

MORNING REPORT

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Web: www.equity.co.nz / E-mail: Info@equity.co.nz / Tel: +64 (9)304 0145 / Address: Level 7, 12-26 Swanson Street, Auckland, NZ

Top News

Wall St climbs to records, Intel sinks

Wall Street ascended to record highs as the latest US manufacturing data underpinned optimism about the economic outlook, while oil prices advanced to the highest level in more than two years.

"If you look at the S&P 500 and what makes up the sectors, technology has the largest international exposure," Jeff Powell, managing partner of Polaris Wealth Advisors, told Reuters. "When you look at driving futures sales, it has to come from growing economies."

NZ dollar dips after Fed minutes, US data lift greenback; dairy futures subside

The New Zealand dollar dipped after minutes of the last Federal Reserve meeting, showed policymakers see future rate rises being tied to inflation and fiscal stimulus including tax cuts.

The minutes said most participants "reiterated their support for continuing a gradual approach to raising the target range" while tax cuts were expected "to provide some boost to consumer spending" and "provide a modest boost to capital spending". The minutes were released after figures showed US construction spending rose 0.8 percent to a record US\$1.26 trillion in November and the Institute for Supply Management manufacturing index rose to a higher-than-expected 59.7 last month.

"The US dollar has been unloved of late and rebounded post the minutes," said Mark Johnson, a senior dealer at OMF. The kiwi may encounter resistance if it rises back to 71.06 US cents and may find support if it falls to 70.29 cents, based on chart analysis, he said.

In the subdued trading post the Christmas-New Year break, and little local news in New Zealand, the next big event to watch will be US payrolls data on Friday, which is expected to show the world's biggest economy added 188,000 jobs in December, down from 228,000 the previous month.

NZ shares rise on first trading day of 2018, led by Pushpay, Fletcher

Pushpay Holdings was the best performer, up 4.3 percent to \$4.35. The mobile payments app company reached its target of US\$100 million in annualised committed monthly revenue by Dec. 31, and reiterated it expects to break even on a monthly cash flow basis before the end of 2018.

ERoad gained 3.1 percent to \$3.69 in the day, while Serko rose 5.5 percent to \$2.31. Neither stock is listed on the benchmark index.

Fletcher Building gained today, up 2 percent to \$7.75, with Heartland Bank rising 1.9 percent to \$2.12.

Auckland International Airport rose 1.5 percent to \$6.58. It is still considering its options for its 24.55 percent stake in North Queensland Airport and expects to give an update by next month. The airport said three options - to continue to hold the stake in the airport, to sell to one or more of the existing NQA shareholders, or to sell to a third party in accordance with the security holders agreement - remain on the table, but it prefers to sell the asset.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,166.126	32.836	▲	0.36%
S&P/NZX 50 Index	8,424.913	26.833	▲	0.32%
S&P/NZX MidCap Index	24,723.630	41.490	▲	0.17%
S&P/NZX SmallCap Index	59,808.213	484.923	▲	0.82%
S&P/NZAX All Index	536.446	4.056	▲	0.76%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,175.30	9.30	▲	0.15%
S&P/ASX 200	6,070.40	9.10	▲	0.15%
ASX Small Ordinaries	2,785.30	9.20	▲	0.33%
S&P/ASX MIDCAP 50	6,816.00	3.20	▼	0.05%
S&P/ASX 20	3,362.00	4.40	▲	0.13%
Foreign Markets Index				
	Last	Change		
S&P 500	2,711.27	15.46	▲	0.57%
Dow Jones	24,893.80	69.79	▲	0.28%
NASDAQ Composite	7,064.11	57.21	▲	0.82%
FTSE 100	7,671.11	23.01	▲	0.30%
ASX All Ordinaries	6,175.30	9.30	▲	0.15%
NIKKEI 225	22,764.94	0.00		0.00%
HANG SENG INDEX	30,560.95	45.64	▲	0.15%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9062	0.0011	▼	0.12%
USD	0.7105	0.0001	▲	0.01%
CNY	4.6190	0.0080	▲	0.17%
EUR	0.5912	0.0021	▲	0.36%
CAD	0.8906	0.0018	▲	0.20%
GBP	0.5256	0.0030	▲	0.57%
JPY	79.9260	0.1500	▲	0.19%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.71			
10-year Swap	3.17			
Commodities Futures				
	Last	Change		
Gold	1,316.10	0.00	▲	0.00%
Silver	17.17	0.03	▼	0.18%
Crude Oil	61.74	1.37	▲	2.27%

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www.equity.co.nz E-mail: Info@equity.co.nz

Contact Equity Investment Advisers today.
 Tel: +64 (9)304 0145