

MORNING REPORT

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Top News

NZ dollar slips to week-low after finance minister confirms slow debt repayment, halt to tax cuts

Sheldon Slabbert, a sales trader at CMC Markets in Auckland, said the financial markets "have been fairly negative on Labour's policies" but many of the forces driving the kiwi dollar were "already baked into the cake prior to Labour taking over." "The kiwi will remain under pressure as interest rate differentials go against us," he said.

Tax overhaul optimism boosts Wall St

"The market is beginning to price in a higher certainty of tax reform happening and that is the big driver today," Mark Heppenstall, chief investment officer at Penn Mutual Asset Management in Horsham, Pennsylvania, told Reuters.

In Europe, the Stoxx 600 Index finished the day with a 0.3 percent decline from the previous close. Germany's DAX Index fell 0.3 percent, while France's CAC 40 Index dropped 0.5 percent, and the UK's FTSE 100 Index gave up 0.9 percent.

Meanwhile, oil prices slid after OPEC and other top producers including Russia extended an agreement to curb their output to the end of 2018 in an effort to reduce the global glut.

NZ shares rise in \$1.4B-plus day on F&P Health, Contact reweightings

F&P Healthcare rose 0.4 percent to \$13.10 with \$702 million of stock changing hands as it entered a key MSCI index, while some \$410 million of Contact traded as it left, falling 2.2 percent to \$5.40. When a stock is included it means certain index-tracking investors, such as passive exchange-traded funds, have to buy the shares, with the reverse also true when a firm leaves it.

Spark gained 0.8 percent to \$3.62 and Fletcher rose 1.3 percent to \$6.94. SkyCity led the index, up 4 percent to \$3.95

Port of Tauranga was the worst performer, dropping 4.2 percent to \$4.60. Auckland International Airport fell 2.2 percent to \$6.38 and Metro Performance Glass dipped 2.1 percent to 92 cents.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	8,883.011	43.401	▲	0.49%
S&P/NZX 50 Index	8,186.819	40.829	▲	0.50%
S&P/NZX MidCap Index	24,421.664	148.954	▲	0.61%
S&P/NZX SmallCap Index	56,249.329	87.309	▲	0.16%
S&P/NZAX All Index	576.001	1.969	▼	0.34%
ASX Index				
Index	Last	Change		
ALL ORDINARIES	6,059.20	36.90	▼	0.61%
S&P/ASX 200	5,969.90	41.2	▼	0.69%
S&P/ASX SMALL ORDINARIE!	2,691.50	6.7	▼	0.25%
S&P/ASX MIDCAP 50	6,662.80	40.8	▼	0.61%
S&P/ASX 20	3,297.80	23.6	▼	0.72%
Foreign Markets Index				
	Last	Change		
S&P 500	2,646.31	20.24	▲	0.77%
DJIA	24,244.27	303.59	▲	1.27%
Nasdaq	686.53	42.14	▲	0.62%
FTSE 100	7,326.67	66.89	▼	0.90%
ALL ORDINARIES	6,059.20	36.90	▼	0.61%
Nikkei 225	22,724.96	127.76	▲	0.57%
Hang Seng	29,177.35	446.48	▼	1.51%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9037	0.0052	▼	0.57%
USD	0.6835	0.0046	▼	0.67%
CNY	4.5200	0.0310	▼	0.68%
EUR	0.5743	0.0064	▼	1.10%
CAD	0.8819	0.0034	▼	0.38%
GBP	0.5055	0.0076	▼	1.48%
JPY	76.8950	0.1280	▼	0.17%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.59			
10-year Swap	3.09			
Commodities				
	Last	Change		
Spot Gold \$US	1,274.69	8.51	▼	0.66%
Spot Silver \$US	16.44	0.08	▼	0.49%
Oil(WTI) \$US	57.04	0.08	▼	0.14%

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