



## MORNING REPORT

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### Top News

#### NZ dollar hits 4-month high as Trump announces US tariffs, raising spectre of protectionism

The New Zealand dollar rose to a four-month high as US President Donald Trump raised tariffs on imports of washing machines and solar panels, raising fears about the White House's protectionist attitude.

The Dollar Index, a measure of the greenback against a basket of currencies, fell 0.2 percent after US Trade Representative Robert Lighthizer announced plans to impose a new 30 percent tariff on imported solar panels and tariffs of up to 50 percent on residential washing machines. The announcement comes as the US, Mexico and Canada prepare for the latest round of renegotiations on the North American Free Trade Agreement. Trump has advocated tilting trade relationships in favour of the US, raising fears a growing tide of protectionist policies could weigh on global trade.

#### Wall St mixed, Netflix rallies

Wall Street was mixed, though trading near record highs, as a rally in shares of Netflix following better-than-expected earnings offset slides in shares of Johnson & Johnson Procter & Gamble as their results disappointed.

Shares of Netflix soared, up 9.4 percent as of 1.15pm trading in New York, after as its increase in subscribers in its latest quarter beat analysts' forecasts.

Not all earnings exceeded expectations, such as the results of Johnson & Johnson and those of Procter & Gamble. As a result, the Dow moved lower as slides in shares of Johnson & Johnson and those of Procter & Gamble, recently down 4.1 percent and 3.3 percent respectively, outweighed gains in shares of Travelers and those of General Electric, recently up 4.8 percent and 3.8 percent respectively.

#### NZ shares mixed; Z drops on downgrade as Air NZ bounces back

New Zealand shares were mixed, with Z Energy dropping on an earnings downgrade while Air New Zealand bounced back from recent selling.

The S&P/NZX50 Index fell 27.73 points, or 0.3 percent, to 8,307.63. Within the index, 22 stocks rose, 18 fell and 10 were unchanged. Turnover was \$99 million.

Z Energy fell 2.3 percent to \$7.52. It cut annual guidance by about \$20 million following a weaker-than-expected performance in the December quarter, due to a shutdown of the New Zealand Refining fuel pipeline to Auckland and the rising price of crude oil.

The company said replacement cost operating earnings before interest, tax, depreciation, amortisation and fair value adjustments (ebitdaf) will be between \$430 million and \$455 million in the year to March 31, down from a previous range of \$445 million-to-\$475 million.

Spark New Zealand was the worst performer, down 2.5 percent to \$3.53. Air New Zealand was the best performer, rising 2.8 percent to \$2.99.

### NZX Index

Index	Last	Change
S&P/NZX All Index	9,050.056	28.094 ▼ 0.31%
S&P/NZX 50 Index	8,307.627	27.733 ▼ 0.33%
S&P/NZX MidCap Index	24,383.084	23.294 ▲ 0.10%
S&P/NZX SmallCap Index	60,138.921	149.791 ▲ 0.25%
S&P/NZAX All Index	535.476	10.794 ▼ 1.98%

### ASX Index

Index	Last	Change
ASX All Ordinaries	6,150.70	44.50 ▲ 0.73%
S&P/ASX 200	6,037.00	45.10 ▲ 0.75%
ASX Small Ordinaries	2,763.40	20.90 ▲ 0.76%
S&P/ASX MIDCAP 50	6,776.10	61.50 ▲ 0.92%
S&P/ASX 20	3,358.70	20.40 ▲ 0.61%

### Foreign Markets Index

	Last	Change
S&P 500	2,839.69	6.72 ▲ 0.24%
Dow Jones	26,212.22	2.38 ▼ 0.01%
NASDAQ Composite	7,457.61	49.58 ▲ 0.67%
FTSE 100	7,731.83	16.39 ▲ 0.21%
ASX All Ordinaries	6,150.70	44.50 ▲ 0.73%
NIKKEI 225	24,124.15	307.82 ▲ 1.29%
HANG SENG INDEX	32,930.70	537.29 ▲ 1.66%

### Currencies (per NZ\$ 1.00)

	Last	Change
AUD	0.9195	0.0056 ▲ 0.61%
USD	0.7353	0.0027 ▲ 0.37%
CNY	4.7060	0.0140 ▲ 0.30%
EUR	0.5980	0.0005 ▲ 0.08%
CAD	0.9142	0.0024 ▲ 0.26%
GBP	0.5252	0.0013 ▲ 0.25%
JPY	81.1045	0.1650 ▼ 0.20%

### NZ Interest Rates

	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.94	
5-year Swap	2.78	
10-year Swap	3.30	

### Commodities Futures

	Last	Change
Gold	1,339.40	7.50 ▲ 0.56%
Silver	17.00	0.02 ▲ 0.09%
Crude Oil	64.56	0.99 ▲ 1.56%

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