

### Top News

#### NZ dollar gives up gains on Fed balance sheet unwinding

The New Zealand dollar gave up some of its gains from yesterday's poll putting the incumbent National Party in the lead ahead of this weekend's election after the Federal Reserve stuck to its track for future interest rate hikes and started unwinding its massively expanded balance sheet.

The greenback initially fell after the Federal Open Market Committee kept the federal funds rate between 1% and 1.25% before rallying as investors digested the statement. The Fed stuck to its rate hike projections for another increase this year and three more in 2018, and said it will start dialling back its US\$4.5 trillion stockpile of assets in what's reported to be a decade-long programme trimming the balance sheet by US\$10 billion a month.

The kiwi jumped half a US cent after the 1News Colmar Brunton poll yesterday showed the National Party leapfrogged its rival Labour Party, with 46% support to 37%. Polling ahead of Saturday's general election has shown a tight contest.

#### Wall St retreats from record highs

The US dollar rose, while Treasuries fell after the Federal Reserve signalled it plans another interest rate increase this year.

Wall Street was mixed, with both the Dow and S&P 500 retreating from touching record highs earlier in the day.

In the Dow advances in shares of Pfizer and those of McDonald's, recently up 1.3% and 1.2% respectively, offset declines in shares of Apple and those of 3M, recently down 2.2% and 1.9% respectively.

Shares of General Mills sank, trading 6% weaker as of 2.09pm in New York, after the owner of the Cheerios, Betty Crocker, Yoplait and Haagen-Dazs brands posted another drop in quarterly net sales as demand for its yoghurts and cereals slid.

#### NZ shares gain as relief rally bolsters pipeline affected Air NZ, Z Energy

New Zealand shares rose for a second day as stocks weighed by fears about the jet fuel shortage in Auckland such as Air New Zealand and Z Energy joined other companies in bouncing back from a recent sell-down.

Air New Zealand and Z gained after coming under pressure in recent days as investors weighed up the impact of damage to the pipeline linking the Marsden Point refinery to Auckland, leading to a shortage of jet fuel at Auckland International Airport.

Air NZ rose 1.3% to \$3.24, Z gained 2.3% to \$7.57 and Auckland Airport increased 1.1% to \$6.45. That didn't extend to New Zealand Refining which fell 0.8% to \$2.42. The refinery operator still expects to resume service on the pipeline some time between Sunday and Tuesday.

Fletcher Building slipped 0.1% to \$8.16 after kicking off a boardroom refresh with the departure of directors John Judge and Kate Spargo, who has joined ASX-listed Cimic Group's board. Fletcher wants their replacements to have construction and contracting experience.

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NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,465.77	56.76	↑	0.67%
S&P/NZX 50 Index	7,819.24	53.89	↑	0.69%
S&P/NZX Mid Cap Index	22,449.25	96.26	↑	0.43%
S&P/NZX Small Cap	52,474.49	33.45	↑	0.06%
S&P/NZAX All Index	571.53	4.50	↓	0.78%
Index	Last		Change	
ALL ORDINARIES	5,769.7	2.70	↓	0.05%
S&P/ASX 200	5,709.1	4.50	↓	0.08%
S&P/ASX SMALL ORD	2,464.9	3.90	↑	0.16%
S&P/ASX MIDCAP 50	6,172.1	5.20	↑	0.08%
S&P/ASX 20	3,207.8	3.40	↓	0.11%
Foreign Markets Index				
	Last		Change	
S&P 500	2,508.24	1.59	↑	0.06%
DJIA	22,412.59	41.79	↑	0.19%
Nasdaq	6,456.04	5.28	↓	0.08%
FTSE 100	7,271.95	3.30	↓	0.05%
ALL ORDINARIES	5,769.70	2.70	↓	0.05%
Nikkei 225	20,310.46	11.08	↑	0.05%
Hang Seng	28,127.80	76.39	↑	0.27%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9160	0.0001	↓	0.01%
USD	0.7357	0.0001	↓	0.01%
CNY	4.8340			
EUR	0.6186	0.0003	↑	0.05%
CAD	0.9066	0.0002	↓	0.02%
GBP	0.5452	0.0002	↑	0.04%
JPY	82.5450	0.0295	↑	0.04%
NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.93			
5-year Swap	2.79			
10-year Swap	3.28			
Commodities				
	Last		Change	
Spot Gold \$US	1,300.85	0.01	↑	
Spot Silver \$US	17.14	0.02	↓	0.12%
Oil(WTI)	50.41	0.83	↑	1.67%