



## MORNING REPORT

As at 9.00 AM 26/11/2018

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 starts week on backfoot as oil prices slump

The New Zealand dollar kicked off the week on the backfoot as a slump in oil prices on Friday weighed on commodity-sensitive currencies.

Commodity-linked currencies including the New Zealand, Australian and Canadian dollars all fell on Friday as oil prices extended their decline, with Brent Crude down 6.1 percent at US\$58.80 a barrel. Brent has slumped 32 percent from a peak on Oct. 3 amid growing fears of a global oversupply. Trading on financial markets was relatively quiet in the shortened Thanksgiving Day holiday week.

Traders face a busy week with third-quarter retail sales data today, the Reserve Bank's financial stability report on Wednesday, several Federal Reserve officials speaking, the release of minutes to the last Federal Open Market Committee policy meeting, and the G20 leaders' meeting where US President Donald Trump will meet his Chinese counterpart Xi Jinping.

#### NZ shares mixed as Kathmandu jumps on strong sales; Ryman dips

New Zealand shares were mixed, as strong sales buoyed Kathmandu while slowing property markets were seen weighing on Ryman Healthcare. Fletcher Building bounced back from a 14-year low.

Kathmandu rose 12 percent to \$2.78 on larger volumes than usual. The outdoor equipment chain beat expectations reporting an 8.3 percent increase in sales from its Kathmandu branded stores and benefiting from a strong performance from its recently acquired US footwear unit, Oboz.

Ryman slipped 0.2 percent to \$11.48 after reporting a 14 percent increase in underlying first-half earnings. McIntyre said the results noted a weaker building rate in coming years, with concerns about slowing property markets in Auckland and Melbourne. Chief executive Gordon McLeod downplayed the impact of slowing property markets, pointing to its experience during the GFC downturn.

Fletcher gained 2 percent to \$4.69 on volumes of 15.3 million shares, compared to its 1.5 million 90-day average.

A2 Milk increased 0.3 percent to \$10.53 on volumes of 3.3 million, while Spark New Zealand declined 1.6 percent to \$4.075 on average volume of 2.8 million.

Among other companies on volumes of more than one million shares, Meridian Energy slipped 0.2 percent to \$3.185 on average volumes. Infratil gained 0.4 percent to \$3.545 on a volume of 1.4 million compared to a 90-day average of 357,000.

Vital Healthcare Property Trust decreased 0.5 percent to \$2.11 after manager NorthWest said it won't exercise rights to terminate directors or raise its management fee above current levels until it reviews the fees in the first quarter of next year.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,477.03	3.88	▼	0.04%
S&P/NZX 50 Index	8,701.38	1.78	▼	0.02%
S&P/NZX MidCap Index	25,872.55	37.08	▲	0.14%
S&P/NZX SmallCap Index	60,726.32	7.92	▼	0.01%
S&P/NZAX All Index	514.01	1.49	▲	0.29%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	5,793.40	23.10	▲	0.40%
S&P/ASX 200	5,716.20	24.90	▲	0.44%
ASX Small Ordinaries	2,541.90	5.60	▼	0.22%
S&P/ASX MIDCAP 50	6,270.70	15.70	▲	0.25%
S&P/ASX 20	3,199.00	16.60	▲	0.52%
Foreign Markets Index				
	Last	Change		
S&P 500	2,632.56	17.37	▼	0.66%
Dow Jones	24,285.95	178.74	▼	0.73%
NASDAQ Composite	6,938.98	33.27	▼	0.48%
DAX	11,192.69	54.20	▲	0.49%
ASX All Ordinaries	5,793.40	23.10	▲	0.40%
NIKKEI 225	21,646.55	139.01	▲	0.65%
HANG SENG INDEX	25,927.68	91.73	▼	0.35%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9379	0.0008	▲	0.09%
USD	0.6786	0.0005	▲	0.07%
CNY	4.7120	0.0000		0.00%
EUR	0.5982	0.0001	▲	0.02%
CAD	0.8980	0.0007	▲	0.08%
GBP	0.5289	0.0000		0.00%
JPY	76.6350	0.0300	▲	0.04%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.50			
10-year Swap	2.98			
Commodities Futures				
	Last	Change		
Gold	1,223.40	4.60	▼	0.37%
Silver	14.26	0.24	▼	1.67%
Crude Oil	50.39	4.24	▼	7.71%

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