

MORNING REPORT

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Top News

NZ dollar rises from three-week low ahead of Fed meeting, ignores Wall St selloff

The New Zealand dollar bounced from a three-week low ahead of this week's Federal Reserve policy review, which is expected to lift US interest rates, while stocks on Wall Street after growings fears of regulation in the tech sector weighed on Wall Street.

The Federal Open Market Committee kicks off its two-day policy meeting in chair Jerome Powell's first review at the central bank's helm and is expected to raise the federal funds rate a quarter point to a band of 1.5 percent-to-1.75 percent. US Treasury yields have been climbing in anticipation of higher rates, which has supported demand for the greenback.

Facebook sparks tech selloff

Wall Street dropped as a plunge in Facebook shares led a decline in technology stock amid concern the industry could face an increase in regulation.

Shares of Facebook sank, down 6.5 percent as of 1.41pm in New York, amid reports of misuse of its users' data.

Also weighing on sentiment were concerns about an accelerating pace of US interest rate increases, as well as the ongoing chaos in the Trump administration and its moves towards increased protectionism.

The Dow dropped, led by declines in shares of Caterpillar and those of DowDuPoint, down 3.3 percent and 2.8 percent respectively. All 30 stocks in the Dow traded weaker as of early afternoon.

NZ shares mixed, Kathmandu and Sky TV up while Chorus, Comvita drop

New Zealand shares were mixed, with Kathmandu Holdings up and Sky Network Television continuing to bounce while Chorus and Comvita fell.

Nearly \$350 million was traded through the local benchmark index on Friday, as both the local benchmark index and the S&P/ASX indices were rebalanced.

Kathmandu Holdings led the gains yesterday, up 1.7 percent to \$2.40, while Summerset Group Holdings advanced 1.6 percent to \$6.91.

Chorus was the worst performer, down 5.6 percent, or 23 cents, to \$3.91, after shedding rights to a 9 cent interim dividend.

Comvita dropped 2.6 percent to \$7.60 and Mercury New Zealand fell 2 percent to \$3.215. Sky Network Television gained 1.3 percent to \$2.32.

Outside the benchmark index, NPT was unchanged at 59 cents while Augusta Capital gained 1 percent to \$1.05. NPT shareholders voted in favour of Augusta buying the real estate investor's management contract for \$4.5 million at a special meeting today in Auckland.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	9,236.955	4.885	▲ 0.05%
S&P/NZX 50 Index	8,492.119	2.059	▲ 0.02%
S&P/NZX MidCap Index	24,208.630	98.950	▼ 0.41%
S&P/NZX SmallCap Index	58,903.657	114.137	▲ 0.19%
S&P/NZAX All Index	553.334	9.736	▼ 1.73%
ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,064.70	9.80	▲ 0.16%
S&P/ASX 200	5,959.40	10.00	▲ 0.17%
ASX Small Ordinaries	2,744.70	5.10	▲ 0.19%
S&P/ASX MIDCAP 50	6,848.20	6.00	▲ 0.09%
S&P/ASX 20	3,295.10	2.60	▲ 0.08%
Foreign Markets Index			
	Last	Change	
S&P 500	2,713.78	38.23	▼ 1.39%
Dow Jones	24,617.86	328.65	▼ 1.32%
NASDAQ Composite	7,347.19	134.80	▼ 1.80%
FTSE	7,042.93	121.21	▼ 1.69%
ASX All Ordinaries	6,064.70	9.80	▲ 0.16%
NIKKEI 225	21,480.90	195.61	▼ 0.90%
HANG SENG INDEX	31,513.76	11.79	▲ 0.04%
Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9397	0.0042	▲ 0.45%
USD	0.7252	0.0035	▲ 0.48%
CNY	4.5920	0.0240	▲ 0.53%
EUR	0.5872	0.0002	▼ 0.03%
CAD	0.9473	0.0025	▲ 0.26%
GBP	0.5166	0.0010	▼ 0.19%
JPY	76.9525	0.4185	▲ 0.55%
NZ Interest Rates			
	Last	Change	
NZ OCR	1.75		
3-month Bank Bill	1.94		
5-year Swap	2.73		
10-year Swap	3.21		
Commodities Futures			
	Last	Change	
Gold	1,316.80	4.50	▲ 0.34%
Silver	16.32	0.04	▲ 0.26%
Crude Oil	62.19	0.15	▼ 0.24%

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