



## MORNING REPORT

As at 9:00 AM 12-04-18

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### Top News

#### NZ dollar reaches new 2-month high overnight but Middle East tensions sap risk appetite

The New Zealand dollar rose to the highest in almost two months overnight although increased tensions in the Middle East eroded risk appetite, while upbeat Federal Reserve minutes and stronger US core inflation helped the greenback.

Middle East tensions have been stoked by US President Donald Trump's tweet that US missiles "will be coming" to Syria in retaliation for the alleged use of chemical weapons to attack rebel positions and urged Russia not to support the "gas-killing animal" Syrian President Bashar al-Assad. Russia has said it will shoot down any missiles that put its positions under threat. Crude oil rose.

#### Oil rallies, Wall St eases on Middle East tension

Oil prices jumped while Wall Street slipped as investors eyed rising tension between the US and Russia about the Middle East.

US Treasuries rose, pushing yields on the 10-year note one basis point lower to 2.79 percent.

The Dow fell, as slides in shares of DowDuPont and those of Boeing, recently down 1.6 percent and 1.4 percent respectively, outweighed gains in shares of Exxon Mobil and those of McDonald's, recently up 0.6 percent and 0.5 percent respectively.

Meanwhile, a US Labour Department report showed the core consumer price index, which excludes food and energy, increased 2.1 percent in March from the year-earlier month, the biggest gain in a year and accelerating from a 1.8 percent pace in February.

#### NZ shares fall as Pushpay revenue slips; a2, FPH, Fletcher dip

New Zealand shares fell, led by Pushpay Holdings after the mobile app payments developer posted its first dip in quarterly revenue, while blue-chip stocks a2 Milk Co, Fletcher Building and Fisher & Paykel Healthcare declined. Infratil gained on upbeat earnings guidance.

Pushpay led the index lower, falling 3 percent to \$4.14 after the software developer said annualised committed monthly revenue fell 19 percent to US\$86.4 million in the March quarter, coming off a high during the Christmas giving period and as it gave up pursuing smaller churches. Revenue doubled to US\$70 million in the year ended March 31, it said.

The benchmark index was pushed lower by large-cap stocks, with a2 Milk down 1.3 percent to \$12.88, Fletcher Building falling 1.8 percent to \$5.90 and F&P Healthcare declining 2 percent to \$13.10.

Synlait Milk rose 2.3 percent to \$8.95, the biggest gain on the day after a Commerce Commission report questioned one of the components used to set Fonterra Cooperative Group's farmgate milk price, saying the level may be inflating what the larger milk processor pays its suppliers. Fonterra Shareholders' Fund units gained 0.4 percent to \$5.75.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,200.729	13.601	▼	0.15%
S&P/NZX 50 Index	8,453.723	16.047	▼	0.19%
S&P/NZX MidCap Index	24,368.770	46.050	▲	0.19%
S&P/NZX SmallCap Index	58,791.367	238.397	▲	0.41%
S&P/NZAX All Index	509.528	2.602	▼	0.51%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	5,925.80	26.00	▼	0.44%
S&P/ASX 200	5,828.70	28.30	▼	0.48%
ASX Small Ordinaries	2,662.10	10.30	▼	0.39%
S&P/ASX MIDCAP 50	6,619.40	38.40	▼	0.58%
S&P/ASX 20	3,226.80	15.60	▼	0.48%
Foreign Markets Index				
	Last	Change		
S&P 500	2,642.19	14.68	▼	0.55%
Dow Jones	24,189.45	218.55	▼	0.90%
NASDAQ Composite	7,069.03	25.27	▼	0.36%
FTSE	7,257.14	9.61	▼	0.13%
ASX All Ordinaries	5,925.80	26.00	▼	0.44%
NIKKEI 225	21,687.10	107.22	▼	0.49%
HANG SENG INDEX	30,897.71	168.97	▲	0.55%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9485	0.0002	▼	0.02%
USD	0.7358	0.0006	▼	0.08%
CNY	4.6090	0.0170	▼	0.37%
EUR	0.5947	0.0013	▼	0.22%
CAD	0.9253	0.0025	▼	0.27%
GBP	0.5188	0.0007	▼	0.13%
JPY	78.5795	0.3620	▼	0.46%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.71			
10-year Swap	3.15			
Commodities Futures				
	Last	Change		
Gold	1,356.60	10.70	▲	0.80%
Silver	16.67	0.07	▲	0.45%
Crude Oil	66.78	1.27	▲	1.94%

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