

MORNING REPORT

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Top News

NZ dollar benefits as preliminary Brexit deal improves risk appetite

The New Zealand dollar benefited from a lift in global risk appetite after a preliminary Brexit deal was struck.

European Union and UK negotiators reached a draft of a new deal on Brexit and it was approved by the EU summit in Brussels. UK Prime Minister Boris Johnson now needs to obtain enough support from the UK parliament. The vote is scheduled for Saturday.

According to the Wall Street Journal, the withdrawal agreement spells out a financial settlement, a guarantee of citizens' rights and a plan to avoid a physical border on the island of Ireland. It is accompanied by a non-binding political declaration that is supposed to set out the shape of future relations.

Meanwhile, markets were also cheered when China's Commerce Ministry said it hoped to soon reach a phased trade agreement with the US. Reuters quoted ministry spokesman Gao Feng as saying "we hope that both sides will continue to work together, advance negotiations, and reach a phased agreement as soon as possible."

NZ shares fall as Pushpay follows Aussie software firms lower

New Zealand shares fell, led by Pushpay Holdings, as the payments app developer got dragged down by pessimistic analyst reports on ASX software firms Wisetech Global and Afterpay.

Pushpay led the market lower, down 3.1 percent at \$3.15 on a volume of 1.5 million shares, more than twice its 90-day average of 620,000. Investor sentiment for trans-Tasman software firms soured after J Capital Research issued a report questioning WiseTech's growth. Yesterday, UBS researchers started covering Afterpay and issued a 'sell' rating due to the threat of regulation.

Markets across Asia were generally down in afternoon trading, following a weak lead on Wall Street. Australia's S&P/ASX 200 Index was down 0.7 percent in late trading, South Korea's Kospi 200 Index fell 0.2 percent, while Hong Kong's Hang Seng rose 0.7 percent.

Domestically, Sky Network Television's annual meeting was the major focus, with shareholders signing off on plans to secure New Zealand Rugby's broadcasting rights and allowing the equity component of the up to US\$40 million RugbyPass acquisition. However, chief executive Martin Stewart's share rights issue faced stiff opposition, with 25.6 percent opposition.

SkyCity Entertainment Group declined 1 percent to \$3.93 ahead of tomorrow's annual meeting. Davies said the update will give a good steer on how the company has performed given the notes of caution about the economic outlook when the firm reported its annual result in August. The casino operator today hosed down union claims about the number of jobs that might go due to the delayed opening of the international convention centre.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	12,026.34	36.85	▼ 0.31%
S&P/NZX 50 Index	11,141.86	36.78	▼ 0.33%
S&P/NZX MidCap Index	31,965.33	16.23	▼ 0.05%
S&P/NZX SmallCap Index	62,433.97	116.19	▲ 0.19%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,791.50	51.70	▼ 0.76%
S&P/ASX 200	6,684.70	51.80	▼ 0.77%
ASX Small Ordinaries	2,882.30	9.70	▼ 0.34%
S&P/ASX MIDCAP 50	7,057.10	69.30	▼ 0.97%
S&P/ASX 20	3,703.20	31.90	▼ 0.85%

Foreign Markets Index			
	Last	Change	
S&P 500	2,997.95	8.26	▲ 0.28%
Dow Jones Industrial Average	27,025.88	23.90	▲ 0.09%
NASDAQ Composite	8,156.85	32.67	▲ 0.40%
DAX PERFORMANCE-INDEX	12,654.95	15.16	▼ 0.12%
ASX All Ordinaries	6,791.50	51.70	▼ 0.76%
NIKKEI 225	22,451.86	21.06	▼ 0.09%
HANG SENG INDEX	26,848.49	184.21	▲ 0.69%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9302	-0.0005	▼ 0.05%
USD	0.63	0.0057	▲ 0.90%
CNY	4.4950	0.0380	▲ 0.85%
EUR	0.57	0.0026	▲ 0.46%
CAD	0.8343	0.0040	▲ 0.48%
GBP	0.49	0.0029	▲ 0.59%
JPY	68.9540	0.5460	▲ 0.79%

NZ Interest Rates		
	Last	Change
NZ OCR	1.00	
3m Bank Bill	1.05	
5y Swap	0.99	
10y Swap	1.31	

Commodities Futures (Spot Price \$USD)			
	Last	Change	
Gold	1,495.60	1.60	▲ 0.11%
Silver	17.57	0.14	▲ 0.82%
Crude Oil	54.01	0.65	▲ 1.22%

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