

Equity Investment Advisers Morning Report

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Top News

Meridian promotes retail GM Neal Barclay to replace departing CEO Mark Binns

Meridian Energy chose an internal candidate to replace departing chief executive Mark Binns, with general manager of retail Neal Barclay poised to take over the reins of the country's biggest electricity generator at the end of the year.

Wellington-based Meridian's board didn't look outside the company for a replacement, instead deciding unanimously that Barclay ticked all the right boxes, chairman Chris Moller said in a statement. He will take over when Binns departs on Dec. 21. Barclay joined Meridian in 2008 as chief financial officer before switching to GM markets and production 15 months later, a position he held until last year when he took over the retail unit.

NZ dollar little changed after FOMC minutes, gains vs Aussie as oil falls

The New Zealand dollar was little changed against the greenback after minutes of the last Federal Open Market Committee meeting gave no new insights into the outlook for US interest rates, and it gained against the Aussie as crude oil fell.

The FOMC minutes showed some Fed policymakers were concerned about the weaker inflation data in the first quarter although most agreed with the need to raise interest rates, while some wanted to announce the beginning of moves to reduce the Fed's massive balance sheet as well. The minutes were taken as a sign the Fed will raise the fed funds rate for the third time this year. Brent crude oil fell almost 4 percent to US\$47.74 a barrel on reports Russia will oppose further cuts to OPEC production.

Fed mixed on balance sheet

Wall Street was mixed, as were US Federal Reserve policy makers about the timing to start unwinding the central bank's balance sheet.

"Several preferred to announce a start to the process within a couple of months," according to minutes from the Federal Open Market Committee's June meeting, released on Wednesday.

"However, some others emphasised that deferring the decision until later in the year would permit additional time to assess the outlook for economic activity and inflation," the minutes noted.

NZ shares down led by Spark; Xero, ERoad, Tegel rise

New Zealand shares dropped with North Korean tensions spooking investors as the US Independence Day holiday left markets lacking direction. Spark New Zealand and A2 Milk Co fell while Xero and ERoad gained.

Stocks across Asia were mixed as the US holiday left investors somewhat rudderless, and easy to unsettle by North Korea's claim of the country's first successful intercontinental ballistic missile test that brings the United States within its reach. Investors will have more to ponder later in the week with Group of 20 meeting in Germany, where US President Donald Trump is slated to meet with both his Russian and Chinese counterparts, Vladimir Putin and Xi Jinping.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,236.26	23.10	↓	0.28%
S&P/NZX 50 Index	7,595.67	24.97	↓	0.33%
S&P/NZX Mid Cap Index	21,458.33	6.03	↓	0.03%
S&P/NZX Small Cap	51,605.13	62.55	↑	0.12%
S&P/NZAX All Index	590.48		↑	

ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,801.0	18.6	↓	0.32%
S&P/ASX 200	5,763.3	20.5	↓	0.36%
S&P/ASX SMALL ORD	2,383.9	1.9	↓	0.08%
S&P/ASX MIDCAP 50	6,261.6	1.0	↓	0.02%
S&P/ASX 20	3,275.2	9.9	↓	0.3%

Foreign Markets Index				
	Last		Change	
S&P 500	2,432.54	3.53	↑	0.15%
DJIA	21,478.17	1.10	↓	0.01%
Nasdaq	6,150.86	40.80	↑	0.67%
FTSE 100	7,367.60	10.37	↑	0.14%
ALL ORDINARIES	5,801.10	18.60	↓	0.32%
Nikkei 225	20,081.63	49.28	↑	0.25%
Hang Seng	25,521.97	132.96	↑	0.52%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9589	0.0003	↑	0.03%
USD	0.7290	0.0001	↑	0.01%
CNY	4.9570	0.0010	↓	0.02%
EUR	0.6422	0.0001	↑	0.02%
CAD	0.9444		↓	
GBP	0.5637	0.0001	↑	0.02%
JPY	82.5675	0.0130	↑	0.02%

NZ Interest Rates				
	Last		Change	
NZ OCR	1.750		↓	
3-month Bank Bill	1.980		↓	
5-year Swap	2.860		↓	
10-year Swap	3.345		↓	

Commodities				
	Last		Change	
Spot Gold \$US	1,226.90	0.05	↓	
Spot Silver \$US	16.06		↓	
Oil(WTI)	45.06	20.05	↓	4.35%

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