



MORNING REPORT

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Top News

NZ dollar edges lower as Trump's tariff threat saps risk appetite, Fed sticks to plan

The New Zealand dollar edged lower as speculation US President Donald Trump will impose even bigger tariffs on Chinese imports sapped investors' appetite for riskier assets, while the Federal Reserve retained its fairly upbeat economic outlook.

Stocks on Wall Street fell, carrying on the downbeat tone set when reports emerged that the White House was considering a 25 percent tariff on Chinese imports as opposed to a 10 percent barrier. The US administration will provide an update later today. Meanwhile, the Federal Open Market Committee affirmed its outlook for gradual interest rate hikes, saying economic activity was rising at a "strong" rate. The yield on US 10-year Treasuries rose 3 basis points to almost 3 percent.

No local data is scheduled for today, although the New Zealand Debt Management Office is expected to sell \$100 million of 2040 inflation bonds.

Australian trade figures for June are forecast to show a wider trade surplus across the Tasman. The kiwi traded at 91.72 Australian cents from 91.61 cents yesterday.

The Bank of England rounds out the major central bank reviews this week and widely expected to increase its benchmark rate, while acknowledging risks to the UK economy in the form of Brexit. The kiwi traded at 51.70 British pence from 51.82 pence yesterday and was at 58.18 euro cents from 58.15 cents.

NZ shares fall, Pushpay at 5 month low as Metlifecare, Spark drop

New Zealand shares fell as Pushpay Holdings hit a five-month low while Metlifecare and Spark New Zealand dropped.

Pushpay Holdings led the index lower, down 7.5 percent to \$3.84, the lowest it has closed since February. The mobile payments app developer delivered first-quarter revenue within guidance and has reshuffled its senior management after another abrupt executive exit.

Revenue for the three months ended June 30 was US\$21.4 million, within its guidance and up 52.6 percent on the year earlier. Guidance for the current quarter is revenue between US\$21.8 million and US\$23.3 million. Pushpay also announced that James Maiocco, its chief business development officer who took on the role in September 2016, has resigned effective today and will not be replaced.

Metlifecare dropped 2.4 percent to \$6.02, Spark New Zealand fell 1.8 percent to \$3.80, and Infratil declined 1.7 percent to \$3.40. Comvita was the best performer, up 1.2 percent to \$5.75. Gentrack Group gained 1.2 percent to \$6.85 and Ryman Healthcare rose 0.8 percent to \$12.27. Heartland Bank was unchanged at \$1.71. It is planning a corporate restructure and a listing on the Australian securities exchange which it says will help it grow.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,654.33	65.96	▼	0.68%
S&P/NZX 50 Index	8,859.92	62.17	▼	0.70%
S&P/NZX MidCap Index	25,451.01	164.89	▼	0.64%
S&P/NZX SmallCap Index	63,718.31	255.14	▼	0.40%
S&P/NZAX All Index	531.99	0.40	▲	0.07%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,362.10	4.10	▼	0.06%
S&P/ASX 200	6,275.70	4.50	▼	0.07%
ASX Small Ordinaries	2,830.30	1.70	▲	0.06%
S&P/ASX MIDCAP 50	7,032.90	17.10	▲	0.24%
S&P/ASX 20	3,472.00	10.80	▼	0.31%
Foreign Markets Index				
	Last	Change		
S&P 500	2,813.36	2.93	▼	0.10%
Dow Jones Industrial Average	25,333.82	81.37	▼	0.32%
NASDAQ Composite	7,707.29	35.50	▲	0.46%
DAX PERFORMANCE-INDEX	12,737.05	68.45	▼	0.53%
ASX All Ordinaries	6,362.10	4.10	▼	0.06%
NIKKEI 225	22,746.70	192.98	▲	0.86%
HANG SENG INDEX	28,340.74	242.27	▼	0.85%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9175	0.0002	▼	0.02%
USD	0.6789	0.0028	▼	0.41%
CNY	4.6320	0.0090	▼	0.19%
EUR	0.5824	0.0005	▼	0.09%
CAD	0.8825	0.0046	▼	0.52%
GBP	0.5173	0.0022	▼	0.42%
JPY	75.7630	0.4935	▼	0.65%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.56			
10-year Swap	3.05			
Commodities Futures				
	Last	Change		
Gold	1,224.90	8.70	▼	0.71%
Silver	15.40	0.16	▼	1.02%
Crude Oil	67.80	0.96	▼	1.40%

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