

MORNING REPORT

As at 9:09 AM 19-12-17

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 little changed before key NZ data, dairy auction, tax bill vote

The New Zealand dollar was little changed ahead of domestic economic data and tonight's dairy auction and as the market awaits the progress of US tax reform through the US Senate and House.

Surveys of fourth-quarter consumer confidence from Westpac and the December ANZ Business Outlook today will provide an update on sentiment under the coalition government while the GlobalDairyTrade auction is the first since Fonterra Cooperative Group cut its milk payout forecast on Dec. 7. Tomorrow sees the release of the balance of payments for the third quarter and trade and migration for November, followed by third-quarter gross domestic product on Thursday.

Tax outlook lifts Wall St

Wall Street rose to fresh records, lifting the Nasdaq above 7,000 points, as investors bet that the Republicans will succeed in finalising a bill this week that will cut corporate taxes.

The Dow climbed to a record, as did the S&P 500 and the Nasdaq. Meanwhile, US Treasuries declined, sending yields on the 10-year note three basis points to 2.38 percent.

The Dow rose, led by gains in shares of Intel and those of DowDuPont, recently up 3 percent and 2.3 percent respectively. Bucking the trend, shares of Walt Disney and those of Coca-Cola slid, recently both down 0.4 percent for the largest percentage declines in the Dow.

Campbell agreed to acquire Snyder's-Lance for US\$50 per share in an all-cash transaction, the companies said. The purchase price represents a premium of about 27 percent to Snyder's-Lance's closing stock price on December 13, the last trading day prior to media reports regarding a potential transaction, the companies said.

NZ shares down, Air NZ and Contact drop while Scales, Oceania Health rise

New Zealand shares dropped, led lower by Air New Zealand and Contact Energy while Scales Corp and Oceania Healthcare gained.

Markets across Asia traded higher yesterday afternoon, with Australia's S&P/ASX 200 up 0.7 percent, Hong Kong's Hang Seng rising 0.5 percent and Japan's Nikkei 400 gaining 1.4 percent at 5:10pm New Zealand time.

On the local index, the worst performer was Air New Zealand, which dropped 3.8 percent to \$3.175, with Contact Energy down 3.6 percent to \$5.57 and Mercury New Zealand falling 3.2 percent to \$3.37.

Scales Corp was the best performer, up 3.7 percent to \$4.77. The stock has gained this month since it forecast full-year earnings to be at the upper end of guidance on the performance of its horticulture division and new acquisitions, and said earnings will rise in 2018.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	9,063.638	12.322	▼	0.14%
S&P/NZX 50 Index	8,344.153	16.707	▼	0.20%
S&P/NZX MidCap Index	24,499.186	90.094	▼	0.37%
S&P/NZX SmallCap Index	57,934.467	580.897	▲	1.01%
S&P/NZAX All Index	542.785	4.945	▼	0.90%

ASX Index				
Index	Last		Change	
ASX All Ordinaries	6,130.00	42.90	▲	0.70%
S&P/ASX 200	6,038.90	41.90	▲	0.70%
ASX Small Ordinaries	2,721.30	29.50	▲	1.10%
S&P/ASX MIDCAP 50	6,754.70	42.80	▲	0.64%
S&P/ASX 20	3,345.00	23.60	▲	0.71%

Foreign Markets Index				
	Last		Change	
S&P 500	2,693.19	17.38	▲	0.65%
Dow Jones	24,806.06	154.32	▲	0.63%
NASDAQ Composite	6,999.80	63.22	▲	0.91%
FTSE 100	7,537.01	46.44	▲	0.62%
ASX All Ordinaries	6,130.00	42.90	▲	0.70%
NIKKEI 225	22,901.77	348.55	▲	1.55%
HANG SENG INDEX	29,050.41	202.30	▲	0.70%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9125	0.0033	▼	0.36%
USD	0.6996	0.0002	▼	0.03%
CNY	4.6260	0.0040	▲	0.09%
EUR	0.5937	0.0022	▼	0.37%
CAD	0.9003	0.0003	▼	0.03%
GBP	0.5227	0.0029	▼	0.55%
JPY	78.7410	0.1430	▼	0.18%

NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.64			
10-year Swap	3.10			

Commodities Futures				
	Last		Change	
Gold	1,264.40	6.90	▲	0.55%
Silver	16.18	0.12	▲	0.73%
Crude Oil	57.13	0.17	▼	0.30%

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