

Top News

NZ dollar drops on prospect of flatter rate track in RBNZ policy review

The New Zealand dollar extended its decline on growing anticipation the Reserve Bank will take a more dovish tone and may adopt an even flatter interest rate track in tomorrow's monetary policy statement.

New Zealand's currency has dropped 2.5% so far this month as softer-than-expected data and a paring back of inflation expectations prompted traders to reduce bets the Reserve Bank will be forced to raise interest rates earlier than the 2019 date projected in its May forecast. Governor Graeme Wheeler will deliver his final MPS tomorrow, and while no change is predicted in the record low 1.75% official cash rate, some analysts predict any projected increase may come even later. Meantime, the greenback has been buoyed by stronger than expected employment growth, and the June JOLTS survey of job openings showed rising demand for labour in the world's biggest economy.

'Fire and fury' hits stocks

Wall Street fell, giving up earlier gains that had sent the Dow to a fresh record high, after US President Donald Trump issued a warning to North Korea, illustrating intensifying tension between the two nations.

North Korea "will be met with fire and fury" if it keeps threatening the US, Trump told reporters at the Trump National Golf Club in Bedminster, New Jersey, according to media reports.

In the Dow, declines in shares of Merck and those of DuPont, recently down 0.9% and 0.8% respectively, outweighed gains in shares of Apple and those of Microsoft, recently up 1.3% and 0.7% respectively.

The latest corporate earnings included those from Michael Kors. The stock jumped, up 21.6% as of 3.40pm, after the maker of luxury handbags and apparel posted results that exceed expectations.

NZ shares rise, led by Ebos, Spark; Trade Me, SkyCity drop

New Zealand shares rose, led by Ebos Group and Spark New Zealand, while Trade Me Group fell near a six-month low amidst Amazon fears.

The first company results for the mid-year reporting season are due today, with SkyCity Entertainment Group and Property For Industry delivering their numbers, while the majority of results will be publicised over the following two weeks.

SkyCity dropped 1.2% to \$4.10 ahead of its full year earnings tomorrow. The stock is up 5.6% for the year, having recovered from a sell off in February which saw it sink as low as \$3.59 before its first half results showed an 18% lift in profit. Property for Industry was unchanged at \$1.655. Ebos Group led the index, rising 1.7% to \$17.95, while Spark New Zealand gained 1.4% to \$3.895 and Fisher & Paykel Healthcare Corp advanced 1.3% to \$11.45.

Trade Me was the worst performer, down 6.1% to \$4.90. The stock has sunk about 12% since July 25, a day after reports emerged Amazon had settled on Melbourne as its base for an Australian launch later this year.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,439.85	12.83	↑	0.15%
S&P/NZX 50 Index	7,782.71	11.15	↑	0.14%
S&P/NZX Mid Cap Index	22,312.81	26.73	↑	0.12%
S&P/NZX Small Cap	53,300.97	90.19	↑	0.17%
S&P/NZX All Index	570.63	9.99	↓	1.72%

ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,795.7	28.8	↓	0.50%
S&P/ASX 200	5,743.8	29.8	↓	0.52%
S&P/ASX SMALL ORD	2,384.3	16.0	↓	0.67%
S&P/ASX MIDCAP 50	6,244.2	33.5	↓	0.54%
S&P/ASX 20	3,266.5	13.9	↓	0.43%

Foreign Markets Index				
	Last		Change	
S&P 500	2,474.92	5.99	↓	0.24%
DJIA	22,085.34	33.08	↓	0.15%
Nasdaq	6,370.46	13.31	↓	0.21%
FTSE 100	7,542.73	10.79	↑	0.14%
ALL ORDINARIES	5,795.70	28.80	↓	0.50%
Nikkei 225	19,996.01	59.88	↓	0.30%
Hang Seng	27,854.91	164.55	↑	0.59%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9262	0.0042	↓	0.45%
USD	0.7325	0.0037	↓	0.50%
CNY	4.9120	0.0360	↓	0.73%
EUR	0.6235	0.0008	↓	0.13%
CAD	0.9280	0.0055	↓	0.59%
GBP	0.5639	0.0009	↓	0.16%
JPY	80.8635	0.6655	↓	0.82%

NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.95			
5-year Swap	2.65			
10-year Swap	3.17			

Commodities				
	Last		Change	
Spot Gold \$US	1,260.07	2.46	↑	0.20%
Spot Silver \$US	16.46	0.19	↑	1.17%
Oil(WTI)	49.10	0.21	↓	0.43%

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