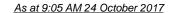
Morning Report





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Top News

NZ dollar trades near 5-month low as coalition policies awaited

The New Zealand dollar traded near a five-month low, having sold off when the new government was announced, as traders await details of the coalition's policies.

The NZ Herald reported that Winston Peters is set to become deputy prime minister and foreign minister in the new Labour-New Zealand First government, while the Greens will get ministers for the first time but there has been little policy detail so far. Changes are likely to include a reduction in net migration from record levels and changes to the Reserve Bank Act and the new administration must also approve a new central bank governor.

The kiwi traded at 79.13 yen, near a month-low, from 79.11 yen late yesterday after Japanese PM Shinzo Abe's ruling coalition had a convincing election win over the weekend, ensuring the continuation of stimulatory monetary policy.

GE slump weighs on Wall St

A slide in General Electric shares weighed on Wall Street as investors eyed a slew of corporate earnings slated for release in the coming days as well as fresh clues about progress on the Trump administration's tax reform plans. Amazon, Alphabet Google, Microsoft, Intel and McDonald's are among US companies set to report their latest quarterly earnings this week.

Among the latest US economic data, investors will closely eye a report on third-quarter GDP, slated for release on Friday. Economists polled by Bloomberg forecast it will show the economy expanded at about a 2.5% annualised pace, restrained in part by the effects of two hurricanes.

The Dow fell as a slump in shares of General Electric and those of McDonald's, recently down 6.4% and 1.3% respectively, outweighed gains in shares of Wal-Mart and those of the Home Depot, recently up 1.6% and 1.3% respectively.

NZ shares rise; F&P Healthcare helped by weak dollar, Ryman, Arvida fall

New Zealand shares rose on Friday as Fisher & Paykel Healthcare led gains among companies that benefit from a weaker kiwi. Ryman Healthcare and Arvida Group led retirement village operators lower on concern the new government's policies may sap demand.

The market partly recovered after a broad selloff on Friday morning in the wake of the announcement that New Zealand First and Labour would form the new government with support from the Greens. Among points of agreement is to reduce net migration, a move likely to take some pressure off a housing market that is already showing signs of having come off its peak.

F&P Healthcare, which gets much of its sales in foreign currencies such as the greenback, rose about 4% to \$13.34 as the kiwi dollar dropped below 70 US cents. A2 Milk, which counts Australia as its biggest market, gained 1.5% to \$7.99, which its production partner, Synlait Milk, rose 2.1% to \$7.96. The kiwi fell to an 18-month low against the Aussie dollar.

Index	Last		Change	
S&P/NZX All Index	8,792.19	0.59	↓	0.01%
S&P/NZX 50 Index	8,129.55	5.48	↑	0.07%
S&P/NZX Mid Cap Index	24,123.78	35.11	J	0.15%
S&P/NZX Small Cap	54,120.34	238.62	į	0.44%
S&P/NZAX All Index	558.06	9.08	Ţ	1.60%
ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,957.2	11.40	Ţ	0.19%
S&P/ASX 200	5,894.0	13.00	į	0.22%
S&P/ASX SMALL ORD	2,582.8	3.00	\downarrow	0.12%
S&P/ASX MIDCAP 50	6,439.3	0.30	Ţ	0.00%
S&P/ASX 20	3,311.6	8.50	Ţ	0.26%
Foreign Markets Index				
	Last		Change	
S&P 500	2,564.98	10.23	\downarrow	0.40%
DJIA	23,273.96	54.67	\downarrow	0.23%
Nasdaq	6,586.83	42.22	↓ _	0.64%
FTSE 100	7,524.45	1.22	↑	0.02%
ALL ORDINARIES	5,957.20	11.40	\downarrow	0.19%
Nikkei 225	21,696.65	239.01	↑	1.11%
Hang Seng	28,305.88	181.36	\downarrow	0.64%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.8925			
USD	0.6969			
CNY	4,6260	0.0010	↑	0.02%
EUR	0.5931	0.0001	↑	0.02%
CAD	0.8812			
GBP	0.5280	0.0001	1	0.02%
JPY	78.9720	0.0355	↑	0.04%
	NZ Interest Rates	3		

NZX Index

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NZ OCR

3-month Bank Bill

5-year Swap

10-year Swap

Spot Gold \$US

Spot Silver \$US

Oil(WTI)

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?

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Last

1.75

1.94

2.68

3.21

Last

17.09

1,282.16

Commodities

Change

Change

2.12

0.06

0.65

0.17%

0.34%

1.25%