



MORNING REPORT

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Top News

New Zealand dollar gains as greenback weighed on by weak data, rate cut talk

The New Zealand dollar gained after weak US manufacturing data and talk of a possible US rate cut weighed on the greenback.

The US dollar took a tumble after the Institute for Supply Management said its US manufacturing purchasing managers index declined to 52.1 from 52.8 in April, marking the lowest level since October 2016. Also, James Bullard, head of the St Louis Federal Reserve said lower interest rates may be "warranted soon" given rising trade tensions and weak US inflation.

The New Zealand dollar was at 52.06 British pence at 7.45am from 51.68 pence yesterday, at 58.64 euro cents from 58.43, at 71.24 yen from 70.81 and at 4.5538 Chinese yuan from 4.5047.

NZ shares snap 5-day slide; Auckland Airport hits new high

New Zealand shares snapped a five-day decline, as Auckland International Airport chalked up a record. Vector and Chorus were among stocks recovering from a recent sell-off over regulatory fears.

Auckland International Airport rose as high as \$8.78, ending the day at \$8.765, up 1.7 percent on 2.3 million shares, almost twice its 90-day average of 1.2 million. The country's major gateway has climbed 22 percent so far this year, outpacing a 15 percent increase by the benchmark index.

Vector led the market higher, up 2.5 percent at \$3.73 on 126,000 shares. Auckland city's electricity and gas distribution network operator ended the week down 2.4 percent after a draft Commerce Commission decision declined assistance to help reduce the risk the firm faces from solar and other technologies that may reduce load on its network.

Telecommunications utility Chorus rose 1.6 percent to \$5.78, recovering some of its loss over the past fortnight since a draft consultation paper from the Commerce Commission spooked some investors into thinking the network operator may face a tougher regulatory framework than they thought.

Retirement village stocks bounced back from recent selling pressure, with Ryman Healthcare up 2.2 percent at \$11.58, Summerset Group rising 0.7 percent to \$5.54, and Metlifecare increasing 1.4 percent to \$4.47.

Fisher & Paykel Healthcare rose 0.3 percent to \$15.40 on a volume of 1.5 million shares, more than twice its 90-day average. Williamson said the shares were sold off when some investors were disappointed by its record profit announcement earlier this week.

Fonterra Shareholders' Fund units rose 1.3 percent to \$3.99, having dropped to a record low yesterday after Fonterra said April milk collection was down by about 10 percent from a year earlier. Fonterra Cooperative Shares advanced 1.3 percent to \$4.

Spark New Zealand was the most traded stock on a volume of 3.9 million shares, still down on its average of 5.8 million. The shares rose 1.5 percent to \$3.815.

NZX Index			
Index	Last	Change	

S&P/NZX All Index	10,937.66	47.82	▲ 0.44%
S&P/NZX 50 Index	10,117.99	46.01	▲ 0.46%
S&P/NZX MidCap Index	28,650.29	0.53	▲ 0.00%
S&P/NZX SmallCap Index	59,660.59	151.59	▼ 0.25%
S&P/NZX All Index	557.26	9.85	▲ 1.80%

ASX Index		
Index	Last	Change

ASX All Ordinaries	6,410.80	81.00	▼ 1.25%
S&P/ASX 200	6,320.50	76.40	▼ 1.19%
ASX Small Ordinaries	2,768.80	47.90	▼ 1.70%
S&P/ASX MIDCAP 50	6,671.30	89.90	▼ 1.33%
S&P/ASX 20	3,538.80	45.50	▼ 1.27%

Foreign Markets Index		
	Last	Change

S&P 500	2,744.45	7.61	▼ 0.28%
Dow Jones Industrial Average	24,819.78	4.74	▲ 0.02%
NASDAQ Composite	7,333.02	120.13	▼ 1.61%
DAX PERFORMANCE-INDEX	11,792.81	65.97	▲ 0.56%
ASX All Ordinaries	6,410.80	81.00	▼ 1.25%
NIKKEI 225	20,410.88	190.31	▼ 0.92%
HANG SENG INDEX	26,893.86	7.23	▼ 0.03%

Currencies (per NZ\$ 1.00)		
	Last	Change

AUD	0.9455	-0.0002	▼ 0.02%
USD	0.66	0.0000	▲ 0.00%
CNY	4.5560	0.0000	▲ 0.00%
EUR	0.59	0.0023	▲ 0.39%
CAD	0.8866	-0.0002	▼ 0.02%
GBP	0.52	-0.0001	▼ 0.02%
JPY	71.3020	0.0060	▲ 0.01%

NZ Interest Rates		
	Last	Change

NZ OCR	1.50	
3m Bank Bill	1.67	
5y Swap	1.56	
10y Swap	1.92	

Commodities Futures (Spot Price \$USD)		
	Last	Change

Gold	1,329.40	18.30	▲ 1.40%
Silver	14.77	0.21	▲ 1.43%
Crude Oil	52.84	0.66	▼ 1.23%

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