

MORNING REPORT

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Top News

NZ shares at record as Skycity, Fisher & Paykel Health rally

New Zealand shares hit a record ahead of a busy week of corporate results, led higher by SkyCity Entertainment Group and Fisher & Paykel Healthcare Corp. Pushpay Holdings dropped to an eight-month low.

The S&P/NZX50 Index rose 56.38 points, or 0.6 percent, to 9,109.15. It is up 7.8 per cent this year. Within the index, 23 stocks rose, 17 fell and 10 were unchanged. Turnover was \$100.3 million.

"We're broadly at the halfway point of reporting season but this week is a monster, particularly on Wednesday, Thursday and Friday. It's the calm before the storm, before we get an avalanche of results, and it does feel like the market is sitting back and waiting for all of those," said Mark Lister, head of private wealth research at Craigs Investment Partners. "It's a bit of a waiting game but the market is in pretty good spirits after international markets finished on a high note last week.

"The bigger companies and local blue chips are doing well. A lot of those are reporting this week so maybe it's a bit of positioning ahead of what is expected to be reasonably steady results," Lister said.

Leading the index higher was SkyCity Entertainment, up 1.9 percent to \$4.27. Ebos Group rose 1.5 percent to \$20.80 and Fletcher Building advanced 1.5 percent to \$7.

NZ dollar drifts higher as Trump bemoans rate hikes

The New Zealand dollar drifted higher in quiet trading as investors latched on to reports US President Donald Trump complained of the Federal Reserve's interest rate hikes.

The kiwi traded at 66.37 US cents as at 8am in Wellington from 66.22 cents yesterday. The trade-weighted index was at 71.83 from 71.79 yesterday.

Central bankers will converge at Jackson Hole, Wyoming this week at their annual conference, where Fed chair Jerome Powell is scheduled to speak. The Fed has been raising interest rates and winding back quantitative easing as it brings monetary policy back to a more normal setting as the US economy accelerates under the stimulus of President Trump, who told Reuters the US central bank should support growth, saying "I'm not thrilled with his raising of interest rates".

The Fed's trajectory is at odds with New Zealand and Australia, where both central banks expect to keep their benchmark rates unchanged for the foreseeable future.

"This follows Trump's interview with CNBC last month where he commented he was 'not thrilled' with rate increases, breaking with the tradition of Presidents avoiding direct comments on monetary policy that put into question the Fed's independence," Bank of New Zealand senior markets strategist Jason Wong said in a note. "The NZD was in a drift-down mode for much of Monday and reached an overnight low of 0.6611 and a turnaround in the USD's performance sees it closer to 0.6630 this morning."

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,915.51	59.65	▲	0.61%
S&P/NZX 50 Index	9,109.15	56.38	▲	0.62%
S&P/NZX MidCap Index	25,602.58	28.84	▲	0.11%
S&P/NZX SmallCap Index	64,612.74	22.87	▼	0.04%
S&P/NZAX All Index	535.35	3.78	▲	0.71%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,435.10	8.90	▲	0.14%
S&P/ASX 200	6,345.00	5.80	▲	0.09%
ASX Small Ordinaries	2,842.30	9.20	▲	0.32%
S&P/ASX MIDCAP 50	7,078.40	14.70	▲	0.21%
S&P/ASX 20	3,511.10	2.40	▼	0.07%
Foreign Markets Index				
	Last	Change		
S&P 500	2,857.05	6.92	▲	0.24%
Dow Jones	25,758.69	89.37	▲	0.35%
NASDAQ Composite	7,821.01	4.68	▲	0.06%
DAX	12,331.30	120.75	▲	0.99%
ASX All Ordinaries	6,435.10	8.90	▲	0.14%
NIKKEI 225	22,199.00	71.38	▼	0.32%
HANG SENG INDEX	27,598.02	384.61	▲	1.41%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9056	0.0021	▼	0.23%
USD	0.6647	0.0006	▲	0.09%
CNY	4.5580	0.0050	▼	0.11%
EUR	0.5788	0.0021	▼	0.36%
CAD	0.8669	0.0004	▼	0.05%
GBP	0.5194	0.0016	▼	0.31%
JPY	73.1385	0.3065	▼	0.42%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.39			
10-year Swap	2.88			
Commodities Futures				
	Last	Change		
Gold	1,197.30	13.10	▲	1.11%
Silver	14.74	0.11	▲	0.78%
Crude Oil	66.52	0.61	▲	0.93%

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