logistics group Mainfreight was down 2 percent at \$38.52, rental RV operator Tourism Holdings decreased 0.7 percent to \$4.09.

Auckland International Airport was down 1.1 percent at \$9.10. The country's main gateway said international passenger numbers fell 1.2 percent in July from a year earlier, although domestic numbers were up 1.6 percent.

Z Energy fell 2 percent to \$5.42 on a volume of 1 million shares, more than its 676,000 average. The country's biggest fuel retailer today said the Commerce Commission made material errors in its draft study into the country's fuel market, including misrepresenting its rate of return. Refining NZ was up 0.5 percent at \$2.11.

Outside the benchmark index, Abano rose 9.1 percent to \$4.08 after the dental clinic operator confirmed it was still in talks with several potential suitors. The Australia newspaper today reported that private equity firm BGH Capital was among those pursuing the firm.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	11,687.26	30.00	▼	0.26%
S&P/NZX 50 Index	10,831.75	31.67	▼	0.29%
S&P/NZX MidCap Index	30,845.61	153.89	▼	0.50%
S&P/NZX SmallCap Index	60,627.78	325.02	▲	0.54%

ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,782.00	4.90	▲	0.07%
S&P/ASX 200	6,673.50	4.30	▲	0.06%
ASX Small Ordinaries	2,881.40	6.40	▲	0.22%
S&P/ASX MIDCAP 50	7,096.90	18.40	▲	0.26%
S&P/ASX 20	3,708.70	0.40	▲	0.01%

Foreign Markets Index				
	Last	Change		
S&P 500	2,997.96	9.43	▼	0.31%
Dow Jones Industrial Average	27,076.82	142.70	▼	0.52%
NASDAQ Composite	8,153.54	23.17	▼	0.28%
DAX PERFORMANCE-INDEX	12,380.31	88.22	▼	0.71%
ASX All Ordinaries	6,782.00	4.90	▲	0.07%
NIKKEI 225	21,988.29	228.69	▲	1.05%
HANG SENG INDEX	27,124.55	228.14	▼	0.83%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9244	0.0000	▲	0.00%
USD	0.63	-0.0003	▼	0.05%
CNY	4.4830	-0.0020	▼	0.04%
EUR	0.58	0.0000	▲	0.00%
CAD	0.8398	-0.0006	▼	0.07%
GBP	0.51	-0.0001	▼	0.02%
JPY	68.5920	-0.0445	▼	0.06%

NZ Interest Rates				
	Last	Change		
NZ OCR	1.00			
3m Bank Bill	1.14			
5y Swap	1.09			
10y Swap	1.41			

Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,505.90	6.40	▲	0.43%
Silver	17.92	0.36	▲	2.03%
Crude Oil	61.71	6.86	▲	12.51%

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.

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