



MORNING REPORT

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Top News

Fed speakers, trade talks

As Wall Street struggles to extend its advance amid the latest quarterly earnings season, investors will eye trade talks from an increasingly protectionist US as well as a policy meeting at the Bank of England.

US companies set to report their latest earnings in the coming days include Tyson Foods, Sysco, Walt Disney, Twenty-First Century Fox and Nvidia.

Shares of Apple advanced 3.9 percent to record high on Friday, leading gains in the Dow, after Warren Buffett told CNBC that Berkshire Hathaway had boosted its stake in the company, buying 75 million more shares in the iPhone maker in the first quarter.

For fresh clues about the potential for an acceleration in US interest rate increases, investors will eye this week's speeches by Federal Reserve officials. They include Tom Barkin, Robert Kaplan, and Charles Evans today, Raphael Bostic on Wednesday, and James Bullard on Friday.

NZ dollar holds near 4-month low as lower US jobless rate helps greenback, MPS looms

The New Zealand dollar held near its lowest levels in more than four months as the US unemployment rate fell more than expected and traders looked ahead to a week that includes the Reserve Bank's policy review and the Australian budget.

A US Labour Department report on Friday showed US nonfarm payrolls rose by 164,000 jobs in April, less than expected, while the unemployment rate fell to 3.9 percent. Meanwhile, average hourly earnings increased 0.1 percent last month. The figures were seen as a mixed picture for employment market strength in the US, providing little evidence that the Federal Reserve should quicken its pace of interest rate hikes.

Under new governor Adrian Orr the bank is expected to keep policy broadly unchanged and hold the official cash rate at 1.75 percent, with Orr's delivery and the new mandate to take regard of employment likely to be closely watched.

NZ shares mixed, A2 gains while Gentrack, Spark, bank stocks drop

New Zealand shares were mixed, with A2 Milk pulling the index up while Gentrack Group, Spark New Zealand and banking stocks dropped.

A2 was the best performer, up 2.4 percent to \$13.02, a four-week high for the stock which weakened over most of April amidst concerns about Nestle launching its own A2-protein-based infant milk formula in China.

Synlait Milk, which supplies A2 and often trades in tandem with it, dropped 1 percent to \$10.11. Restaurant Brands New Zealand gained 1.7 percent to \$7.63, Sanford rose 1.7 percent to \$7.85, and Pushpay Holdings advanced 1.5 percent to \$4.06. Gentrack Group was the worst performer, down 2.2 percent to \$7.04, while NZX dropped 1.9 percent to \$1.06.

Spark New Zealand fell 2 percent to \$3.505. It is selling half of its Connect 8 services infrastructure unit to electricity distributor Electra Group.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,309.26	8.15	▲	0.09%
S&P/NZX 50 Index	8,549.37	2.49	▲	0.03%
S&P/NZX MidCap Index	24,444.83	33.45	▼	0.14%
S&P/NZX SmallCap Index	60,088.29	489.30	▲	0.82%
S&P/NZAX All Index	507.94	4.06	▲	0.80%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,155.40	31.60	▼	0.51%
S&P/ASX 200	6,062.90	35.40	▼	0.58%
ASX Small Ordinaries	2,797.10	5.70	▼	0.20%
S&P/ASX MIDCAP 50	6,905.20	26.20	▼	0.38%
S&P/ASX 20	3,329.40	23.10	▼	0.69%
Foreign Markets Index				
	Last	Change		
S&P 500	2,663.42	33.69	▲	1.28%
Dow Jones	24,262.51	332.36	▲	1.39%
NASDAQ Composite	7,209.62	121.47	▲	1.71%
FTSE	7,567.14	64.45	▲	0.86%
ASX All Ordinaries	6,155.40	31.60	▼	0.51%
NIKKEI 225	22,472.78	35.25	▼	0.16%
HANG SENG INDEX	29,926.50	386.87	▼	1.28%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9313	0.0002	▲	0.02%
USD	0.7022	0.0002	▲	0.03%
CNY	4.4650	0.0010	▲	0.02%
EUR	0.5869	#VALUE!	#VALUE!	
CAD	0.9022	0.0005	▲	0.06%
GBP	0.5187	0.0001	▼	0.02%
JPY	76.6450	0.0400	▲	0.05%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.74			
10-year Swap	3.22			
Commodities Futures				
	Last	Change		
Gold	1,316.00	3.30	▲	0.25%
Silver	16.56	0.11	▲	0.66%
Crude Oil	69.79	1.36	▲	1.99%

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