



MORNING REPORT

As at 9.00 AM 22/07/2019

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Top News

NZ dollar treading water as markets focus on Iran

The New Zealand dollar was largely unchanged as market tensions ramp up after Iran seized a British-flagged tanker.

Markets are jittery as they await a UK response after the Iranian Revolutionary Guards seized the Stena Impero in the Strait of Hormuz on Friday in apparent retaliation for the British capture of an Iranian tanker two weeks earlier.

The greenback also continued to benefit after the New York Federal Reserve clarified that New York Fed President John Williams' assertion that policymakers need to "act quickly" as economic growth slows was drawing from research, not hinting at what may happen at this month's Federal Open Market Committee meeting.

The speech had initially weighed on the US dollar. However, expectations for a 50 basis-point rate cut at the end of the month fell and now stand at around 22.5 percent. A 25-point cut remains fully priced.

NZ shares extend gain as passive funds bolster prices; Tourism Holdings climbs

New Zealand shares remained in record territory as passive investment funds appeared to support the upward trend in school holiday-affected trading. Tourism Holdings led the market higher when it resumed trading.

Trading has been quieter than usual over the school holiday period and almost half the transactions through the exchange in recent days have been in the 15-minute match period before the market closes.

NZX rose 1.7 percent to \$1.20 on a volume of 1.1 million shares, almost three times its 352,000 average. The stock market operator is trading at its highest level since August 2017, having welcomed its first initial public offering for almost two years last month in Cannasouth. It is poised to add another when Napier Port lists in August.

Tourism Holdings led the market higher, up 5.1 percent at \$4.14 on a volume of 346,000 shares, more than its 90-day average of 172,000. Trading was halted yesterday to offer the remaining shares from a rights offer to investors in a shortfall bookbuild. The shares cleared at \$3.88 in the bookbuild, a 48-cent premium.

Arvida Group had a similar experience yesterday, with a clearing price of \$1.35 in a shortfall bookbuild, a 20-cent premium. It was unchanged at \$1.38 today.

Ryman Healthcare rose 1.7 percent to \$13.20 on a volume of 535,000 shares, more than its 477,000 average. Goodson said the country's biggest listed retirement village operator had diverged from the rest of the sector since a very large trade earlier this week.

A2 Milk Co increased 0.4 percent to \$16.85 on a smaller volume than usual of 507,000 shares. Synlait Milk, which supplies A2, increased 1.6 percent to \$9.79.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	11,611.29	10.32	▲ 0.09%
S&P/NZX 50 Index	10,753.15	12.06	▲ 0.11%
S&P/NZX MidCap Index	30,430.62	81.09	▲ 0.27%
S&P/NZX SmallCap Index	60,259.04	115.13	▼ 0.19%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,786.20	50.80	▲ 0.75%
S&P/ASX 200	6,700.30	51.20	▲ 0.77%
ASX Small Ordinaries	2,927.60	30.40	▲ 1.05%
S&P/ASX MIDCAP 50	7,115.00	79.40	▲ 1.13%
S&P/ASX 20	3,737.20	23.00	▲ 0.62%

Foreign Markets Index			
	Last	Change	
S&P 500	2,976.61	18.50	▼ 0.62%
Dow Jones Industrial Average	27,154.20	68.80	▼ 0.25%
NASDAQ Composite	8,146.49	60.75	▼ 0.74%
DAX PERFORMANCE-INDEX	12,260.07	32.27	▲ 0.26%
ASX All Ordinaries	6,786.20	50.80	▲ 0.75%
NIKKEI 225	21,466.99	420.79	▲ 2.00%
HANG SENG INDEX	28,765.40	303.70	▲ 1.07%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9605	0.0001	▲ 0.01%
USD	0.68	0.0000	▲ 0.00%
CNY	4.6520	0.0000	▲ 0.00%
EUR	0.60	0.0000	▲ 0.00%
CAD	0.8835	-0.0001	▼ 0.01%
GBP	0.54	0.0001	▲ 0.02%
JPY	72.9060	0.0010	▲ 0.00%

NZ Interest Rates		
	Last	Change
NZ OCR	1.50	
3m Bank Bill	1.52	
5y Swap	1.41	
10y Swap	1.77	

Commodities Futures (Spot Price \$USD)			
	Last	Change	
Gold	1,426.50	1.60	▼ 0.11%
Silver	16.23	0.03	▲ 0.20%
Crude Oil	55.74	0.44	▲ 0.80%

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