

MORNING REPORT

As at 8.52 AM 27/08/2018

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 shares up, led by NZ Refining and Port of Tauranga; Sky TV falls on writedown

New Zealand shares rose, led by New Zealand Refining Co and Port of Tauranga. Sky Network Television dropped back after it turned to a loss in 2018.

The S&P/NZX50 Index gained 19.76 points, or 0.2 percent, to 9,159.63. Within the index, 26 stocks rose, 18 fell and six were unchanged. Turnover was \$136 million.

New Zealand Refining was the best performer, up 3.6 percent to \$2.60. The company, which yesterday reported a \$2.8 million loss for the six months through June 30, paid a half-year dividend and forecast record production in 2019 amid strong on-going margins.

Port of Tauranga rose 3 percent to \$4.90. New Zealand's biggest port operator posted a 13 percent rise in annual profit to \$94.3 million, driven by record cargo volumes, and plans further capacity expansion. The company will pay a final ordinary dividend of 7 cents per share, and a further special dividend of 5 cents a share.

"That was a standout. Their profit was in line with our expectations but the mix of cargoes was slightly different," said Greg Easton, investment adviser at Craigs Investment Partners. "The slight surprise was another special dividend."

Trade Me Group, which declared its a 22 cents per share special dividend on Wednesday, rose 2.6 percent to \$5.23. The online auction company's shares have gained 11 percent since it reported annual revenue of more than \$250 million for the first time. June year net profit rose 3.9 percent to \$96.6 million.

NZ dollar gains as Fed chair Powell seen taking cautious approach to rate hikes

The New Zealand dollar rose as Federal Reserve chair Jerome Powell indicated the central bank won't raise interest rates too aggressively for fear of stifling economic growth and as inflation there remains in check.

The kiwi traded at 66.82 US cents as at 8am in Wellington from 66.90 cents on Friday in New York, up from 66.41 cents last week in Asia. The trade-weighted index was at 72.15 from 72.22 last week.

The US dollar index fell 0.5 percent and stocks on Wall Street gained on Friday after Powell told the annual central bankers' forum in Jackson Hole, Wyoming there's no "clear sign" of accelerating inflation and there "does not seem to be an elevated risk of overheating". He reiterated plans to gradually raise interest rates. Investors expect the Fed to raise the federal funds rate at the September and December meetings.

The greenback was also weighed on by the People's Bank of China reintroducing a counter-cyclical factor in calculating the daily yuan fix. That was seen as another indication China's central bank is uncomfortable with a weaker yuan.

"

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,969.33	19.39	▲	0.19%
S&P/NZX 50 Index	9,159.63	19.76	▲	0.22%
S&P/NZX MidCap Index	25,739.92	5.56	▼	0.02%
S&P/NZX SmallCap Index	63,589.08	249.19	▼	0.39%
S&P/NZAX All Index	545.74	1.60	▼	0.29%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,357.90	2.40	▼	0.04%
S&P/ASX 200	6,247.30	2.90	▲	0.05%
ASX Small Ordinaries	2,896.60	18.20	▼	0.62%
S&P/ASX MIDCAP 50	7,085.60	7.20	▲	0.10%
S&P/ASX 20	3,430.70	7.50	▲	0.22%
Foreign Markets Index				
	Last	Change		
S&P 500	2,874.69	17.71	▲	0.62%
Dow Jones	25,790.35	133.37	▲	0.52%
NASDAQ Composite	7,945.98	67.52	▲	0.86%
DAX	12,394.52	28.94	▲	0.23%
ASX All Ordinaries	6,357.90	2.40	▼	0.04%
NIKKEI 225	22,601.77	190.95	▲	0.85%
HANG SENG INDEX	27,671.87	118.59	▼	0.43%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9122	0.0006	▼	0.07%
USD	0.6682	0.0008	▼	0.12%
CNY	4.5530	0.0000		0.00%
EUR	0.5752	0.0004	▼	0.07%
CAD	0.8699	0.0012	▼	0.14%
GBP	0.5204	0.0004	▼	0.08%
JPY	74.3950	0.0100	▼	0.01%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.36			
10-year Swap	2.86			
Commodities Futures				
	Last	Change		
Gold	1,212.30	18.30	▲	1.53%
Silver	14.78	0.24	▲	1.67%
Crude Oil	68.52	0.69	▲	1.02%

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