

## Top News

### NZ dollar gains before OCR review even as Trump tax plan, Fed view lift greenback

The New Zealand dollar rose ahead of the Reserve Bank's interest rate review while many other currencies fell against the greenback on the prospects for US rate hikes and President Donald Trump's plan to slash taxes.

Market bets on a Federal Reserve rate hike in December have increased to 72%, helped by what were taken as hawkish comments by chair Janet Yellen, who warned this week of the dangers of "persistently easy monetary policy". In New Zealand, acting Reserve Bank governor Grant Spencer, as expected, has chosen to keep the official cash rate unchanged at 1.75%.

### Trump's tax plan lifts stocks

Wall Street and the US dollar climbed, while Treasuries dropped, after the Trump administration unveiled its tax reform plan.

The plan proposes a 20% corporate income tax rate, a new 25% tax rate for pass-through businesses including partnerships, and a reduced 35% top income tax rate for individual Americans, according to a framework seen by Reuters.

While investors welcomed tax cuts and their potential to accelerate economic growth and bolster corporate profits, they also bring an increased likelihood the Federal Reserve will hike interest rates to keep a lid on inflation, analysts said. Indeed, on Tuesday, Fed Chair Janet Yellen warned against the central bank moving "too gradually" on tightening monetary policy.

The Dow rose as gains in shares of Goldman Sachs and those of United Technologies, recently up 2.3% and 2% respectively, outweighed slides in shares of Nike and those of Procter & Gamble, recently down 3.2% and 2.2% respectively.

### NZ shares up, Tourism Holdings, Synlait, Kathmandu rise

New Zealand shares rose despite a lack of corporate news, with Tourism Holdings, Synlait Milk and Kathmandu Holdings gaining.

Tourism Holdings led the index, up 5.1% to \$4.91, while Synlait Milk gained 3.7% to \$5.86. Kathmandu Holdings continued yesterday's gains, up 2.6% to \$2.33. The retailer gained 6.1% yesterday after announcing it had lifted annual profit 14% to \$38 million in 2017 as sales grew in New Zealand and Australia, while it cut its debt levels to record lows.

Xero rose 0.8% to \$29.03 and has risen 65% this year.

Sky Network Television was the worst performer, down 4% to \$2.66, giving back recent gains. Metro Performance Glass dropped 1.9% to \$1.02 and NZX fell 1.7% to \$1.17.

Outside the benchmark index, Airwork Holdings rose 16.5% to \$5.01. Rifa Jair Company, a unit of Zhejiang Rifa Holding Group Co, intends to make a full takeover offer for all fully paid ordinary shares of Airwork that it does not already own at a 21% premium to the day before's closing price.

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NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,568.01	28.89	↑	0.34%
S&P/NZX 50 Index	7,913.78	26.60	↑	0.34%
S&P/NZX Mid Cap Index	22,858.65	107.88	↑	0.47%
S&P/NZX Small Cap	52,975.19	68.01	↑	0.13%
S&P/NZAX All Index	559.18	7.89	↓	1.39%

Index	Last		Change	
ALL ORDINARIES	5,725.50	4.10	↓	0.07%
S&P/ASX 200	5,664.30	6.70	↓	0.12%
S&P/ASX SMALL ORD	2,439.3	1.00	↑	0.04%
S&P/ASX MIDCAP 50	6,084.4	7.30	↑	0.12%
S&P/ASX 20	3,189.80	6.60	↓	0.21%

Foreign Markets Index				
	Last		Change	
S&P 500	2,507.25	10.41	↑	0.42%
DJIA	22,340.25	55.93	↑	0.25%
Nasdaq	6,456.12	75.96	↑	1.19%
FTSE 100	7,313.51	27.77	↑	0.38%
ALL ORDINARIES	5,725.50	4.10	↓	0.07%
Nikkei 225	20,267.05	63.14	↓	0.31%
Hang Seng	27,642.43	129.42	↑	0.47%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9191	0.0054	↑	0.59%
USD	0.7219	0.0013	↑	0.18%
CNY	4.7930	0.0110	↑	0.23%
EUR	0.6143	0.0032	↑	0.52%
CAD	0.8998	0.0101	↑	1.14%
GBP	0.5388	0.0033	↑	0.62%
JPY	81.4125	0.5450	↑	0.67%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.96	
5-year Swap	2.71	
10-year Swap	3.21	

Commodities				
	Last		Change	
Spot Gold \$US	1,283.82	9.88	↓	0.76%
Spot Silver \$US	16.76	0.05	↓	0.31%
Oil(WTI)	51.75	0.43	↓	0.82%