



# MORNING REPORT

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## Top News

### NZ dollar retreats on stronger US data, fails to break key resistance level

The New Zealand dollar fell, after failing to break through levels it hasn't topped since August last year, on stronger US economic data and concerns the US may provoke a trade war with its biggest trading partners.

Meanwhile, the Commerce Department recommended that US President Donald Trump impose tariffs on aluminium and steel imports, a move that could spark retaliatory measures by China and other trading partners. With holidays in China and the US, though, the week may be off to a quiet start, traders said.

### Fed, ECB in focus

Investors will pore over minutes from the latest Federal Open Market Committee meeting and a slew of speeches by US central bank policy makers this week to gauge if signs of accelerating inflation will prompt a speedier path of interest rate increases.

The minutes from the Fed's January meeting are slated for release on Wednesday. The Fed is widely expected to lift its target interest rate at its next two-day meeting in March and its policy makers have so far signalled they are eyeing a total of three hikes this year.

Wall Street staged a recovery last week. The Dow Jones Industrial Average jumped 4.3 percent, the Standard & Poor's 500 Index also gained 4.3 percent and the Nasdaq Composite Index rallied 5.3 percent.

### NZ shares up, Tourism Holdings hits record with Auckland Airport, Fletcher Building gaining

New Zealand shares rallied as Tourism Holdings hit a record and Auckland Airport gained on its first-half earnings.

Tourism Holdings led the index, up 6.5 percent to a record \$6.09. It has formed a joint venture with Thor Industries, the world's largest manufacturer of the vehicles, to develop a single platform to connect a wide range of services in the growing market for RVs.

Auckland Airport gained 2.8 percent to \$6.46. The company, which is New Zealand's biggest listed company by market value, posted a 17 percent gain in first-half profit to \$165.9 million and said its strong performance gave it the confidence to tighten the range of its full-year guidance for underlying earnings. Full-year underlying profit will be in a range of \$250 million to \$257 million, a narrower range than the \$248 million-to-\$257 million estimate it gave at the time of its 2017 results.

Fletcher Building rose 0.6 percent to \$7. Friday's gain means the stock has dropped 9.9 percent in the three sessions it had traded last week, after the company took a further \$486 million provision for project losses at its B+I unit and said 14 of the unit's 73 projects, worth \$2.3 billion, are loss-making or 'on watch'.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,843.066	69.746	▲	0.79%
S&P/NZX 50 Index	8,125.306	61.976	▲	0.77%
S&P/NZX MidCap Index	23,637.720	40.710	▲	0.17%
S&P/NZX SmallCap Index	57,718.682	469.492	▲	0.82%
S&P/NZAX All Index	559.095	7.625	▲	1.38%
ASX Index				
Index	Last		Change	
ASX All Ordinaries	6,004.80	3.90	▼	0.06%
S&P/ASX 200	5,904.00	5.00	▼	0.08%
ASX Small Ordinaries	2,671.70	1.40	▲	0.05%
S&P/ASX MIDCAP 50	6,569.00	10.60	▼	0.16%
S&P/ASX 20	3,296.70	1.10	▲	0.03%
Foreign Markets Index				
	Last		Change	
S&P 500	2,732.22	1.02	▲	0.04%
Dow Jones	25,219.38	19.01	▲	0.08%
NASDAQ Composite	7,239.47	16.96	▼	0.23%
FTSE	7,294.70	59.89	▲	0.83%
ASX All Ordinaries	6,004.80	3.90	▼	0.06%
NIKKEI 225	21,720.25	255.27	▲	1.19%
HANG SENG INDEX	31,115.43	599.83	▲	1.97%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9324	0.0003	▲	0.03%
USD	0.7385	0.0001	▲	0.01%
CNY	4.6880			
EUR	0.5951	0.0003	▲	0.05%
CAD	0.9266	0.0005	▲	0.05%
GBP	0.5268	0.0004	▲	0.08%
JPY	78.5550	0.1500	▲	0.19%
NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.73			
10-year Swap	3.29			
Commodities Futures				
	Last		Change	
Gold	1,349.40	5.90	▼	0.44%
Silver	16.60	0.20	▼	1.17%
Crude Oil	61.61	0.27	▲	0.44%

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