



MORNING REPORT

As at 9.00 AM 25/07/2018

Web: www.equity.co.nz / E-mail: Info@equity.co.nz / Tel: +64 (9)304 0145 / Address: Level 7, 12-26 Swanson Street, Auckland, NZ

Top News

NZ dollar rises as Chinese stimulus underpins commodity prices gains

The New Zealand dollar followed its Australian counterpart higher as efforts by Chinese authorities to stimulate the world's second-biggest economy underpinned gains in commodity prices.

The Thomson Reuters CRB commodity price index - a measure of 19 commonly traded commodities - rose 0.4 percent and China's Shanghai Composite Index gained 1.6 percent as investors assessed recent steps by the People's Bank of China to inject greater liquidity into the lending system and China's State Council said fiscal policy should be more proactive. Chinese authorities are responding to a slowing economy, but are also seen as attempting to insulate their country from the impacts of a trade war with the US.

The local currency fell to 91.63 Australian cents from 91.82 cents yesterday ahead of Australian inflation data today expected to show consumer prices rose 0.5 percent in the June quarter for an annual pace of 2.2 percent. The Reserve Bank of Australia is seen keeping its target cash rate at 1.5 percent until late next year.

The kiwi increased to 58.18 euro cents from 57.97 cents yesterday and traded at 51.71 British pence from 51.73 pence. It rose to 75.61 yen from 75.38 yen yesterday and advanced to 4.6173 Chinese yuan from 4.6128 yuan.

NZ shares up on Asian rally, Fletcher, Restaurant Brands gain

New Zealand shares gained as markets across Asia rallied, with Fletcher Building and Restaurant Brands advancing and Vista Group hitting a record high.

Still, Lister said that the local market was still unsure what to make of the outlook for some stocks "and there's a bit of a waiting game for earnings season to get some clarity on how things are tracking. A lot of the companies are tight-lipped, they're in the pre-reporting zone where they're not really engaging unless there's an earnings upgrade or downgrade so it is a bit quiet."

Fletcher Building led the index higher, up 2.3 percent to \$7.02. Restaurant Brands gained 2 percent to \$7.75, a three-week high.

Metlifecare rose 1.7 percent to \$6.13, Tourism Holdings gained 1.6 percent to \$6.19, and Freightways advanced 1.5 percent to \$7.89.

Z rose 1.4 percent to \$7.05. Last Wednesday, the country's biggest fuel retailer cut full-year earnings guidance by \$30 million due to an extended shutdown at the Marsden Point oil refinery and high crude prices in the June quarter.

Pushpay Holdings was the worst performer, down 1.8 percent to \$3.88. Sky Network Television fell 1.6 percent to \$2.56 and Kathmandu Holdings dropped 1.2 percent to \$3.24.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,698.70	36.95	▲	0.38%
S&P/NZX 50 Index	8,901.32	28.76	▲	0.32%
S&P/NZX MidCap Index	25,557.51	13.06	▲	0.05%
S&P/NZX SmallCap Index	63,974.06	796.34	▲	1.26%
S&P/NZAX All Index	528.45	0.00	▲	0.00%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,355.20	35.10	▲	0.56%
S&P/ASX 200	6,265.80	38.20	▲	0.61%
ASX Small Ordinaries	2,847.60	16.00	▲	0.57%
S&P/ASX MIDCAP 50	7,035.60	53.70	▲	0.77%
S&P/ASX 20	3,467.60	17.70	▲	0.51%
Foreign Markets Index				
	Last	Change		
S&P 500	2,820.40	13.42	▲	0.48%
Dow Jones Industrial Average	25,241.94	197.65	▲	0.79%
NASDAQ Composite	7,840.77	1.11	▼	0.01%
FTSE 100	7,709.05	53.26	▲	0.70%
ASX All Ordinaries	6,355.20	35.10	▲	0.56%
NIKKEI 225	22,510.48	113.49	▲	0.51%
HANG SENG INDEX	28,662.57	406.45	▲	1.44%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9167	0.0024	▼	0.26%
USD	0.6802	0.0019	▲	0.28%
CNY	4.6190	0.0090	▲	0.20%
EUR	0.5820	0.0019	▲	0.33%
CAD	0.8948	0.0011	▲	0.12%
GBP	0.5173	0.0001	▼	0.02%
JPY	75.6280	0.0930	▲	0.12%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.57			
10-year Swap	3.06			
Commodities Futures				
	Last	Change		
Gold	1,224.60	1.00	▼	0.08%
Silver	15.49	0.06	▲	0.42%
Crude Oil	68.73	0.84	▲	1.24%

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?
www.equity.co.nz E-mail: Info@equity.co.nz

Contact Equity Investment Advisers today.
Tel: +64 (9)304 0145 / NZ: 0800 474 669