

MORNING REPORT

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Top News

NZ dollar flatlines vs greenback as new NAFTA boosts Canadian dollar

The New Zealand dollar flat-lined against the greenback as a revised North American Free Trade Agreement bolstered support for Canada's currency and underpinned gains on Wall Street.

A new NAFTA deal was agreed before the Sept. 30 deadline in last-minute negotiations, increasing US farmers' access to Canada's heavily protected dairy sector and excluding Mexico and Canada from any auto tariffs that may be imposed by the White House. US President Donald Trump's protectionist trade policies have discouraged investors from chasing risk-sensitive assets and the signing of the deal was seen as removing downside risk to North America's growth. Stocks on Wall Street gained with the Dow Jones Industrial Average up 0.8 percent.

The kiwi was largely unchanged against most of its trading partners ahead of the New Zealand Institute of Economic Research's quarterly survey of business opinion today. Domestic business confidence has been weak since the formation of the Labour-led government as firms remain wary that regulatory settings may impose new costs at a time when they're struggling to pass on price increases to consumers.

BNZ's Smyth said the QSBO will attract local attention given the Reserve Bank's focus on business confidence as the key downside risk facing the economy.

The New Zealand dollar was little changed at 91.51 Australian cents from 91.63 cents yesterday and almost unchanged at 75.36 yen from 75.35 yen. The trade-weighted index was at 71.90 from 71.88 yesterday.

NZ shares fall as Spark, Ryman give up recent gains in quiet trading

New Zealand shares fell as stocks that rallied into the end of the quarter - including Spark New Zealand and Ryman Healthcare - gave up some of those gains.

Institutional investors often reassess their portfolios at the end of every quarter, which typically pushes the price around at the time. Grant Williamson, a director at Hamilton Hindin Greene, said Ryman's 1.8 percent decline to \$13.75 and Spark New Zealand's 2 percent fall to \$3.97 were prime examples.

Sky Network Television led the market, falling 4.1 percent to \$2.11. Comvita dropped 3.8 percent to \$6.15. The honey producer told the NZ Herald new Chinese e-commerce rules won't affect its sales into the world's most populous nation. Tourism Holdings declined 3.1 percent to \$5.56 after chief financial officer Mark Davis resigned after a period of medical leave. The rental campervan operator is seeking a new CFO immediately.

Westpac Banking Corp and Australia & New Zealand Bank Group gave up Friday's gains, respectively falling 3.2 percent to \$29.95 and 2.3 percent to \$30.20. The dual-listed lenders gained on Friday after the interim report from Australia's Royal Commission into financial services was less severe on the sector than some investors had feared.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	10,154.64	22.08	▼ 0.22%
S&P/NZX 50 Index	9,327.27	25.42	▼ 0.27%
S&P/NZX MidCap Index	26,670.95	128.31	▼ 0.48%
S&P/NZX SmallCap Index	64,307.61	38.49	▲ 0.06%
S&P/NZAX All Index	534.34	1.04	▲ 0.19%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,292.70	32.80	▼ 0.52%
S&P/ASX 200	6,172.30	35.30	▼ 0.57%
ASX Small Ordinaries	2,857.80	5.60	▼ 0.20%
S&P/ASX MIDCAP 50	7,046.40	27.80	▼ 0.39%
S&P/ASX 20	3,406.10	22.90	▼ 0.67%

Foreign Markets Index			
	Last	Change	
S&P 500	2,924.59	10.61	▲ 0.36%
Dow Jones	26,651.21	192.90	▲ 0.73%
NASDAQ Composite	8,037.30	9.05	▼ 0.11%
DAX	12,339.03	92.30	▲ 0.75%
ASX All Ordinaries	6,292.70	32.80	▼ 0.52%
NIKKEI 225	24,245.76	125.72	▲ 0.52%
HANG SENG INDEX	27,788.52	72.85	▲ 0.26%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9156	0.0002	▼ 0.02%
USD	0.6616	0.0004	▼ 0.06%
CNY	4.5440	0.0020	▼ 0.04%
EUR	0.5714	0.0016	▲ 0.28%
CAD	0.8471	0.0034	▼ 0.40%
GBP	0.5073	0.0002	▼ 0.04%
JPY	75.4005	0.1255	▲ 0.17%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.94	
5-year Swap	2.39	
10-year Swap	2.90	

Commodities Futures			
	Last	Change	
Gold	1,193.50	2.70	▼ 0.23%
Silver	14.52	0.19	▼ 1.27%
Crude Oil	75.54	2.29	▲ 3.13%

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