



# MORNING REPORT

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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 steady ahead of jobs data, Fed meeting

The New Zealand dollar was steady early Monday as markets await domestic jobs data and the US Federal Reserve's policy meeting.

The US dollar got a lift from data showing the economy grew 3.2 percent in the first three months of the year, well above the 2.3 percent forecast by economists - but eased back as investors await key US Personal Consumption Expenditures Prices data for March for any sign of inflation. The data due later today in the US will shape what markets expect from the FOMC this week.

Domestically, investors will be watching jobs data due on Wednesday, in particular for any signs of possible wage inflation as New Zealand's central bank also grapples with relatively strong growth but benign inflation. Economists are expecting the unemployment rate to be 4.2 percent, according to the median in a Bloomberg poll. They expect wage inflation to remain tepid.

### NZX50 drops below 10,000 as blue-chips fall off the pace

The NZX50 broke through the 10,000 level this week, as the Easter and Anzac holidays thinned out trading rooms. The index is up 14 percent so far this year, with the prospect of low interest rates lasting for even longer supporting demand for companies offering reliable dividends. That has helped push the likes of Chorus, Meridian Energy, Mercury NZ and Genesis Energy to records.

The utilities were mixed today, with Meridian posting the biggest gain on the day, up 1.2 percent at \$4.14 on a volume of 1.1 million shares. Chorus was up 0.2 percent at \$6.255, Genesis fell 0.7 percent to \$3.07 and Mercury was down 1.7 percent at \$3.80.

Greg Smith, head of research at Fat Prophets, said the holidays had affected trading this week with a lot of people taking leave around the Easter and Anzac Day holidays to extend their break.

"That could give a bit of a lift to our market next week. The NZX50 has gone through the 10,000 mark and that will be a guide to see whether it will hold."

Spark New Zealand dropped 2.3 percent to \$3.585 on a volume of 5.8 million shares and was the most traded stock on the market. The telecommunications company attracted more criticism over an outage on its new sports streaming platform during the trans-Tasman Anzac Day hockey test.

Smith said Spark has to iron out those problems on the platform, which could dent the telco's reputation if it happened during the Rugby World Cup. Spark's success or failure in hosting that event will have a lot of bearing for Sky Network Television, which is trying to reposition itself as the broadcasting home of sports, he said. Sky shares fell 2.4 percent to \$1.24 on a volume of 780,000.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	10,817.19	83.31	▼ 0.76%
S&P/NZX 50 Index	9,994.57	77.17	▼ 0.77%
S&P/NZX MidCap Index	28,383.90	175.80	▼ 0.62%
S&P/NZX SmallCap Index	59,993.28	383.27	▼ 0.63%
S&P/NZAX All Index	625.95	2.35	▼ 0.37%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,473.20	2.60	▲ 0.04%
S&P/ASX 200	6,385.60	3.50	▲ 0.05%
ASX Small Ordinaries	2,856.80	2.00	▲ 0.07%
S&P/ASX MIDCAP 50	6,875.90	15.30	▼ 0.22%
S&P/ASX 20	3,550.70	1.20	▲ 0.03%

Foreign Markets Index			
	Last	Change	
S&P 500	2,939.88	13.71	▲ 0.47%
Dow Jones Industrial Average	26,543.33	81.23	▲ 0.31%
NASDAQ Composite	8,146.40	27.72	▲ 0.34%
DAX PERFORMANCE-INDEX	12,315.18	32.58	▲ 0.27%
ASX All Ordinaries	6,473.20	2.60	▲ 0.04%
NIKKEI 225	22,258.73	48.87	▼ 0.22%
HANG SENG INDEX	29,605.01	55.21	▲ 0.19%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9457	0.0001	▲ 0.01%
USD	0.6653	0.0003	▼ 0.05%
CNY	4.4830	0.0000	0.00%
EUR	0.5971	0.0000	0.00%
CAD	0.8957	0.0003	▲ 0.03%
GBP	0.5150	0.0001	▲ 0.02%
JPY	74.2450	0.0000	0.00%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.78	
5-year Swap	1.78	
10-year Swap	2.21	

Commodities Futures (Spot Price \$USD)			
	Last	Change	
Gold	1,288.40	8.70	▲ 0.68%
Silver	15.04	0.16	▲ 1.08%
Crude Oil	62.80	2.41	▼ 3.70%

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[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