



MORNING REPORT

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Top News

Stocks Fluctuate as Virus Fear Grips Wall Street

U.S. equities traded near the lows of the day as investors digested a barrage of reports on the widening coronavirus outbreak. The dollar advanced.

The S&P 500 swung between gains and losses after a report said officials in the New York region are monitoring people for exposure. The benchmark index had slid more than 6% over the prior two days. The Dow Jones Industrial Average was lower, while the Nasdaq Composite gained. Ten-year Treasury yields approached the record-low close set Tuesday. European shares pared losses to close mostly higher, while Asian equities finished in the red. Oil bounced around \$50 a barrel and gold edged higher.

"No one has any idea the depth and duration of the coronavirus' negative impact on the global economy and corporate earnings," said Alec Young, managing director of global markets research at FTSE Russell.

President Donald Trump and federal health officials plan to brief the U.S. public Wednesday on efforts to prevent the spread of the coronavirus. Health officials in Nassau County on New York's Long Island are monitoring 83 people who have visited mainland China or may have come in contact with the virus. Earlier, German and American officials warned of a pandemic. Diageo Plc and Danone SA said that the outbreak will hit sales in China. The first cases in Greece and in South America emerged, while Spain locked down a seaside resort hotel with about 1,000 guests and workers inside.

Risk assets are struggling to rebound as coronavirus cases steadily climb outside the epicenter in China. South Korea said its national total rose to more than 1,000, while American health officials Tuesday warned that they expect the epidemic to spread in the U.S.

Traders may be looking out for further signs of policy accommodation after American central bankers said they are closely monitoring the spreading virus, though it's "still too soon" to say whether it will change the outlook.

"People are taking a step back and reviewing the data and seeing how much this coronavirus is progressing," said Michael Reynolds, investment strategy officer at Glenmede Trust Co.

Byron Wien, vice chairman of Blackstone's Private Wealth Solutions group, discusses the implications of the coronavirus outbreakSource: Bloomberg

Elsewhere, a gauge of high-yield credit risk for European issuers rose for a fifth day. Industrial metals and minerals mostly dropped, including copper and iron ore. Bitcoin slumped for a third day.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	12,443.85	200.40	▼	1.59%
S&P/NZX 50 Portfolio Index	7,018.47	128.80	▼	1.80%
S&P/NZX MidCap Index	31,536.66	755.50	▼	2.34%
S&P/NZX SmallCap Index	61,411.68	821.30	▼	1.32%

ASX Index				
Index	Last		Change	
ASX All Ordinaries	6,790.70	163.10	▼	2.35%
S&P/ASX 200	6,708.10	158.50	▼	2.31%
ASX Small Ordinaries	2,871.70	80.60	▼	2.73%
S&P/ASX MIDCAP 50	7,055.60	189.20	▼	2.61%
S&P/ASX 20	3,757.30	87.70	▼	2.28%

Foreign Markets Index				
	Last		Change	
S&P 500	3,130.71	2.50	▲	0.08%
Dow Jones Industrial Average	27,071.54	9.82	▼	0.04%
NASDAQ Composite	9,018.56	52.95	▲	0.59%
DAX PERFORMANCE-INDEX	12,774.88	15.61	▼	0.12%
ASX All Ordinaries	6,790.70	163.10	▼	2.35%
NIKKEI 225	22,426.19	179.22	▼	0.79%
HANG SENG INDEX	26,696.49	196.74	▼	0.73%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9611	0.0034	▲	0.35%
USD	0.63	0.0020	▼	0.32%
CNY	4.4270	0.0060	▼	0.14%
EUR	0.58	0.0027	▼	0.47%
CAD	0.8394	0.0003	▼	0.04%
GBP	0.49	0.0020	▲	0.41%
JPY	69.4525	0.2170	▼	0.31%

NZ Interest Rates				
	Last		Change	
NZ OCR	1.00			
3m Bank Bill	1.09			
5y Swap	1.05			
10y Swap	1.31			

Commodities Futures (Spot Price \$USD)				
	Last		Change	
Gold	1,649.50	0.50	▼	0.03%
Silver	17.93	0.26	▼	1.43%
Crude Oil	48.65	1.25	▼	2.51%

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www.equity.co.nz E-mail: Info@equity.co.nz

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