



MORNING REPORT

As at 9:00 AM 26-02-18

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 holds below 73 US cts as Fed chair Powell testimony comes into focus

The New Zealand dollar held below 73 US cents as investors await Federal Reserve chair Jerome Powell's first testimony to Congress this week, where they'll be looking for clues on the track for US interest rates.

Powell will testify before the House of Representatives and Senate committees this week in his first semi-annual testimony on the monetary policy report, which was released on Friday. That affirmed his predecessor's view that future increases in the federal funds rate will be gradual with the economy at or near full employment. The yield on 10-year US Treasuries retreated to 2.87 percent as investors scaled back their expectations for more aggressive rate hikes, while the greenback and stocks on Wall Street gained.

Rate path check from Powell

Investors will eye Federal Reserve chair Jerome Powell's first testimony to Congress as well as a slew of US economic reports for clues on the incline of the path of interest rate increases. Recent wage data had spurred concern about a steeper path of rate hikes, helping to trigger a correction in US equities.

The Dow Jones Industrial Average rallied 1.4 percent, while the Standard & Poor's 500 Index advanced 1.6 percent, and the Nasdaq Composite Index jumped 1.8 percent.

Another host of economic data slated for release include Chicago Fed national activity index and Dallas Fed manufacturing survey, due today; durable goods orders, international trade in goods, retail and wholesale inventories, consumer confidence, and Richmond Fed manufacturing index, due Tuesday; gross domestic product, and Chicago PMI, due Wednesday; weekly jobless claims, personal income and outlays including core PCE, ISM manufacturing index, and construction spending, due Thursday; as well as consumer sentiment, due Friday.

NZ shares rise, led by Summerset, Metlifecare, Comvita falls after flagging poor season

New Zealand shares rose as Summerset Group beat its full-year guidance and revealed a big uplift in net tangible assets, stoking optimism Metlifecare will show a similar improvement when it reports this week. Comvita fell saying it expected a below-average honey season for 2018.

Summerset rose 4.3 percent to \$6.06 after posting a 44 percent gain in full-year earnings, ahead of guidance, while net tangible assets jumped 39 percent. Metlifecare rose 2.5 percent to \$6.25.

Comvita fell 2.7 percent to \$8.15. The honey products company said Friday that it had a "positive start to 2018 honey season but a poor finish."

Port of Tauranga rose 1.8 percent to \$5.08 after raising its full-year earnings guidance on a 13 percent gain in first-half profit.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,018.254	36.384	▲	0.41%
S&P/NZX 50 Index	8,301.718	33.848	▲	0.41%
S&P/NZX MidCap Index	23,565.352	93.352	▲	0.40%
S&P/NZX SmallCap Index	57,164.606	368.156	▲	0.65%
S&P/NZAX All Index	562.598	0.022	▼	0.00%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,105.20	47.50	▲	0.78%
S&P/ASX 200	5,999.80	48.90	▲	0.82%
ASX Small Ordinaries	2,749.10	19.70	▲	0.72%
S&P/ASX MIDCAP 50	6,814.30	29.60	▲	0.44%
S&P/ASX 20	3,326.70	28.30	▲	0.86%
Foreign Markets Index				
	Last	Change		
S&P 500	2,747.30	43.34	▲	1.60%
Dow Jones	25,309.99	347.51	▲	1.39%
NASDAQ Composite	7,337.39	127.31	▲	1.77%
FTSE 100	7,244.41	7.98	▼	0.11%
ASX All Ordinaries	6,105.20	47.50	▲	0.78%
NIKKEI 225	21,892.78	156.34	▲	0.72%
HANG SENG INDEX	31,267.17	301.49	▲	0.97%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9300	0.0006	▲	0.06%
USD	0.7290	0.0001	▼	0.01%
CNY	4.6180			
EUR	0.5931	0.0003	▼	0.05%
CAD	0.9216	0.0011	▲	0.12%
GBP	0.5215	0.0009	▼	0.17%
JPY	77.9050	0.0600	▼	0.08%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.72			
10-year Swap	3.26			
Commodities Futures				
	Last	Change		
Gold	1,330.50	2.20	▼	0.17%
Silver	16.49	0.10	▼	0.58%
Crude Oil	63.57	0.80	▲	1.27%

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