

Top News

NZ shares gain led by A2 Milk; Xero reaches 3-year high

New Zealand shares rose led by A2 Milk amid optimism it will stand to benefit from Chinese efforts to reduce the number of infant formula brands available in its market, while Xero reached a three-year high as investors were drawn back to its growth story.

Auckland International Airport was among gainers today, rising 2.4 percent to \$6.96, while Genesis Energy rose 2.1 percent to \$2.48, leading gains among energy companies. Mercury NZ rose 2.1 percent to \$3.48, Meridian Energy gained 1.6 percent to \$2.88. Port of Tauranga rose 1.5 percent to \$4.68 and Air New Zealand gained 1.5 percent to \$3.35.

NZ dollar falls vs euro as EU inflation, jobless data add to case for QE 'tapering'

The New Zealand dollar fell to a two-week low against the euro after a slight dip in European Union unemployment and stronger inflation added to the case for the European Central Bank to begin dialing back its quantitative easing programme.

"Whilst the data is encouraging, we remain of the view that the ECB will be very slow to change policy," said David Croy, senior rates strategist at ANZ Bank New Zealand, in a note. "The USD continues to come under attack, mainly, by the look of it, on the back of the unstable domestic political situation."

Investor confidence has softened of late

ASB has released its latest investor confidence survey, which shows a decline in sentiment over recent months. Investor confidence is now +23%. A reading of 0 would indicate as many were confident as were not.

The three months to June saw a slight drop in investor confidence to a net +23% positive from 25% last quarter, according to ASB's latest Investor Confidence Report. Despite this, confidence remains relatively high overall and significantly above the low of +3% recorded at the start of 2016.

ASB senior wealth economist Chris Tennent-Brown said the softening of confidence could reflect a degree of caution as New Zealand heads to the polls in the September general election.

"It's understandable to see some caution in the market as people ponder policies that will impact them, such as changes in the retirement age and tax rates, as well as the various policies that could impact the housing market."

The high valuations of some asset markets could be another cause for investor caution, he said.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	8,340	54	↑	0.7%
S&P/NZX 50 Index	7,694	54	↑	0.7%
S&P/NZX Mid Cap Index	22,022	190	↑	0.9%
S&P/NZX Small Cap	52,430	103	↓	0.2%
S&P/NZAX All Index	581	2	↓	0.4%

ASX Index				
Index	Last	Change		
ALL ORDINARIES	5,773.9	18.7	↑	0.32%
S&P/ASX 200	5,720.6	17.8	↑	0.31%
S&P/ASX SMALL ORD	2,378.1	6.5	↑	0.27%
S&P/ASX MIDCAP 50	6,155.8	11.4	↑	0.19%
S&P/ASX 20	3,270.8	9.7	↑	0.3%

Foreign Markets Index				
	Last	Change		
S&P 500	2,470.3	1.80	↓	0.07%
DJIA	21,891.1	60.81	↑	0.28%
Nasdaq	6,348.1	25.56	↓	0.42%
FTSE 100	7,372.0	3.63	↑	0.05%
ALL ORDINARIES	5,773.9	18.7	↑	0.32%
Nikkei 225	19,925.2	34.66	↓	0.17%
Hang Seng	27,324.0	334.60	↑	1.28%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9391	0.0005	↓	0.05%
USD	0.7512	0.0001	↓	0.01%
CNY	5.0510	0.0100	↓	0.20%
EUR	0.6347	0.0042	↓	0.66%
CAD	0.9370	0.0024	↑	0.26%
GBP	0.5691	0.0029	↓	0.51%
JPY	82.8315	0.3235	↓	0.39%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.950	
5-year Swap	2.758	
10-year Swap	3.283	

Commodities				
	Last	Change		
Spot Gold \$US	1,269.54	0.42	↑	0.03%
Spot Silver \$US	16.81	0.10	↑	0.62%
Oil(WTI)	50.18	0.47	↑	0.95%

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