



MORNING REPORT

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Top News

NZ dollar trades near two-week low in week of Fed, RBNZ, Fonterra, milk auction

The New Zealand dollar was little changed near a two-week low in a busy week for potentially market-moving events, including a likely rate hike from the Federal Reserve, the local Reserve Bank's policy review, Fonterra Cooperative Group's interim results and the latest dairy auction.

The Fed's new chairman Jerome Powell is expected to raise the fed funds rate a quarter point to a range of 1.50 percent to 1.75 percent this week, with the market putting odds of a move at 95 percent, and traders will be watching closely for pointers on the pace of hikes through the next 12 months, with at least two more expected. By contrast, Reserve Bank acting governor Grant Spencer is widely expected to keep rates unchanged with only a gradual pace of increases signalled in his review before handing over to Adrian Orr.

Focus on Fed meeting, rate path

US Federal Reserve officials are widely expected to lift their target interest rate during their two-day policy meeting, the first chaired by Jerome Powell, and investors will closely eye for any signs the central bank might accelerate its pace of hikes.

At the end of Federal Open Market Committee's meeting on Wednesday, investors will scrutinise its statement and forecasts, as well as the press conference by Powell.

The Dow Jones Industrial Average added 0.3 percent, the Standard & Poor's 500 Index rose 0.2 percent, and the Nasdaq Composite Index finished the day little changed.

US Treasuries, meanwhile, fell on Friday, pushing yields on the 10-year note two basis points higher to 2.84 percent.

Starting today, a group of 20 central bankers and finance ministers is gathering for a two-day meeting in Buenos Aires.

NZ shares hit record amidst rebalancing, Comvita and Sky TV gain while Pushpay, A2 drop

New Zealand shares rose in heavy turnover amidst index rebalancing, with Comvita and Sky Network Television gaining while Pushpay and A2 Milk Co dropped.

Both the local benchmark index and the S&P/ASX indices were rebalanced today. Moving out of the NZX 50 was Metro Performance Glass, replaced by Gentrack Group. Metro Glass was unchanged at 77 cents while Gentrack rose 3.4 percent to \$6.70.

Comvita led the index higher, up 7.6 percent to \$7.80, while NZX rose 2.8 percent to \$1.10.

Sky Network Television gained 6.5 percent to \$2.29, and was the most heavily traded stock by volume today, with some 34.3 million shares traded, making up about a third of total shares traded.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,218.610	10.830	▲	0.12%
S&P/NZX 50 Index	8,477.083	9.753	▲	0.12%
S&P/NZX MidCap Index	24,282.832	164.152	▲	0.68%
S&P/NZX SmallCap Index	58,789.518	60.268	▲	0.10%
S&P/NZAX All Index	563.074	1.886	▼	0.33%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,054.90	27.30	▲	0.45%
S&P/ASX 200	5,949.40	28.60	▲	0.48%
ASX Small Ordinaries	2,739.60	6.40	▲	0.23%
S&P/ASX MIDCAP 50	6,842.20	29.40	▲	0.43%
S&P/ASX 20	3,292.50	13.30	▲	0.41%
Foreign Markets Index				
	Last	Change		
S&P 500	2,752.01	4.68	▲	0.17%
Dow Jones	24,946.51	72.85	▲	0.29%
NASDAQ Composite	7,481.99	0.25	▲	0.00%
FTSE 100	7,164.14	24.38	▲	0.34%
ASX All Ordinaries	6,054.90	27.30	▲	0.45%
NIKKEI 225	21,676.51	127.44	▼	0.58%
HANG SENG INDEX	31,501.97	39.13	▼	0.12%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9350	0.0002	▼	0.02%
USD	0.7216	0.0001	▼	0.01%
CNY	4.5690			
EUR	0.5871	0.0002	▼	0.03%
CAD	0.9446	0.0006	▼	0.06%
GBP	0.5176	0.0001	▲	0.02%
JPY	76.4050	0.1000	▼	0.13%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.71			
10-year Swap	3.19			
Commodities Futures				
	Last	Change		
Gold	1,313.90	3.90	▼	0.30%
Silver	16.34	0.08	▼	0.50%
Crude Oil	62.25	1.06	▲	1.73%

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