

MORNING REPORT

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Top News

NZ dollar falls vs greenback on stronger US GDP data, quarter-end flows

The New Zealand dollar fell against the greenback after US fourth-quarter economic growth was revised up and declined against the Aussie heading into the end of the first quarter.

US gross domestic product for the fourth quarter was revised to an annualised growth rate of 2.9 percent from 2.5 percent, showing the world's biggest economy didn't slow as much as expected in the final three months of 2017, while growth in consumer spending was revised up to 4 percent from 3.8 percent. That helped the US dollar index rise from a five-week low, along with receding fears of a trade war and quarter-end flows as companies and investors adjusted their currency positions.

Amazon weighs on Wall St

Wall Street fluctuated with tech stocks as Amazon shares sank amid a report that US President Donald Trump wants to curtail the company.

Shares of Amazon dropped, down 4.5 percent as of 2.25pm in New York, after Axios reported that Trump is "obsessed" with the company and has talked about changing its tax treatment.

The Dow rose, as gains in shares of Merck and those of Walmart, recently up 2.4 percent and 1.8 percent respectively, outweighed slides in shares of Intel and those of Cisco Systems, down 3.3 percent and 1.7 percent respectively.

Meanwhile, a Commerce Department report showed US gross domestic product expanded at a 2.9 percent annualised rate in the fourth quarter, beating economists' expectations and up from a previous estimate of a 2.5 percent pace.

A2 plunges on Nestle competition, Sky TV down 8% on rugby rights

New Zealand shares dropped 1.4 percent with A2 Milk Co and Synlait Milk sold off over competition from Nestle in China, while Sky Network Television fell on news it likely won't win the broadcasting rights for the 2019 Rugby World Cup.

A2 Milk dropped 6.5 percent to \$12.94, with \$32.7 million in turnover. Nestle has confirmed it is "currently launching an A2 product" under its Illuma brand, with the product said to be called Atwo and sold in China.

Sky TV was the worst performer, down 7.9 percent to \$2.23. The shares dropped after the company said it may miss out on the broadcast rights for next year's Rugby World Cup, saying it isn't the preferred bidder.

Speculation emerged last year that US internet giant Amazon was moving into sports broadcasting and may start competing for rugby rights, while it has been reported today that Spark New Zealand and TVNZ have made a joint bid and are the preferred bidder.

The best performer was Trustpower, up 2.7 percent to \$5.75, with Chorus gaining 1.3 percent to \$3.94 and Argosy Property advancing 1 percent to \$1.01.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,132.916	132.204	▼	1.43%
S&P/NZX 50 Index	8,388.077	126.123	▼	1.48%
S&P/NZX MidCap Index	24,071.220	235.210	▼	0.97%
S&P/NZX SmallCap Index	58,729.707	287.053	▼	0.49%
S&P/NZAX All Index	525.925	5.645	▲	1.08%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	5,899.20	44.50	▼	0.75%
S&P/ASX 200	5,789.50	42.80	▼	0.73%
ASX Small Ordinaries	2,693.00	31.40	▼	1.15%
S&P/ASX MIDCAP 50	6,659.30	89.30	▼	1.32%
S&P/ASX 20	3,187.40	20.60	▼	0.64%
Foreign Markets Index				
	Last	Change		
S&P 500	2,605.00	7.62	▼	0.29%
Dow Jones	23,848.42	9.29	▼	0.04%
NASDAQ Composite	6,949.23	59.58	▼	0.85%
FTSE 100	7,044.74	44.60	▲	0.64%
ASX All Ordinaries	5,899.20	44.50	▼	0.75%
NIKKEI 225	21,031.31	286.01	▼	1.34%
HANG SENG INDEX	30,022.53	768.30	▼	2.50%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9410	0.0053	▼	0.56%
USD	0.7209	0.0061	▼	0.84%
CNY	4.5380	0.0300	▼	0.66%
EUR	0.5860			
CAD	0.9316	0.0046	▼	0.49%
GBP	0.5121	0.0012	▼	0.23%
JPY	77.0910	0.5005	▲	0.65%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.61			
10-year Swap	3.06			
Commodities Futures				
	Last	Change		
Gold	1,324.60	17.40	▼	1.30%
Silver	16.26	0.28	▼	1.67%
Crude Oil	64.63	0.62	▼	0.95%

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