



# MORNING REPORT

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## Top News

### South Korea Signals Unprecedented Steps to Contain Outbreak

South Korean President Moon Jae-in raised the country's infectious-disease alert level to the highest and signaled the potential for unprecedented steps to contain a coronavirus outbreak that has killed six and infected hundreds.

The government ordered that schools delay resuming lessons after a holiday break as more than 600 people were confirmed to have been infected, a 20-fold surge in reported cases over five days. More than half are linked to members of Shincheonji Church of Jesus, an opaque religious sect, while almost an entire hospital psychiatric ward of over 110 patients and staff tested positive for the virus.

The worsening outbreak may add further pressure on South Korean assets. The won recorded its biggest five-day drop in more than four years last week when the number of infections jumped. Government bonds could extend gains as the economic fallout from the outbreak bolsters the case for the central bank to ease policy again.

The quick spread in South Korea has triggered travel advisories around the world. Israel is closing its borders to foreign nationals who live in or have visited South Korea in the past two weeks, while the U.S. and the U.K. also raised their alert levels for travel in the Asian country.

South Korea was last on red alert in 2009, during the H1N1 virus outbreak that resulted in 250 deaths in the country. At the red level, the government has the power to stop military personnel from going on vacation leave, control the activities of aircraft, suspend public schools from restarting, as well as impose stricter measures to bar foreigners from entering the country, the DongA Ilbo newspaper reported, citing an official.

A day after the prime minister asked citizens to stop mass religious activities for safety reasons, President Moon said the government could take "powerful measures like never before without being tied to regulations" to contain the outbreak. He emphasized that shutting down Shincheonji facilities was a safety measure, not a suppression of religion.

Daegu, the southeast Korean city where the Shincheonji group is located, has deployed some 600 police officers to track down members who have been unreachable, according to the Maeil Business newspaper. There are about 670 people who have been uncontactable, the paper said.

Health officials in that city have a list of residents who are members of the sect, and are getting in touch to explain self-quarantine measures. Authorities have stationed a total of about 500 military personnel at two hospitals in Daegu to implement stricter measures for patients who are confirmed to be infected.

Daegu is one of two cities, along with nearby Cheongdo, subject to a U.K. travel advisory on Saturday. Britain's Foreign Office advised against "all but essential travel" to the two locations. The U.S. separately raised its guidance to Level 2 -- "exercise increased caution" -- for the country as a whole.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	13,031.89	5.52	↑	0.04%
S&P/NZX 50 Index	12,073.35	7.43	↑	0.06%
S&P/NZX MidCap Index	33,014.77	11.17	↑	0.03%
S&P/NZX SmallCap Index	65,021.67	78.25	↓	0.12%

ASX Index				
Index	Last	Change		
ASX All Ordinaries	7,230.40	24.80	▼	0.34%
S&P/ASX 200	7,139.00	23.50	▼	0.33%
ASX Small Ordinaries	3,068.70	17.30	▼	0.56%
S&P/ASX MIDCAP 50	7,616.90	42.90	▼	0.56%
S&P/ASX 20	3,985.20	2.60	▼	0.07%

Foreign Markets Index				
	Last	Change		
S&P 500	3,337.75	35.48	▼	1.05%
Dow Jones Industrial Average	28,992.41	227.59	▼	0.78%
NASDAQ Composite	9,576.59	174.37	▼	1.79%
DAX PERFORMANCE-INDEX	13,579.33	84.67	▼	0.62%
ASX All Ordinaries	7,230.40	24.80	▼	0.34%
NIKKEI 225	23,386.74	92.46	▼	0.39%
HANG SENG INDEX	27,308.81	300.39	▼	1.09%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9579	-0.0006	▼	0.06%
USD	0.63	-0.0030	▼	0.47%
CNY	4.4370	-0.0260	▼	0.59%
EUR	0.58	-0.0019	▼	0.33%
CAD	0.8377	-0.0023	▼	0.27%
GBP	0.49	-0.0008	▼	0.16%
JPY	70.3910	-0.4800	▼	0.68%

NZ Interest Rates				
	Last	Change		
NZ OCR	1.00			
3m Bank Bill	1.14			
5y Swap	1.11			
10y Swap	1.38			

Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,645.90	25.40	▲	1.57%
Silver	18.45	0.14	▲	0.74%
Crude Oil	53.46	0.42	▼	0.78%

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