



MORNING REPORT

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Top News

NZ dollar loses ground, weighed by stronger greenback after ECB makes no change

The New Zealand dollar lost ground against the US dollar, which benefited from euro weakness after the European Central Bank left interest rates unchanged.

The greenback gained after the ECB reiterated its plans to wind down the asset purchasing programme until year-end and emphasized that it wouldn't commence lifting interest rates until at least next summer.

The New Zealand dollar "gave up yesterday's gains overnight on a stronger USD. The currency appears likely to continue to be driven by the USD half of the equation for a while yet," said ANZ Bank New Zealand senior macro strategist Philip Borkin in a note. Today, investors will be watching for the ANZ consumer confidence survey domestically, followed by Japanese CPI, Australian PPI, and Chinese industrial profits.

The main event risk, however, will be the US second-quarter gross domestic product data due later in the global trading day. Economists expect 4.3 percent growth, according to MarketWatch, which would be the fastest since the third quarter of 2014.

NZ shares dip as Facebook woes colour global markets;PFI falls

New Zealand shares edged lower as a weak earnings result from Facebook cast a pall over global equity markets while investors prepare for the local earnings season. Property For Industry and Heartland Bank declined, while Sky Network Television extended its recovery.

Stocks across Asia were mixed after a weak result from Facebook led to a regionwide sell-down in growth-orientated stocks, offsetting earlier optimism of a cooling in trade tensions between the US and European Union after President Donald Trump's meeting with Jean-Claude Juncker.

Property For Industry led the market lower, down 1.2 percent to \$1.72, matched by a 1.2 percent decline for Heartland Bank to \$1.72. Contact Energy fell 1 percent to \$5.79 and a2 Milk Co declined 0.9 percent to \$10.75.

Sky TV rose 1.9 percent to \$2.65. The pay-TV operator has climbed more than 25 percent from a trough in March, helped in part by a poor streaming video experience by Optus for football fans in Australia during the recent world cup finals. Still, Morningstar Research analyst Brian Han said in a note this week that it was too early to re-rate the stock given the uncertainties facing it.

Mainfreight gained 1.5 percent to \$28.20. Chief executive Don Braid told shareholders at today's annual meeting the June quarter registered strong revenue growth and is "quietly positive" that momentum will hold through the rest of the year.

Ryman Healthcare rose 1.4 percent to \$12.27. The country's biggest listed retirement village operator and developer told shareholders at today's annual meeting first-quarter trading was satisfactory.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,735.57	1.19	▲	0.01%
S&P/NZX 50 Index	8,932.48	1.41	▼	0.02%
S&P/NZX MidCap Index	25,635.90	18.57	▲	0.07%
S&P/NZX SmallCap Index	64,281.95	218.72	▲	0.34%
S&P/NZAX All Index	550.07	3.93	▲	0.72%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,337.60	4.10	▼	0.06%
S&P/ASX 200	6,244.50	3.10	▼	0.05%
ASX Small Ordinaries	2,854.90	6.60	▲	0.23%
S&P/ASX MIDCAP 50	7,034.90	11.20	▲	0.16%
S&P/ASX 20	3,449.60	8.00	▼	0.23%
Foreign Markets Index				
	Last	Change		
S&P 500	2,837.44	8.63	▼	0.30%
Dow Jones Industrial Average	25,527.07	112.97	▲	0.44%
NASDAQ Composite	7,852.18	80.05	▼	1.01%
DAX PERFORMANCE-INDEX	12,809.23	229.90	▲	1.83%
ASX All Ordinaries	6,337.60	4.10	▼	0.06%
NIKKEI 225	22,586.87	27.38	▼	0.12%
HANG SENG INDEX	28,781.14	139.76	▼	0.48%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9196	0.0002	▲	0.02%
USD	0.6785	0.0002	▲	0.03%
CNY	4.6070	0.0000		0.00%
EUR	0.5826	0.0001	▲	0.02%
CAD	0.8870	0.0002	▲	0.02%
GBP	0.5175	0.0002	▲	0.04%
JPY	75.4560	0.0145	▲	0.02%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.56			
10-year Swap	3.06			
Commodities Futures				
	Last	Change		
Gold	1,222.20	9.60	▼	0.78%
Silver	15.40	0.19	▼	1.24%
Crude Oil	69.60	0.30	▲	0.43%

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