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Global Equities Roundup: Market Talk

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The latest Market Talks covering Equities. Published exclusively on Dow Jones Newswires throughout the day.

0346 GMT - Australia's unemployment rate has been broadly steady at 5.5% for several months now, challenging consensus expectations for a gradual improvement, says Morgan Stanley. The March employment report shows there is still substantial slack in the labor market, indicating wage and price pressures are still some way away, and MS remains confident that the RBA will stay on hold through 2018, and into 3Q19. (james.glynn@wsj.com; Twitter @JamesGlynnWSJ)

0308 GMT - The selling has continued to deepen in the Philippines, where 2017 stock gains despite political upheaval have been getting reversed quickly. The country's PSEi stock benchmark has been volatile of late, with 4 days of at least 1% closing changes from the prior day in the past 6 and the index rising 0.9% yesterday. It's down 2.8% this morning, putting April's slide at 5.1% and the index at 1-year lows. That after a 5.9% drop in March and 3.3% drop in February. The PSEi jumped 25% last year, hitting a series of record highs starting in September as the Philippine peso fell to mid-2000s levels versus the greenback. The index is 16.5% below January's intraday peak, moving it close to bear-market territory. The current bull market dates to the start of 2016. (kevin.kingsbury@wsj.com; @kevinkingsbury)

0256 GMT - Angang's 1Q recurring earnings tracked slightly behind the year's forecast amid softened per-unit gross profit for the steelmaker, says Goldman Sachs. But unit Ebitda met estimates thanks to lower overhead costs and overall earnings jumped an as-anticipated 49%. Goldman trims profit views through next year 4-6% but keeps Angang at conviction buy. Shares are up 1% today, putting the month's jump at 7.3%. (john.wu@wsj.com)

0247 GMT - ComfortDelGro is making a tiny deal with the acquisition of a taxi operator in London at GBP1.2 million (US$1.7 million). But it will boost the Singapore-based firm's fleet there by 58%. The UK already makes up 22% of the transportation company's revenue, and CDG in February reached a deal to buy a UK-based bus operator amid ongoing geographic-diversification efforts. Shares are up 3.2% today, hitting fresh 7-month highs and putting April's jump at 8.8%. (saurabh.chaturvedi@wsj.com; @journosaurabh)

0239 GMT - Kenanga Research puts a target price on Malaysia's Tri-Mode System that's 21% above the logistics firm's IPO price of MYR0.61. The broker, which isn't part of the deal, is bullish amid Tri-Mode historically registering superior earnings growth versus peers. The 5-year compound annual figure is seen being 26% through 2019. Tri-Mode, which is primarily engaged in the sea-freight and container-haulage business, stands to raise MYR26.4 million ($6.8 million) from the IPO. Trading is set to start May 11. (yantoultra.ngui@wsj.com; @yantoultra)

0236 GMT - After several months of selling, Chinese stocks look to be bottoming, says Caroline Yu Maurer, head of greater China equities at BNP Paribas Investment Partners. That as "there was a too much hype at the end of January." She thinks large-cap stocks, which have been pressured of late, are well-positioned to rebound on foreign interest. The Shanghai Composite this week has hit 11-month lows. Yu Maurer prefers internet and consumer plays, positing that China's big tech giants have pulled back enough to warrant a relook. (kenan.machado@wsj.com)

0214 GMT - Australian stocks have rebounded some this month after a rough 1Q, and Credit Suisse remains upbeat. The S&P/ASX 200 fell 5% last quarter, but is up 2.3% this month at 5894 as it looks for a 5th-straight gain today. The investment bank sticks with its 6500 year-end target for the index while saying a 6% peak-to-trough drop in 1Q was mild when compared with the volatility seen the last 40 years. Behind Credit

Suisse's optimism is still-accommodative monetary policy, solid demand in China, recovering business investment and expansionary US fiscal policy. (robb.stewart@wsj.com; @RobbMStewart)

0158 GMT - The force majeure involving certain contracts by Rio Tinto, one of the largest producers of alumina, doesn't bode well for Malaysian smelter Press Metal, says AmBank while cutting profit forecasts 7-13% through 2020 and its fair-value stock estimate 7% to MYR3. This as Brazil-based refiner Norsk Hydro Alunorte has been forced to halve its alumina output after being accused of contaminating water supply and the sanctions against Rusal earlier this month that's caused aluminium prices to soar 25% the last 2 weeks. But Press Metal climbs 2.2% this morning to MYR5.14, putting the month's jump at 19%. (yantoultra.ngui@wsj.com; @yantoultra)

0152 GMT - Chinese big caps add to yesterday's rebound, with the Shanghai Composite up an early 0.7% and the CSI 300 rising 0.9%. Energy stocks are helping after Wednesday's near-3% jump in crude. Financials and property stocks, soft of late, are also among the leaders. But small caps are lagging, with the ChiNext down slightly after yesterday's 2.2% bounce and the Shenzhen Composite up 0.4%. (chester.yung@wsj.com; @chester_yung)

0149 GMT - Hong Kong stock indexes log some early region-leading gains, with the Hang Seng up 0.9% and the China Enterprises Index climbing 1.4%. PetroChina pops 5% and CNOOC gains 3.6% after a fresh jump to 3 1/2-year highs for global oil futures. Financials are also doing well and Chinese auto stocks somewhat stabilize following their slump yesterday. Brilliance bounces 3.6% after logging an 11-month low yesterday. (john.wu@wsj.com)

0142 GMT - Wednesday's US/Japan summit didn't result in any big negative consequences for Japan, says Eiji Kinouchi, chief technical analyst at Daiwa Securities. That's helping Tokyo stocks today, he adds, as there's a sense of relief that trade negotiations with the US won't be as harsh as previously feared. Kinouchi also notes that previous market concerns--such as faster US inflation--that roiled markets globally are now easing and that there are more positive catalysts. They include the Chinese central bank's cut to reserve requirements on local lenders. The Nikkei is up 0.6% at 22295, the best levels since late February. (kosaku.narioka@wsj.com)

0133 GMT - What next for Rio Tinto? The miner "has followed a consistent strategy over the last five years: reduce costs, optimize production (volumes and mix), high-grade the portfolio by selling assets, reduce debt and return cash to shareholders," which has allowed it to outperform the sector, says Morgan Stanley. But the miner can't rest on its laurels. "The debate is starting to shift with a focus on the group's ability to create value by reinvesting capital," says Morgan Stanley, and investors will have to "wait and see" where and how it starts to spend, particularly given Mongolia looks attractive but comes with lots of risk. The bank is neutral on the stock for now. (rhiannon.hoyle@wsj.com ; @RhiannonHoyle)

(END) Dow Jones Newswires

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