



MORNING REPORT

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Top News

NZ dollar climbs touches 60 euro cts as upbeat markets await US earnings

The New Zealand dollar rose to a two-month high against the euro as investors remain upbeat at the start of 2018 ahead of US corporate earnings, which will offer a gauge to the strength of the world's biggest economy.

The euro slipped 0.6 percent, shrugging off upbeat data showing positive European confidence, as investors remain optimistic about global growth in a low inflation environment at the start of the year. Stocks on Wall Street edged up to new records overnight on optimism fourth-quarter earnings will support the outlook for the US economy, which showed strong enough growth last year to warrant a gradual increase in interest rates. Investors anticipate the Federal Reserve will hike the federal funds rate three times this year.

Another day, another record high

Wall Street inched to record highs amid optimism that a fresh round of US corporate earnings will underpin the bullish outlook.

Investors are gearing up for another round of quarterly corporate earnings. Financial companies including BlackRock, Wells Fargo and JPMorgan are slated to report this week.

Gains were limited on Monday following last week's rally. Even so, the Dow advanced to a record high of 25,308.61, while the S&P 500 rose to a record of 2,745.46 and the Nasdaq climbed to a record of 7,156.91.

The Dow crept higher as gains in shares of Caterpillar and those of United Technologies, recently up 2.4 percent and 1.3 percent respectively, outweighed declines in shares of General Electric and those of Walt Disney, down 1.8 percent and 1.5 percent recently respectively.

NZ shares down, led lower by Metro Glass and Sky TV while Comvita, A2 rally

New Zealand shares fell, led lower by Metro Performance Glass and Sky Network Television, while Comvita, A2 Milk and Synlait Milk gained.

Metro Performance Glass led the index lower, dropping 2.9 percent to \$1, with Sky Network Television down 2.5 percent to \$2.78 and Fletcher Building falling 1.5 percent to \$7.69.

Comvita was the best performer, up 3 percent to \$8.65. A2 Milk rose 1.1 percent to \$8.36 and Synlait Milk gained 0.9 percent to \$7.04.

Summerset Group gained 0.2 percent to \$5.53. The retirement village operator and developer lifted fourth-quarter sales 31 percent, setting a quarterly record, due largely to a jump in the resale of occupation rights. Last month Summerset raised annual earnings guidance on the strength of resale volumes and margins, projecting underlying profit of between \$77 million and \$79 million in calendar 2017, up from a previous forecast of \$72 million-to-\$75 million.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,174.085	28.695	▼	0.31%
S&P/NZX 50 Index	8,425.480	30.690	▼	0.36%
S&P/NZX MidCap Index	24,668.611	53.809	▼	0.22%
S&P/NZX SmallCap Index	60,542.245	224.105	▲	0.37%
S&P/NZAX All Index	538.833	0.257	▼	0.05%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,236.50	6.80	▲	0.11%
S&P/ASX 200	6,130.40	8.10	▲	0.13%
ASX Small Ordinaries	2,805.70	1.50	▼	0.05%
S&P/ASX MIDCAP 50	6,903.60	10.40	▲	0.15%
S&P/ASX 20	3,399.50	4.60	▲	0.14%
Foreign Markets Index				
	Last	Change		
S&P 500	2,747.43	4.28	▲	0.16%
Dow Jones	25,298.72	2.85	▲	0.01%
NASDAQ Composite	7,154.64	18.08	▲	0.25%
FTSE 100	7,696.51	27.71	▼	0.36%
ASX All Ordinaries	6,236.50	6.80	▲	0.11%
NIKKEI 225	23,714.53	208.20	▲	0.89%
HANG SENG INDEX	30,899.53	84.89	▲	0.28%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9156	0.0054	▲	0.59%
USD	0.7179	0.0014	▲	0.20%
CNY	4.6640	0.0170	▲	0.37%
EUR	0.6000	0.0043	▲	0.72%
CAD	0.8917	0.0026	▲	0.29%
GBP	0.5292	0.0009	▲	0.17%
JPY	81.1680	0.1330	▲	0.16%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.66			
10-year Swap	3.13			
Commodities Futures				
	Last	Change		
Gold	1,319.90	2.40	▼	0.18%
Silver	17.14	0.15	▼	0.84%
Crude Oil	61.80	0.36	▲	0.59%

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