

Top News

NZ dollar slips as Fed's rate hike, balance sheet views trump local election

The New Zealand dollar fell as the US Federal Reserve signals on balance sheet unwinding and interest rate hikes outweighed gains made earlier in the week after a poll showing the National Party in the lead ahead of tomorrow's vote.

The Federal Open Market Committee reiterated its projection for a third rate hike this year and more increases in 2018 while pointing to an October start date for trimming its US\$4.5 trillion stockpile of government bonds and mortgage-backed securities.

At home, a Newshub Reid Research poll put support for National at 45.8% and Labour's on 37.3%, meaning both parties would probably need to rely on New Zealand First, on 7.1%, to form the next government. The Greens were also on 7.1%. The kiwi rose on Wednesday after the 1News Colmar Brunton showed National on 46% to Labour's 37%.

Wall St slides from record highs

Wall Street weakened, declining from record highs, as investors assessed the impact of the Federal Reserve's intentions to raise interest rates once more this year.

Wall Street retreated. In 3.11pm trading in New York, the Dow Jones Industrial Average fell 0.1%, while the Nasdaq Composite Index declined 0.3%. In 2.56pm trading, the Standard & Poor's 500 Index slid 0.2%. Earlier in the day the Dow touched a record high of 22,412.59.

The Dow fell as declines in shares of Procter & Gamble and those of Apple, recently down 2% and 1.4% respectively, outweighed gains in shares of General Electric and those of Goldman Sachs, recently up 1.4% and 0.9% respectively.

NZ shares down, Fletcher drops while Restaurant Brands, Synlait gain

New Zealand shares closed lower, with Fletcher Building dropping while Synlait and Restaurant Brands gained on good sales.

Retirement stocks were mixed today, with Metlifecare down 0.2% to \$5.71 and Ryman dipping 0.1% to \$9.16 while Summerset was up 0.4% to \$5. Fletcher Building led the index lower, down 4.8% or 39 cents to \$7.77. The stock gave up rights to a 19 cent dividend today, but Goodson said the further fall could be down to media commentary.

Spark New Zealand dropped 3.3%, or 12.5 cents, to \$3.71, having given up rights to an 11 cent final dividend and a 1.5 cent special dividend. Port of Tauranga dropped 2.1%, or 9 cents, after giving up a 6.2 cent final dividend and a 5 cent special dividend.

Synlait was the best performer, up 1.5% to \$5.48. It reached an all-time high of \$5.54 on Tuesday after posting an 11% increase in annual profit. Restaurant Brands gained 0.8% to \$6.39. The fast-food operator lifted second-quarter sales by 41% to \$224.9 million.

Disclaimer: The above information is provided on a best endeavours basis and Equity Investment Advisers Ltd does not accept any liability under any circumstances for errors or omissions. Parties should recheck the information before using it in any decision-making process.

Acknowledgements: Equity Investment Advisers (EIA) sincerely expresses its gratitude to the following sources for the contribution of valuable information in the production of EIA morning reports: Yahoo New Zealand, ANZ securities, ASX, Nikkei Indexes, NZX, NYSE, NASDAQ, business desk.

[Do you need to make any changes to your portfolio before the election?](#)

[Contact Equity Investment Advisers today.](#)

NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,447.03	51.89	↓	0.61%
S&P/NZX 50 Index	7,795.41	55.74	↓	0.71%
S&P/NZX Mid Cap Index	22,448.25	11.87	↓	0.05%
S&P/NZX Small Cap	52,775.40	268.88	↑	0.51%
S&P/NZAX All Index	573.86	0.15	↓	0.03%
Foreign Markets Index				
Index	Last		Change	
ALL ORDINARIES	5,716.70	53.00	↓	0.93%
S&P/ASX 200	5,655.40	53.70	↓	0.95%
S&P/ASX SMALL ORD	2,441.10	23.80	↓	0.97%
S&P/ASX MIDCAP 50	6,071.20	100.90	↓	1.66%
S&P/ASX 20	3,185.90	21.90	↓	0.69%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9222	0.0061	↑	0.67%
USD	0.7315	0.0042	↓	0.57%
CNY	4.8190	0.0150	↓	0.31%
EUR	0.6127	0.0057	↓	0.92%
CAD	0.9020	0.0047	↓	0.52%
GBP	0.5386	0.0065	↓	1.19%
JPY	82.3210	0.1945	↓	0.24%
NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.80			
10-year Swap	3.29			
Commodities				
	Last		Change	
Spot Gold \$US	1,291.28	9.56	↓	0.73%
Spot Silver \$US	16.97	0.20	↓	1.14%
Oil(WTI)	50.68	0.27	↑	0.54%