



## MORNING REPORT

As at 9:05 AM 04-04-18

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### Top News

#### NZ dollar gains after failing to break below support levels; dairy prices fall

The New Zealand dollar gained after failing to break below its recent support levels and as global risk sentiment improved.

US stocks rebounded after a selloff at the start of the week and the Chicago Board Options Exchange Volatility Index (VIX), known as Wall Street's fear gauge, fell about 10 percent to 21.21.

Commodity-linked currencies strengthened and the kiwi dollar held onto its gains even as dairy product prices fell for the fourth straight auction overnight, although whole milk powder gained 1.6 percent.

#### Wall St rebounds, Treasuries decline

Wall Street rebounded following Monday's selloff as investors found value in beaten-down stocks.

Shares of Amazon traded 0.7 percent stronger as of 1.55pm in New York, having fluctuated between gains and losses earlier in the day, as investors tried to assess the impact of US President Donald Trump's latest criticising tweets about the company.

The Dow moved higher as gains in shares of Nike and those of Johnson & Johnson, recently up 2.9 percent and 2.2 percent respectively, outweighed declines in shares of General Electric and those of Walt Disney, down 1.1 percent and 0.5 percent respectively.

Shares of Spotify Technology soared as they began trading on the New York Stock Exchange through a direct listing with an opening price of US\$165.90 a share.

Shares of Tesla jumped, up 8.2 percent as of 2.05pm in New York, after the car maker reassured investors by saying it will not need to raise additional capital this year.

#### NZ shares mixed; A2 Milk rebounds, Heartland, Orion Health drop

New Zealand shares were mixed, with A2 Milk Co bouncing after recent selling while Orion Health Group sank to a record low.

Leading gains today was Mercury New Zealand, up 2.5 percent to \$3.30, with Meridian Energy rising 2.5 percent to \$2.952 and Port of Tauranga advancing 2.1 percent to \$4.89.

A2 Milk gained 0.6 percent to \$12.47. In a statement today, the company said it hasn't seen any change in growth in China and it's confident in its business after the shares weakened on news that competitors have begun selling their own A2-branded infant formulas in China. The stock dropped 6.5 percent last Wednesday when Nestle confirmed it is had launched an A2 product under its ILLUMA brand, with the product called Atwo and sold in China, and fell a further 4.2 percent on Thursday.

The worst performer was Heartland Bank, down 2.8 percent to \$1.71, with Trade Me Group dropping 1.8 percent to \$4.35.

#### NZX Index

Index	Last	Change
S&P/NZX All Index	9,069.742	7.982 ▲ 0.09%
S&P/NZX 50 Index	8,329.933	9.393 ▲ 0.11%
S&P/NZX MidCap Index	24,014.518	2.568 ▲ 0.01%
S&P/NZX SmallCap Index	58,390.037	231.443 ▼ 0.39%
S&P/NZAX All Index	525.925	0.005 ▲ 0.00%

#### ASX Index

Index	Last	Change
ASX All Ordinaries	5,859.10	9.80 ▼ 0.17%
S&P/ASX 200	5,751.90	7.50 ▼ 0.13%
ASX Small Ordinaries	2,652.80	12.70 ▼ 0.48%
S&P/ASX MIDCAP 50	6,552.30	51.40 ▼ 0.78%
S&P/ASX 20	3,178.10	3.10 ▲ 0.10%

#### Foreign Markets Index

	Last	Change
S&P 500	2,614.45	32.57 ▲ 1.26%
Dow Jones	24,033.36	389.17 ▲ 1.65%
NASDAQ Composite	6,941.28	71.16 ▲ 1.04%
FTSE 100	7,030.46	26.15 ▼ 0.37%
ASX All Ordinaries	5,859.10	9.80 ▼ 0.17%
NIKKEI 225	21,292.29	96.29 ▼ 0.45%
HANG SENG INDEX	30,180.10	86.72 ▲ 0.29%

#### Currencies (per NZ\$ 1.00)

	Last	Change
AUD	0.9443	0.0028 ▲ 0.30%
USD	0.7256	0.0046 ▲ 0.64%
CNY	4.5630	0.0360 ▲ 0.80%
EUR	0.5914	0.0053 ▲ 0.90%
CAD	0.9293	0.0020 ▼ 0.21%
GBP	0.5161	0.0028 ▲ 0.55%
JPY	77.3585	1.0410 ▲ 1.36%

#### NZ Interest Rates

	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.94	
5-year Swap	2.63	
10-year Swap	3.07	

#### Commodities Futures

	Last	Change
Gold	1,336.50	10.40 ▼ 0.77%
Silver	16.39	0.28 ▼ 1.69%
Crude Oil	63.56	0.55 ▲ 0.87%

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