

Top News

NZ dollar rises above 74 US cents for first time in 10 months as ECB hints at tapering

The New Zealand dollar rose above 74 US cents for the first time in 10 months as the greenback fell against the euro after comments from European Central Bank president Mario Draghi that policymakers would consider winding back quantitative easing measures.

The euro surged to its highest level against the US dollar since August 2015 after Draghi said policymakers would discuss possible changes to the bank's bond-buying programme in the Northern Hemisphere autumn, although he gave no firm date. The US dollar index fell to its lowest level in almost a year amid ongoing concerns that the Trump administration will struggle to enact policies the market had hoped would stimulate the US economy.

Sears teams up with Amazon

Wall Street was mixed as a rally in shares of Sears, following its deal with Amazon, offset slides in other retailers including Home Depot, Lowe's and Best Buy. Shares of Sears jumped, up 10.6 percent as of 3.45pm in New York, after the embattled retailer said it agreed to start selling its Kenmore products on Amazon.com.

"The launch of Kenmore products on Amazon.com will significantly expand the distribution and availability of the Kenmore brand in the US," Edward Lampert, chief executive officer of Sears, said in a statement.

In the Dow, slides in shares of Home Depot and those of Travelers, recently down 4 percent and 1.5 percent respectively, offset gains in shares of Nike and those of Verizon, recently up 2.3 percent and 2 percent respectively.

Following a European Central Bank President policy meeting at which it made no changes to its key interest rates and asset purchase program, President Mario Draghi flagged that the Governing Council would begin discussing changes to the program in the fall.

Fletcher Building plunges on Adamson ouster

New Zealand shares fell, dragged lower by Fletcher Building hitting a six-week low, as the company's board advised a second significant earnings downgrade this year and announced the departure of its chief executive, Mark Adamson.

Fletcher Building dropped 6.2 percent to \$7.59, though it traded as low as \$7.38 shortly after the market opened to the news about Adamson, who will leave with immediate effect with the loss of share options and other incentives as the company slashed full-year earnings guidance and flagged an impairment against Australian assets.

Fletcher said operating earnings in the year ended June 30 were about \$525 million, down from \$682 million in 2016 and below the \$610 million-to-\$650 million range the company gave in March, itself a 15 percent downgrade against earlier guidance because of problems with two major construction projects. Furthermore, it said losses at those projects, which it hasn't identified, would be larger than expected and also announced a \$220 million impairment against its Iplex Australia and Tradelink business units.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	8,314.48	66.36	↓	0.79%
S&P/NZX 50 Index	7,672.44	60.31	↓	0.78%
S&P/NZX Mid Cap Index	21,795.59	80.16	↓	0.37%
S&P/NZX Small Cap	52,544.68	46.39	↓	0.09%
S&P/NZX All Index	587.57	2.47	↑	0.42%

ASX Index				
Index	Last	Change		
ALL ORDINARIES	5,805.7	26.3	↑	0.45%
S&P/ASX 200	5,761.5	29.4	↑	0.51%
S&P/ASX SMALL ORD	2,361.1	3.3	↑	0.14%
S&P/ASX MIDCAP 50	6,235.5	8.8	↑	0.14%
S&P/ASX 20	3,297.3	27.8	↑	0.84%

Foreign Markets Index				
	Last	Change		
S&P 500	2,473.45	0.38	↓	0.02%
DJIA	21,611.78	28.97	↓	0.13%
Nasdaq	6,390.00	4.96	↑	0.08%
FTSE 100	7,487.87	56.96	↑	0.77%
ALL ORDINARIES	5,805.70	26.30	↑	0.45%
Nikkei 225	20,144.59	123.73	↑	0.62%
Hang Seng	26,740.21	68.05	↑	0.26%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9304	0.0055	↑	0.59%
USD	0.7404	0.0048	↑	0.65%
CNY	5.0030	0.0370	↑	0.75%
EUR	0.6365	0.0022	↓	0.34%
CAD	0.9320	0.0049	↑	0.53%
GBP	0.5707	0.0060	↑	1.06%
JPY	82.8425	0.5295	↑	0.64%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.94	
5-year Swap	2.80	
10-year Swap	3.32	

Commodities				
	Last	Change		
Spot Gold \$US	1,243.90	2.86	↑	0.23%
Spot Silver \$US	16.31	0.05	↑	0.32%
Oil(WTI)	46.79	0.36	↓	0.76%

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