

## Top News

### NZ dollar extends slide on progress with US tax cuts, gains vs Euro on ECB decision

The New Zealand dollar fell to a five-month low against the greenback on progress for US President Donald Trump's plan to slash taxes and gained against the euro after the European Central Bank said it would cut bond purchases as expected but otherwise kept its dovish tone.

Despite divisions within the Republican ranks, the US House of Representatives voted 216-212 to pass a budget blueprint for the 2018 fiscal year, paving the way for Trump's tax cuts, with legislation expected next week. The US dollar index has gained to a three-month high on optimism about the tax cuts and speculation Trump will install a more hawkish chair to the Federal Reserve.

Meanwhile, the ECB as expected said it would cut asset purchases to 30 billion euros from 60 billion euros starting in January but kept its interest rates unchanged and ECB President Mario Draghi said, "an ample degree of monetary stimulus remains necessary".

### Earnings lift Wall St

Wall Street climbed amid better-than-expected corporate earnings including from DowDuPont.

The Dow moved higher as gains in shares of Nike and those of DowDuPont, recently up 3.9% and 3.4% respectively, outweighed declines in shares of 3M and those of General Electric, recently down 2% and 1.2% respectively.

Meanwhile, Germany's Bayer has cut the value of its takeover of Monsanto by US\$2.5 billion, which combined with windfalls from asset sales means it may have to raise less than expected from shareholders, Reuters reported. The Monsanto deal is now valued at US\$63.5 billion including debt, down from an initial US\$66 billion.

### NZ shares down, Fletcher drops below \$7.50 with ANZ, Synlait falling

New Zealand shares fell, dragged lower by Fletcher Building with weakness from Australia & New Zealand Banking Group after its earnings worried investors.

Fletcher Building was the worst performer again, down 2.7% to \$7.46. Yesterday, it announced it has taken a further \$125 million provision against problematic construction contracts including the convention centre and the justice precinct in Christchurch, and said its B&I unit would report a full-year loss of \$160 million, including \$35 million of overhead costs.

Australia & New Zealand Banking Group fell 2.3% to \$33.54. The local unit boosted annual earnings 21% to \$1.86 billion in cash profit, while the Australian group's cash earnings rose 18% to A\$6.94 billion, although it didn't include the impact of ANZ selling its wealth businesses to IOOF or the 40% stake it held in Metrobank Card Corp.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,748.03	35.46	↓	0.40%
S&P/NZX 50 Index	8,086.73	35.93	↓	0.44%
S&P/NZX Mid Cap Index	24,207.42	55.97	↓	0.23%
S&P/NZX Small Cap	53,837.16	64.74	↓	0.12%
S&P/NZAX All Index	561.30	0.65	↓	0.12%

ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,982.50	9.80	↑	0.16%
S&P/ASX 200	5,916.30	10.70	↑	0.18%
S&P/ASX SMALL ORD	2,599.20	3.00	↓	0.12%
S&P/ASX MIDCAP 50	6,485.50	13.40	↑	0.21%
S&P/ASX 20	3,309.70	3.60	↑	0.11%

Foreign Markets Index				
	Last		Change	
S&P 500	2,560.40	3.25	↑	0.13%
DJIA	23,400.07	70.61	↑	0.30%
Nasdaq	6,556.75	7.14	↓	0.11%
FTSE 100	7,486.50	39.29	↑	0.53%
ALL ORDINARIES	5,982.50	9.80	↑	0.16%
Nikkei 225	21,739.78	32.16	↑	0.15%
Hang Seng	28,202.38	100.51	↓	0.36%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.8928	0.0003	↓	0.03%
USD	0.6836	0.0039	↓	0.57%
CNY	4.5390	0.0230	↓	0.50%
EUR	0.5870	0.0046	↑	0.79%
CAD	0.8788	0.0011	↓	0.13%
GBP	0.5198	0.0010	↑	0.19%
JPY	77.9140	0.2715	↓	0.35%

NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.68			
10-year Swap	3.23			

Commodities				
	Last		Change	
Spot Gold \$US	1,266.80	10.61	↓	0.83%
Spot Silver \$US	16.76	0.19	↓	1.11%
Oil(WTI)	52.57	0.50	↑	0.96%

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