



## MORNING REPORT

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### Top News

#### NZ dollar treads water ahead of RBNZ review expected to stand pat

The New Zealand dollar was largely unchanged ahead of today's Reserve Bank policy review where governor Adrian Orr is expected to keep the benchmark rate on hold and affirm a flat future track.

Orr is expected to keep the official cash rate at 1.75 percent, with the RBNZ's forecasts likely to project little change in what's a very gradual rise in the forward track. The governor has kept the door open to a potential cut in his previous review and a slump in business confidence and sharply reduced expectations in economic growth may warrant ongoing caution about the outlook.

A brewing trade war between China and the US is a major risk being watched by the Reserve Bank and has weighed heavily on risk-sensitive currencies such as the kiwi in recent months. US President Donald Trump ramped up the pressure with plans for an even bigger tariff for Chinese goods last week, and Chinese authorities have responded in kind. Still, Chinese trade data yesterday showed unexpected strength in imports. The kiwi rose to 4.6139 Chinese yuan from 4.6055 yuan yesterday.

The local currency edged down to 90.77 Australian cents from 90.91 cents yesterday after Reserve Bank of Australia governor Philip Lowe gave an upbeat assessment of the Australian economic outlook in a speech yesterday and virtually ruled out a rate cut.

#### NZ shares drop as Pushpay weakens further while Skycity gains on earnings

New Zealand shares fell, led lower by Pushpay Holdings' continued weakness, while Skycity Entertainment Group gained on its strong annual results.

Pushpay Holdings led the index lower, down 4.6 percent to \$3.53. The stock has dropped 15 percent since Aug. 1, when the company delivered first-quarter revenue within guidance and reshuffled its senior management after another abrupt executive exit.

A2 Milk Co fell 1.4 percent to \$10.40, Fisher & Paykel Healthcare Co dropped 1.2 percent to \$14.63, and Fletcher Building declined 1.2 percent to \$6.82.

Property For Industry dropped 1.2 percent to \$1.72. It lifted its dividend as strong portfolio activity drove higher revenue. Net profit jumped but largely due to a one-off in the prior period.

The Auckland-based company said net profit in the six months to June 30 was \$29.6 million, or 5.93 cents a share, versus a loss of \$5.6 million in the prior year, or 1.25 cents. It noted, however, the prior year's loss was largely due to the \$42.9 million cost of buying out its management contract.

NZX declined 0.9 percent to \$1.08. It won't force off-market transactions to meet a new minimum crossing threshold as long as they improve price transparency and will go ahead with a new pricing structure from October.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,184.04	8.57	▼	0.09%
S&P/NZX 50 Index	8,435.97	7.61	▼	0.09%
S&P/NZX MidCap Index	24,288.60	16.66	▼	0.07%
S&P/NZX SmallCap Index	59,210.40	148.04	▲	0.25%
S&P/NZAX All Index	499.71	4.84	▼	0.96%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,100.00	28.40	▲	0.47%
S&P/ASX 200	6,015.20	32.50	▲	0.54%
ASX Small Ordinaries	2,741.30	4.70	▲	0.17%
S&P/ASX MIDCAP 50	6,795.30	10.70	▲	0.16%
S&P/ASX 20	3,317.40	25.90	▲	0.79%
Foreign Markets Index				
	Last	Change		
S&P 500	2,654.80	6.75	▲	0.25%
Dow Jones	24,099.05	64.10	▼	0.27%
NASDAQ Composite	7,130.70	64.44	▲	0.91%
FTSE	7,520.36	11.06	▲	0.15%
ASX All Ordinaries	6,100.00	28.40	▲	0.47%
NIKKEI 225	22,508.03	40.16	▲	0.18%
HANG SENG INDEX	30,808.45	527.78	▲	1.74%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9345	0.0002	▲	0.02%
USD	0.6998	0.0037	▼	0.53%
CNY	4.4310	0.0240	▼	0.54%
EUR	0.5835	0.0011	▲	0.19%
CAD	0.8992	0.0041	▼	0.45%
GBP	0.5140	0.0029	▲	0.57%
JPY	76.8450	0.0335	▼	0.04%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.72			
10-year Swap	3.18			
Commodities Futures				
	Last	Change		
Gold	1,304.80	14.40	▼	1.09%
Silver	16.18	0.22	▼	1.35%
Crude Oil	67.47	1.10	▼	1.60%

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**Do you need to make any changes to your portfolio?**  
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