

Equity Investment Advisers Morning Report

As at 9:04 AM 27 Jun 2017

Top News

NZ dollar little changed as US growth eyed, awaiting Yellen

The New Zealand dollar was little changed, having gained overnight following weak US data, as investors continue to weigh the pace of growth in the world's biggest economy and await a speech from Federal Reserve chair Janet Yellen.

The New Zealand dollar briefly gained overnight, reaching as high as 73.10 cents after figures showed US durable goods orders dropped 1.1 percent in May, almost twice the decline expected. Traders say the kiwi is close to key resistance levels, which are likely to gap further gains.

Durable goods disappoint

A Commerce Department report showed US durable goods orders fell more than expected in May, while orders for business equipment posted a surprise decline, bolstering concern about the strength of economic growth.

The Dow climbed as advances in shares of Goldman Sachs and those of Walt Disney, recently up 1.7 percent and 1.3 percent respectively, outweighed slides in shares of Microsoft and those of Boeing, recently down 0.8 percent and 0.7 percent respectively.

Shares of Google parent Alphabet declined, trading 1.2 percent weaker as of 3.35pm in New York. European Union antitrust regulators are likely to impose a record fine on Alphabet unit Google over its shopping service as soon as Tuesday, two people familiar with the matter said on Monday, according to Reuters.

Italian bank stocks were gaining after the nation's government agreed to spend as much as 17 billion euros on further shoring up the industry.

NZ shares rise in light volume trade, led by Spark, Z; Sky TV falls

New Zealand shares rose, led by Z Energy and Spark New Zealand in relatively light trading, while Sky Network Television fell after the pay-TV operator and Vodafone New Zealand terminated their merger agreement, although it did pare some of its losses over the session as more detail came to light. Sky and Vodafone New Zealand withdrew their appeal against the Commerce Commission's rejection of their \$3.44 billion media merger.

Similarly, news that Suncorp Group's Vero Insurance New Zealand unit has sweetened a takeover offer for Tower also garnered interest. Vero is offering \$1.40 a share to take over Tower, valuing it at \$236.1 million, up from an earlier price of \$1.30 a share, or \$219.3 million. Tower shares are in a trading halt as the general insurer's board goes through the detail of the increased bid.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,226.17	43.34	↑	0.53%
S&P/NZX 50 Index	7,595.50	41.86	↑	0.55%
S&P/NZX Mid Cap Index	21,425.08	38.40	↑	0.18%
S&P/NZX Small Cap	50,150.41	58.95	↑	0.12%
S&P/NZAX All Index	589.06	15.67	↑	2.73%

ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,758.4	3.8	↑	0.07%
S&P/ASX 200	5,720.2	4.3	↑	0.08%
S&P/ASX SMALL ORD	2,365.8	2.2	↑	0.09%
S&P/ASX MIDCAP 50	6,287.2	14.4	↑	0.23%
S&P/ASX 20	3,213.9	2.0	↑	0.06%

Foreign Markets Index				
	Last		Change	
S&P 500	2,439.07	0.77	↑	0.03%
DJIA	21,409.55	14.79	↑	0.07%
Nasdaq	6,247.15	18.10	↓	0.29%
FTSE 100	7,446.80	22.67	↑	0.31%
ALL ORDINARIES	5,758.4	3.80	↑	0.07%
Nikkei 225	20,153.35	20.68	↑	0.10%
Hang Seng	25,871.89	201.84	↑	0.79%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9608	0.0001	↑	0.01%
USD	0.7289	0.0001	↑	0.01%
CNY	4.9840	0.0010	↑	0.02%
EUR	0.6518	0.0001	↑	0.02%
CAD	0.9653	0.0001	↓	0.01%
GBP	0.5728	0.0001	↑	0.02%
JPY	81.5245	0.0060	↑	0.01%

NZ Interest Rates				
	Last		Change	
NZ OCR	1.750		↓	
3-month Bank Bill	1.960		↓	
5-year Swap	2.690		↓	
10-year Swap	3.140		↓	

Commodities				
	Last		Change	
Spot Gold \$US	1,244.99	0.69	↑	0.06%
Spot Silver \$US	16.56	0.03	↓	0.15%
Oil(WTI)	43.43	0.42	↑	0.98%

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Acknowledgements: Equity Investment Advisers (EIA) sincerely expresses its gratitude to the following sources for contribution valuable information in the production of EIA morning reports: Yahoo New Zealand, ANZ securities, ASX, Nikkei Indexes, NZX, NYSE, NASDAQ, business desk.

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