



MORNING REPORT

As at 9.00 AM 23/01/2019

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

NZ dollar eases against pound; otherwise stalled ahead of CPI

The New Zealand dollar, little changed ahead of key inflation data today, slipped to a fresh two-month low against the British pound on stronger-than-expected employment and wages data there.

UK data showing record employment and a surprise 3.4 percent jump in weekly earnings in the three months through November was a positive among continued mixed signals on the global outlook.

But Brexit uncertainty remains, with the International Monetary Fund citing a chaotic UK exit among key risks it sees for the global economy this year. The agency trimmed its 2019 global growth forecast to 3.5 percent, down 0.2 from its last forecast in October earlier this week.

US equity markets, which were closed Monday, fell overnight after a report showed sales of existing homes fell 6.4 percent last month, a three-year low. The Trump administration also rejected a Chinese offer of preparatory trade talks this week because of a lack of progress on 'forced' technology transfers and state subsidies, the Financial Times reported.

All local attention is on December quarter consumer price inflation data due today. The market is expecting a flat result, taking the annual rate to 1.8 percent. That outcome would be below the Reserve Bank's forecast of 0.2 percent for the quarter and 2 percent for calendar 2018, but will be mainly due to the sharp drop in oil prices during the period.

NZ shares fell on global growth concerns

New Zealand shares fell as investors fretted about a possible slowdown in global growth. Spark saw the heaviest volumes traded.

US markets were closed overnight due to a holiday but equity markets in Europe fell after China's slightly slower 6.4 percent GDP growth in the December quarter. Asian markets followed suit and sentiment soured further after the International Monetary Fund trimmed its global growth forecasts.

World growth was revised down to 3.5 percent and 3.6 percent in 2019 and 2020, primarily reflecting trade tensions and tightening financial conditions, according to the IMF's latest World Economic Outlook Update.

Spark was once again the most heavily traded stock, with 5 million shares changing hands compared to its daily average 3.5 million over the past 90 days. It was the biggest loser, shedding 2.2 percent to \$3.96. Some 2.4 million Kiwi Property shares traded, versus its daily average 1.3 million, with the stock falling 0.7 percent to \$1.39.

Auckland International Airport was down 0.6 percent at \$7.43. It announced Jason Delamore, general manager marketing and technology, was leaving in April 2019 to become the chief executive of Fronde, a major New Zealand technology integrator. A search for his replacement will get underway in the coming weeks.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,892.33	32.76	▼	0.33%
S&P/NZX 50 Index	9,114.63	33.94	▼	0.37%
S&P/NZX MidCap Index	26,633.22	27.11	▼	0.10%
S&P/NZX SmallCap Index	58,615.72	28.85	▲	0.05%
S&P/NZAX All Index	523.45	0.77	▼	0.15%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	5,924.30	29.20	▼	0.49%
S&P/ASX 200	5,858.80	31.60	▼	0.54%
ASX Small Ordinaries	2,565.80	1.50	▲	0.06%
S&P/ASX MIDCAP 50	6,460.40	12.60	▼	0.19%
S&P/ASX 20	3,271.30	27.90	▼	0.85%
Foreign Markets Index				
	Last	Change		
S&P 500	2,623.02	47.69	▼	1.79%
Dow Jones Industrial Average	24,297.23	409.12	▼	1.66%
NASDAQ Composite	6,994.77	162.46	▼	2.27%
DAX PERFORMANCE-INDEX	11,090.11	46.09	▼	0.41%
ASX All Ordinaries	5,924.30	29.20	▼	0.49%
NIKKEI 225	20,622.91	96.42	▼	0.47%
HANG SENG INDEX	27,005.45	191.09	▼	0.70%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9443	0.0042	▲	0.45%
USD	0.6721	0.0010	▼	0.15%
CNY	4.5800	0.0090	▲	0.20%
EUR	0.5916	0.0004	▼	0.07%
CAD	0.8972	0.0023	▲	0.26%
GBP	0.5187	0.0033	▼	0.63%
JPY	73.4505	0.3565	▼	0.48%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.15			
10-year Swap	2.62			
Commodities Futures				
	Last	Change		
Gold	1,284.10	1.50	▲	0.12%
Silver	15.35	0.05	▼	0.35%
Crude Oil	52.77	1.03	▼	1.91%

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 E-mail: Info@equity.co.nz

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