

MORNING REPORT

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Top News

NZ stock index rises to record; Fletcher Building, Sky TV rise while Scales, NZX drop

New Zealand's benchmark stock index rose to a record, with Fletcher Building and Sky Network Television gaining while Scales and NZX dropped.

The S&P/NZX 50 Index gained 21.19 points, or 0.2 percent, to an all-time high of 9,084.04. Within the index, 22 stocks rose, 18 fell and 10 were unchanged. Turnover was \$108.4 million.

Trump's 25 percent tariffs on US\$34 billion of Chinese goods were imposed from 4pm Friday New Zealand time. In a statement after that deadline passed, China's Commerce Ministry said the country was "forced to make a necessary counterattack" but gave no immediate details of its plans.

"Markets are anxiously awaiting the implementation of the US and then Chinese tariffs tonight, but the market is pretty flat on light volume as a few participants start to head off on holiday," said Shane Solly, director, portfolio manager & research analyst at Harbour Asset Management. "We do see a relatively strong global economy in the scheme of things, and the New Zealand economy is strong even though it's slowing - we need to be careful about getting too negative about the series of events that's out there."

"Our market has been globally strong, and we've seen a lot of capital come in, and we seem to have paused - there's nothing unusual or wrong about that," he said.

NZ dollar holds gains as the start of US-China trade sanctions weigh on greenback

The New Zealand dollar held on to its gains of late last week as trade sanctions kicked in between the world's two biggest economies, the US and China, sapping demand for the greenback.

The kiwi traded at 68.32 US cents as at 8.15am in Wellington from 68.39 cents on Friday in New York, and up from 68.03 cents in Asia. The trade-weighted index was at 72.91 from 72.74 last week.

The trade stoush between the US and China ratcheted up a notch on Friday with Asia's biggest economy retaliating immediately to the formal imposition of US tariffs on US\$34 billion of goods, accusing the world's biggest economy of being "unfair". The White House has yet to respond, but US President Donald Trump has threatened to impose tariffs on all US\$500 billion of Chinese imports.

Separately, US non-farm payrolls on Friday showed the world's biggest economy added 213,000 jobs last month, down from the 244,000 jobs created in May, with hourly earnings flat and a higher participation rate. The US dollar index fell 0.5 percent, extending its decline from a peak on Jun 28.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,880.05	20.92	▲	0.21%
S&P/NZX 50 Index	9,084.04	21.19	▲	0.23%
S&P/NZX MidCap Index	25,680.55	23.50	▲	0.09%
S&P/NZX SmallCap Index	62,879.91	122.80	▼	0.19%
S&P/NZAX All Index	521.61	5.49	▼	1.04%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,355.70	52.80	▲	0.84%
S&P/ASX 200	6,272.30	56.80	▲	0.91%
ASX Small Ordinaries	2,848.20	20.60	▲	0.73%
S&P/ASX MIDCAP 50	7,004.50	62.20	▲	0.90%
S&P/ASX 20	3,475.00	36.80	▲	1.07%
Foreign Markets Index				
	Last	Change		
S&P 500	2,759.82	23.21	▲	0.85%
Dow Jones	24,456.48	99.74	▲	0.41%
NASDAQ Composite	7,688.39	101.96	▲	1.34%
FTSE	7,617.70	14.48	▲	0.19%
ASX All Ordinaries	6,355.70	52.80	▲	0.84%
NIKKEI 225	21,788.14	241.15	▲	1.12%
HANG SENG INDEX	28,315.62	133.53	▲	0.47%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9205	0.0001	▲	0.01%
USD	0.6839	0.0001	▲	0.01%
CNY	4.5430	0.0000		0.00%
EUR	0.5824	0.0003	▲	0.05%
CAD	0.8952	0.0007	▲	0.08%
GBP	0.5133	0.0013	▼	0.25%
JPY	75.4950	0.0500	▼	0.07%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.57			
10-year Swap	3.04			
Commodities Futures				
	Last	Change		
Gold	1,255.90	2.90	▼	0.23%
Silver	16.07	0.03	▼	0.17%
Crude Oil	73.92	0.98	▲	1.34%

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