

MORNING REPORT

As at 9:00 AM 13-03-18

Web: www.equity.co.nz / E-mail: Info@equity.co.nz / Tel: +64 (9)304 0145 / Address: Level 7, 12-26 Swanson Street, Auckland, NZ

Top News

NZ dollar falls ahead of US CPI, Spencer speech

The New Zealand dollar fell ahead of US inflation data, which may provide clues to the pace of US rate hikes, while domestically traders will be watching for a speech by acting Reserve Bank governor Grant Spencer and February food prices.

US consumer price inflation excluding food and energy may have slowed to 0.2 percent in February for an unchanged year-on-year rate of 1.8 percent, based on economist surveys. The data comes after employment figures last Friday showed slower-than-expected wage growth, which had traders questioning whether the Federal Reserve will hike three times or four this year. The Federal Open Market Committee meets next week.

In the interest rate market, the focus is on the pricing for the Debt Management Office's 2029 bond syndication, with initial guidance at 16 to 19 basis points over the 2027 nominal bond.

Wall St mixed as it eyes inflation data, trade moves

Wall Street was mixed, with the Dow and the S&P 500 giving up earlier gains, as investors eyed the latest inflation data scheduled for release this week as well as further trade negotiations prompted by the new US tariffs on steel and aluminum imports.

A US Labour Department report due Tuesday will probably show that the consumer price index rose 0.2 percent in February from the previous month, according to the median estimate of economists surveyed by Bloomberg. Excluding food and energy, prices were projected to advance 0.2 percent following a bigger-than-forecast 0.3 percent increase in January.

The Dow fell as declines in shares of Boeing and those of Caterpillar, down 2.6 percent and 2 percent respectively recently, outweighed gains in shares of Apple and those of General Electric, recently up 1 percent and 0.9 percent respectively.

NZ shares gain, A2 Milk rises on index hopes, Pushpay up while Heartland drops

New Zealand shares gained, led higher by A2 Milk Co on index inclusion speculation, with Pushpay and Kathmandu Holdings up.

The index was pulled higher by A2 Milk Co, which rose 4.7 percent to \$13.89. Matt Goodson, managing director at Salt Funds Management, said the stock had gained due to its potential index inclusion on an MSCI index in the future, possibly replacing one of the existing New Zealand names.

Metro Performance Glass was unchanged at 80 cents. On Friday, it was announced that the stock will leave the S&P/NZX 50 Index in its March rebalancing, due to take place this coming Friday. The stock will be replaced by Gentrack Group, which gained 6.4 percent to \$6.80 today.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,198.306	77.956	▲	0.85%
S&P/NZX 50 Index	8,463.986	73.536	▲	0.88%
S&P/NZX MidCap Index	23,948.304	78.144	▲	0.33%
S&P/NZX SmallCap Index	58,412.710	384.470	▲	0.66%
S&P/NZAX All Index	567.401	10.041	▲	1.80%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,101.40	32.30	▲	0.53%
S&P/ASX 200	5,996.10	32.90	▲	0.55%
ASX Small Ordinaries	2,741.80	18.50	▲	0.68%
S&P/ASX MIDCAP 50	6,916.60	49.80	▲	0.73%
S&P/ASX 20	3,324.20	20.30	▲	0.61%
Foreign Markets Index				
	Last	Change		
S&P 500	2,783.50	3.07	▼	0.11%
Dow Jones	25,185.52	150.22	▼	0.59%
NASDAQ Composite	7,591.22	30.41	▲	0.40%
FTSE	7,214.76	9.75	▼	0.13%
ASX All Ordinaries	6,101.40	32.30	▲	0.53%
NIKKEI 225	21,824.03	354.83	▲	1.65%
HANG SENG INDEX	31,594.33	598.12	▲	1.93%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.93	0.0031	▼	0.30%
USD	0.7298	0.0008	▲	0.11%
CNY	4.6200	0.0090	▲	0.20%
EUR	0.5914	0.0008	▼	0.14%
CAD	0.9362	0.0020	▲	0.21%
GBP	0.5247	0.0019	▼	0.36%
JPY	77.6095	0.2420	▼	0.31%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.76			
10-year Swap	3.27			
Commodities Futures				
	Last	Change		
Gold	1,323.30	0.70	▼	0.05%
Silver	16.55	0.06	▼	0.35%
Crude Oil	61.33	0.71	▼	1.14%

Disclaimer: The above information is provided on a best endeavours basis and Equity Investment Advisers Ltd does not accept any liability under any circumstances for errors or omissions. Parties should recheck the information before using it in any decision-making process. Acknowledgements: Equity Investment Advisers (EIA) sincerely expresses its gratitude to the following sources for the contribution of valuable information in the production of EIA morning reports: Yahoo New Zealand, ANZ securities, ASX, Nikkei Indexes, NZX, NYSE, NASDAQ, business desk.

Do you need to make any changes to your portfolio?
www.equity.co.nz E-mail: Info@equity.co.nz

Contact Equity Investment Advisers today.
 Tel: +64 (9)304 0145