



MORNING REPORT

As at 9.00 AM 20/03/2019

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Top News

NZ dollar remains in tight range, focus on FOMC

The New Zealand dollar remained in a tight range ahead of tomorrow's Federal Reserve Open Market Committee decision but was supported by a lift in dairy auction prices overnight.

Dairy commodity prices continue to rise with a 1.9 percent lift in the Global Dairy Trade price index overnight. Whole milk powder - which makes up the bulk of the auction - rose 4 percent. Investors are widely expecting the Fed to keep its benchmark overnight interest rate unchanged this week and to reiterate it has time to be patient.

Domestically investors will be watching for today's current account data, with the economists expecting an annual current account deficit of 3.9 percent of GDP, according to the median estimate in a Bloomberg poll. Thursday's fourth-quarter GDP data is also in focus, with economists tipping the economy to have grown 0.6 percent versus the central bank's forecast of 0.8 percent growth in the quarter.

NZ shares fall in muted trading; Gentrack drops on Brexit jitters

New Zealand shares fell from a record in quiet trading. Gentrack led the declines as investors fretted over the Brexit implications for the UK exposed utilities software developer.

Gentrack fell 4.2 percent to \$4.60 on a volume of 22,000 shares, less than a third of its usual volume. The stock is down 8.7 percent so far this year, with investors unnerved by what impact Brexit will have on the firm, which derives about 40 percent of its sales in the UK. UK Prime Minister Theresa May is expected to seek a longer extension from Britain's exit from European Union, adding uncertainty for investors.

Fletcher Building fell 1.9 percent to \$4.74 on a volume of 1.5 million, compared to its 90-day average of 1.8 million.

Metro Performance Glass, which is outside the benchmark index, fell 2.1 percent to 47 cents after downgrading its earnings guidance citing a weak Australian market.

Auckland International Airport slipped from a record close, down 0.2 percent at \$7.975 on a volume of 678,000. Chorus fell 0.7 percent to \$5.77, having closed at a record last Friday before shedding rights to its dividend yesterday.

New Zealand Refining rose 2.1 percent to \$1.97 after reporting a recent recovery in regional margins which had been negative for much of January and February. The 239,000 volume was above the stock's 199,000 three-monthly average.

Spark New Zealand was the most traded stock at 3.1 million shares, below its 5.6 million 90-day average. The shares declined 0.6 percent to \$3.625 today. The telecommunications company is issuing 1 billion Norwegian krone, or \$169 million, in 10-year notes to partially refinance an upcoming maturity.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	10,290.44	14.98	▼	0.15%
S&P/NZX 50 Index	9,497.27	17.85	▼	0.19%
S&P/NZX MidCap Index	27,484.18	2.62	▼	0.01%
S&P/NZX SmallCap Index	58,301.91	281.22	▲	0.48%
S&P/NZAX All Index	569.01	5.90	▲	1.05%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,276.60	7.00	▼	0.11%
S&P/ASX 200	6,184.80	5.70	▼	0.09%
ASX Small Ordinaries	2,789.80	6.50	▼	0.23%
S&P/ASX MIDCAP 50	6,660.30	5.00	▼	0.08%
S&P/ASX 20	3,436.10	1.30	▼	0.04%
Foreign Markets Index				
	Last	Change		
S&P 500	2,833.47	0.53	▲	0.02%
Dow Jones Industrial Average	25,900.40	13.70	▼	0.05%
NASDAQ Composite	7,725.75	11.27	▲	0.15%
DAX PERFORMANCE-INDEX	11,788.41	131.35	▲	1.13%
ASX All Ordinaries	6,276.60	7.00	▼	0.11%
NIKKEI 225	21,566.85	17.65	▼	0.08%
HANG SENG INDEX	29,466.28	57.27	▲	0.19%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9669	0.0022	▲	0.23%
USD	0.6856	0.0003	▲	0.04%
CNY	4.6000	0.0010	▼	0.02%
EUR	0.6037	0.0006	▼	0.10%
CAD	0.9127	0.0012	▼	0.13%
GBP	0.5167	0.0004	▼	0.08%
JPY	76.3575	0.0095	▲	0.01%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.88			
5-year Swap	1.94			
10-year Swap	2.34			
Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,306.50	5.00	▲	0.38%
Silver	15.36	0.04	▲	0.28%
Crude Oil	58.85	0.24	▼	0.41%

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