

# MORNING REPORT

As at 8:49 AM 5/01/2018

Web: [www.equity.co.nz](http://www.equity.co.nz) / E-mail: [Info@equity.co.nz](mailto:Info@equity.co.nz) / Tel: +64 (9)304 0145 / Address: Level 7, 12-26 Swanson Street, Auckland, NZ

## Top News

### Dow vaults over 25,000

- Wall Street rose, lifting the Dow above 25,000 points for the first time, as stronger-than-expected US jobs data bolstered sentiment about the pace of growth for the economy and corporate profits. The US dollar and Treasuries slid.

A Labour Department report, due on Friday, is expected to show that nonfarm payrolls rose by 190,000 jobs in December, according to separate polls by Bloomberg and Reuters.

"You saw some very positive numbers coming out of the US payrolls, which continues to show this economic growth story," Francis Gannon, co-chief investment officer at Royce Funds, told Bloomberg. "That's what the market is running on."

### NZ dollar gains as risk sentiment improves, greenback weakens

The New Zealand dollar rose to its highest levels in more than two months as improving risk sentiment and rallying stock markets stoked demand for growth-linked currencies.

The Chicago Board Options Exchange Volatility Index (VIX), known as Wall Street's fear gauge, is hovering near its lowest levels in more than a decade touching 8.93 overnight, while the Dow Jones Industrial Average rose above 25,000 for the first time, stocks in Europe rallied and the CRB Index of 19 commonly traded commodities equalled its highest level in almost 12 months. The greenback had briefly gained earlier after figures showed stronger-than-expected private-sector jobs growth.

"We have decent expectations for global growth and global risk assets and, when you have above-potential global growth, the (US) dollar tends to weaken because people don't need to hold safe-haven dollars," BMO Capital Markets currency strategist Stephen Gallo told Reuters.

### NZ shares up, Ryman and Stride gain while Plexure drops on NZX price enquiry

Ryman Healthcare led the index higher, up 2.5 percent to \$10.91. Stride Property rose 2.3 percent to \$1.79, with Auckland International Airport gaining 1.7 percent to \$6.69.

Synlait Milk was the worst performer, down 2.7 percent to \$6.91, with Air New Zealand falling 1.6 percent to \$3.16 and Sky Network Television dropping 1.4 percent to \$2.80.

Plexure Group plunged 21 percent, or 5 cents, to 19 cents. The company today said it continues to comply with NZX disclosure rules after a price enquiry from the stockmarket operator. The NZX enquiry came after Plexure shares jumped 55 percent, or 8.6 cents, to 24 cents over the course of yesterday.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,188.179	22.049	▲	0.24%
S&P/NZX 50 Index	8,443.498	18.588	▲	0.22%
S&P/NZX MidCap Index	24,724.211	0.581	▲	0.00%
S&P/NZX SmallCap Index	60,084.245	276.035	▲	0.46%
S&P/NZAX All Index	547.937	11.487	▲	2.14%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,185.40	10.10	▲	0.16%
S&P/ASX 200	6,077.10	6.70	▲	0.11%
ASX Small Ordinaries	2,795.00	9.70	▲	0.35%
S&P/ASX MIDCAP 50	6,846.60	30.60	▲	0.45%
S&P/ASX 20	3,365.30	3.30	▲	0.10%
Foreign Markets Index				
	Last	Change		
S&P 500	2,727.09	14.03	▲	0.52%
Dow Jones	25,090.61	167.93	▲	0.67%
NASDAQ Composite	7,081.66	16.13	▲	0.23%
FTSE	7,695.88	24.77	▲	0.32%
ASX All Ordinaries	6,185.40	10.10	▲	0.16%
NIKKEI 225	23,506.33	741.39	▲	3.26%
HANG SENG INDEX	30,736.48	175.53	▲	0.57%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9103	0.0051	▲	0.56%
USD	0.7154	0.0062	▲	0.87%
CNY	4.6440	0.0340	▲	0.74%
EUR	0.5928	0.0027	▲	0.46%
CAD	0.8945	0.0055	▲	0.62%
GBP	0.5280	0.0034	▲	0.65%
JPY	80.6825	0.9015	▲	1.13%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.68			
10-year Swap	3.15			
Commodities Futures				
	Last	Change		
Gold	1,323.30	4.80	▲	0.36%
Silver	17.26	0.01	▼	0.04%
Crude Oil	61.95	0.32	▲	0.52%

Disclaimer: The above information is provided on a best endeavours basis and Equity Investment Advisers Ltd does not accept any liability under any circumstances for errors or omissions. Parties should recheck the information before using it in any decision-making process. Acknowledgements: Equity Investment Advisers (EIA) sincerely expresses its gratitude to the following sources for the contribution of valuable information in the production of EIA morning reports: Yahoo New Zealand, ANZ securities, ASX, Nikkei Indexes, NZX, NYSE, NASDAQ, business desk.

**Do you need to make any changes to your portfolio?**  
[www.equity.co.nz](http://www.equity.co.nz)      E-mail: [Info@equity.co.nz](mailto:Info@equity.co.nz)

**Contact Equity Investment Advisers today.**  
**Tel: +64 (9)304 0145**