



MORNING REPORT

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Top News

NZ dollar hits new three-month high as US employment misses expectations

The New Zealand dollar touched a new three-month high as US employment figures fell short of expectations on Friday, while commodity-sensitive currencies such as the kiwi remain in vogue at the start of 2018.

US non-farm payrolls on Friday showed the world's biggest economy added 148,000 jobs in December, missing expectations, while the unemployment rate was steady at 4.1 percent. The data had little lasting effect on investor sentiment, with US 10-year Treasuries rising 3 basis points to 2.48 percent, while stocks on Wall Street pushed to new highs. That upbeat risk appetite has stoked demand for commodity-linked currencies including the kiwi, Australian and Canadian dollars.

Bullishness abounds

Following a strong start to the new year for stocks on both sides of the Atlantic, investors will eye a slew of speeches by Federal Reserve officials as well as reports on US inflation and retail sales.

Bullishness abounds for Wall Street, at record highs, as well as European equities.

On Friday, the Dow Jones Industrial Average gained 0.9 percent, the Standard & Poor's 500 Index rose 0.7 percent, while the Nasdaq Composite Index increased 0.8 percent. The three benchmarks each closed at record highs.

The US economic data slated for release this week include reports on consumer credit, due today; NFIB small business optimism index and JOLTS, due Tuesday; import and export prices, Atlanta Fed business inflation expectations, and wholesale trade, due Wednesday; weekly jobless claims, producer price index, and the Treasury Budget, due Thursday; as well as the consumer price index, retail sales, and business inventories, due Friday.

NZ shares up on no news, Metro Glass and Sky TV bounce

New Zealand shares gained with global equity markets in the absence of local corporate news, with Metro Performance Glass and Sky Network Television rising while Freightways dropped.

MetroGlass led the index higher, rising 2 percent to \$1.03, while Sky TV gained 1.8 percent to \$2.85.

Fletcher Building advanced 1.6 percent to \$7.81. All three stocks suffered last year, with Metro Glass down 48 percent in 2017 making it the worst performer, Sky TV second-last with a 38 percent fall, and Fletcher Building declining 28 percent in the year.

Freightways was the worst performer on the day, dropping 1.4 percent to \$7.61. Trade Me Group fell 1 percent to \$4.79 and Spark New Zealand dipped 1 percent to \$3.615.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,201.736	13.556	▲	0.15%
S&P/NZX 50 Index	8,455.547	12.047	▲	0.14%
S&P/NZX MidCap Index	24,718.111	6.099	▼	0.02%
S&P/NZX SmallCap Index	60,279.387	195.147	▲	0.32%
S&P/NZAX All Index	539.090	8.850	▼	1.62%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,229.70	44.30	▲	0.72%
S&P/ASX 200	6,122.30	45.20	▲	0.74%
ASX Small Ordinaries	2,807.20	12.20	▲	0.44%
S&P/ASX MIDCAP 50	6,893.20	46.60	▲	0.68%
S&P/ASX 20	3,394.90	29.60	▲	0.88%
Foreign Markets Index				
	Last	Change		
S&P 500	2,743.15	19.16	▲	0.70%
Dow Jones	25,295.87	220.74	▲	0.88%
NASDAQ Composite	7,136.56	58.64	▲	0.83%
FTSE 100	7,724.22	28.34	▲	0.37%
ASX All Ordinaries	6,229.70	44.30	▲	0.72%
NIKKEI 225	23,714.53	208.20	▲	0.89%
HANG SENG INDEX	30,814.64	78.16	▲	0.25%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9113	0.0008	▲	0.09%
USD	0.7164	0.0005	▼	0.07%
CNY	4.6470	0.0030	▼	0.06%
EUR	0.5960	0.0001	▲	0.02%
CAD	0.8890	0.0003	▲	0.03%
GBP	0.5283			
JPY	81.0050	0.0200	▼	0.02%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.65			
10-year Swap	3.13			
Commodities Futures				
	Last	Change		
Gold	1,320.30	1.30	▼	0.10%
Silver	17.26	0.01	▼	0.05%
Crude Oil	61.59	0.42	▼	0.68%

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Do you need to make any changes to your portfolio?
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