

MORNING REPORT

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Top News

CharmingNZ shares rise in quiet trading; beat-up Pushpay, Fletcher find favour

New Zealand shares rose as stocks that have been beaten up in recent months - such as Pushpay Holdings and Fletcher Building - attracted interest from investors seeking bargains in a market trading at high valuations.

The S&P/NZX 50 Index increased 18.2 points, or 0.2 percent, to 10,012.77. Within the index, 20 stocks rose, 22 fell, and eight were unchanged. Turnover was \$106 million.

Pushpay led the market higher, up 2.4 percent at \$3.79 on a volume of 265,000 shares, about two-thirds its 90-day average. The software developer has climbed 23 percent since March 27, benefiting as a weaker kiwi dollar increases the value of its US-focused business. It has also recovered from a sell-off through the second half of last year.

Fletcher Building rose 2.1 percent to \$5.27 on a volume of 613,000 shares, about half its 1.22 million three-month average. The country's biggest listed construction company has gained 13 percent since March 25, with some speculation that it might give investors a more optimistic update at the Macquarie investor conference that starts in Sydney tomorrow.

"Fletcher Building continued its upward trajectory. Value investors, in particular, are moving in to buy that stock," said Peter McIntyre, an investment adviser at Craigs Investment Partners.

NZ dollar steady as markets await Fed statement

The New Zealand dollar is steady as markets await the US Federal Reserve's monetary policy decision and statement later this week. Local business confidence data today will garner interest.

The kiwi was trading at 66.70 US cents at 7:50am in Wellington from 66.79 US cents at 5pm. The trade-weighted index was at 72.71 points from 72.82.

Investors are largely on the sidelines ahead of the Federal Reserve's latest monetary policy decision on Thursday morning New Zealand time. While the Fed is expected to keep rates unchanged, the statement and press conference will be closely watched for any clues on its direction as it looks to balance strong economic growth with still tepid inflation.

In recent weeks Fed officials have said they will be "patient," which has led some economists to think rates could be on hold into 2020.

"We expect no change in the FOMC's interest rates guidance," said ANZ FX/rates strategist Sandeep Parekh. "Inflation is below target and despite still-strong headline growth and robust momentum in the labour market, a sustained acceleration in core inflation remains elusive."

In overnight data, the US core Personal Consumption Expenditure Price Index rose 1.6 percent on a yearly basis in March, falling short of the market expectation of 1.7 percent and moving further away from the Fed's 2 percent inflation target.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	10,838.56	21.37	▲ 0.20%
S&P/NZX 50 Index	10,012.77	18.20	▲ 0.18%
S&P/NZX MidCap Index	28,275.44	108.46	▼ 0.38%
S&P/NZX SmallCap Index	60,246.91	253.63	▲ 0.42%
S&P/NZAX All Index	625.49	0.45	▼ 0.07%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,449.60	23.60	▼ 0.36%
S&P/ASX 200	6,359.50	26.10	▼ 0.41%
ASX Small Ordinaries	2,859.30	2.50	▲ 0.09%
S&P/ASX MIDCAP 50	6,856.60	19.30	▼ 0.28%
S&P/ASX 20	3,536.10	14.60	▼ 0.41%

Foreign Markets Index			
	Last	Change	
S&P 500	2,943.03	3.15	▲ 0.11%
Dow Jones	26,554.39	11.06	▲ 0.04%
NASDAQ Composite	8,161.85	15.46	▲ 0.19%
DAX	12,328.02	12.84	▲ 0.10%
ASX All Ordinaries	6,449.60	23.60	▼ 0.36%
NIKKEI 225	22,258.73	48.85	▼ 0.22%
HANG SENG INDEX	29,892.81	287.80	▲ 0.97%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9453	0.0003	▼ 0.03%
USD	0.6668	0.0013	▲ 0.20%
CNY	4.4910	0.0080	▲ 0.18%
EUR	0.5962	0.0009	▼ 0.15%
CAD	0.8970	0.0016	▲ 0.18%
GBP	0.5156	0.0007	▲ 0.14%
JPY	74.4615	0.2165	▲ 0.29%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.88	
5-year Swap	1.80	
10-year Swap	2.21	

Commodities Futures (Spot Price \$USD)			
	Last	Change	
Gold	1,281.50	7.30	▼ 0.57%
Silver	14.85	0.15	▼ 1.03%
Crude Oil	63.63	0.33	▲ 0.52%

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