

# MORNING REPORT

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## Top News

### NZ shares inch higher as investors eye upcoming AGMs

New Zealand shares edged higher as investors wait for the upcoming round of annual meetings for a clearer steer on company outlooks.

The S&P/NZX 50 index increased 8.45 points, or 0.1 percent, to 9,345.96. Within the index, 22 stocks gained, 20 fell and eight were unchanged. Turnover was \$157.5 million.

Grant Williamson, a director at Hamilton Hindin Greene, said a number of companies held off providing earnings outlooks at their annual earnings, preferring instead to wait for the AGM.

"After a few months of trading under the bridge you should have a clear idea on providing some earnings guidance," he said.

Air New Zealand fell 1.6 percent to \$3.07 ahead of tomorrow's annual meeting in Christchurch. The national carrier told customers over the weekend it plans to pare some international routes, blaming engine issues with some of its Dreamliner fleet among the challenges it's faced. Other annual meetings tomorrow include Turners Automotive Group, which gained 1.8 percent to \$2.90, and NZ Windfarms, which was unchanged 12.3 cents.

Mercury NZ gained 1.5 percent to \$3.365 ahead of its Friday AGM. Future Mobility Solutions was unchanged at 11.6 cents ahead of its meeting on the same day.

Orion Health Group also holds its annual meeting on Friday where shareholders will vote on whether to back a restructuring of the group into three distinct firms. The shares rose 5 percent to \$1.06.

### NZ dollar treads water as central bank meetings loom

The New Zealand dollar stuck to a tight range ahead of the Reserve Bank and Federal Reserve policy reviews tomorrow.

The kiwi traded at 66.47 US cents as at 8am in Wellington from 66.40 cents yesterday. The trade-weighted index edged up to 72.02 from 71.97.

Central bank meetings in the US and New Zealand are expected to continue the diverging monetary policies in the two nations, which has seen US bond yields rise above their Kiwi counterparts, increasing the allure of the greenback. The US 10-year Treasury was recently at 3.09 percent compared to New Zealand's 2.71 percent equivalent. RBNZ governor Adrian Orr told Radio New Zealand yesterday lifting inflation would not be a big challenge for the bank. He isn't expected to move the official cash rate from 1.75 percent.

"Last week's GDP was a home run for the kiwi and suggests the RBNZ while remaining cautious, could paint a much rosier picture on growth relative to the previous OCR," Oanda Asia Pacific head of trading Stephen Innes said in a note. "Given the lack of liquidity, there is always the chance for an outsized move on any surprise."

NZX Index			
Index	Last	Change	
S&P/NZX All Index	10,166.98	10.52	▲ 0.10%
S&P/NZX 50 Index	9,345.96	8.45	▲ 0.09%
S&P/NZX MidCap Index	26,667.02	56.39	▲ 0.21%
S&P/NZX SmallCap Index	63,815.11	69.67	▲ 0.11%
S&P/NZAX All Index	534.48	1.43	▲ 0.27%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,299.10	0.40	▼ 0.01%
S&P/ASX 200	6,185.90	1.00	▼ 0.02%
ASX Small Ordinaries	2,821.90	4.40	▼ 0.16%
S&P/ASX MIDCAP 50	7,032.60	6.70	▲ 0.10%
S&P/ASX 20	3,419.10	4.40	▼ 0.13%

Foreign Markets Index			
	Last	Change	
S&P 500	2,915.56	3.81	▼ 0.13%
Dow Jones	26,492.21	69.84	▼ 0.26%
NASDAQ Composite	8,007.47	14.22	▲ 0.18%
DAX	12,374.66	23.84	▲ 0.19%
ASX All Ordinaries	6,299.10	0.40	▼ 0.01%
NIKKEI 225	23,940.26	70.33	▲ 0.29%
HANG SENG INDEX	27,499.39	454.19	▼ 1.62%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9170	0.0010	▲ 0.11%
USD	0.6648	0.0005	▲ 0.08%
CNY	4.5640	0.0070	▲ 0.15%
EUR	0.5649	0.0006	▼ 0.11%
CAD	0.8610	0.0005	▲ 0.06%
GBP	0.5044	0.0020	▼ 0.39%
JPY	75.0800	0.1540	▲ 0.21%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.94	
5-year Swap	2.42	
10-year Swap	2.94	

Commodities Futures			
	Last	Change	
Gold	1,205.50	1.10	▲ 0.09%
Silver	14.49	0.15	▲ 1.07%
Crude Oil	72.06	0.02	▼ 0.03%

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