



MORNING REPORT

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Top News

Oil, energy stocks climb

Wall Street gained with oil prices, while 10-year US Treasury yields climbed above 3 percent amid bets the Federal Reserve will step up the pace of interest rate increases to keep inflation in check.

Oil prices climbed to the highest level in more than three years as the latest data showed a surprise decline in US stockpiles a day after President Donald Trump pulled the country out of the nuclear deal with Iran.

Those gains translated to increased appetite for energy stocks. Shares of Exxon Mobil traded 2.2 percent higher while those of Chevron were 1.8 percent stronger as of 2.56pm in New York.

Meanwhile, a US Labour Department report showed its producer price index for final demand rose 0.1 percent in April, less than economists had predicted and following a 0.3 percent gain in March.

NZ dollar edges higher ahead of RBNZ policy review under new governor Orr

The New Zealand dollar rose from a four-month low ahead of Reserve Bank governor Adrian Orr's first monetary policy statement, which is under close scrutiny for any deviation from the previous leadership.

Orr is expected to keep the official cash rate at 1.75 percent, with the future track likely to remain flat as inflation remains subdued with the RBNZ's survey of expectations this week showing firms didn't expect consumer prices to rise quickly. Still, the currency is tracking below the Reserve Bank's projections and oil prices have been rising, meaning there's scope for tradeable inflation to start creeping back into the economy. Traders are focusing on Orr's tone and style of delivery, which is an unknown quantity, at the press conference, select committee hearing, and subsequent media interviews.

NZ shares mixed; Ryman, Metlifecare gain while Fletcher falls

New Zealand shares were mixed in light trading ahead of next week's major index reweighting, with gains led by the retirement sector and A2 Milk Co, while Heartland Bank and Fletcher Building dropped.

The retirement sector led gainers today, with Ryman Healthcare up 3.1 percent to \$10.99, Metlifecare rising 1.9 percent to \$5.91, and Summerset Group advanced 1.6 percent to \$7.18.

A2 Milk rose 1.1 percent to \$12.89 and New Zealand Refining Co gained 0.8 percent to \$2.41. Heartland Bank was the worst performer, down 1.7 percent to \$1.75.

Fletcher Building dropped 1.2 percent to \$6.45. The company completed the institutional component of its \$750 million capital raise last month, generating gross proceeds of \$515 million, and the retail component of Fletcher's capital raise opened on April 23 and closes on Friday.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,384.36	29.24	▲	0.31%
S&P/NZX 50 Index	8,619.83	25.24	▲	0.29%
S&P/NZX MidCap Index	24,639.77	34.18	▲	0.14%
S&P/NZX SmallCap Index	60,462.95	210.82	▲	0.35%
S&P/NZAX All Index	510.91	7.14	▲	1.42%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,183.20	7.60	▲	0.12%
S&P/ASX 200	6,091.90	7.40	▲	0.12%
ASX Small Ordinaries	2,801.00	0.30	▲	0.01%
S&P/ASX MIDCAP 50	6,884.40	32.80	▼	0.47%
S&P/ASX 20	3,358.70	15.20	▲	0.45%
Foreign Markets Index				
	Last	Change		
S&P 500	2,697.79	25.87	▲	0.97%
Dow Jones Industrial Average	24,542.54	182.33	▲	0.75%
NASDAQ Composite	7,339.91	73.00	▲	1.00%
FTSE 100	7,662.52	96.77	▲	1.28%
ASX All Ordinaries	6,183.20	7.60	▲	0.12%
NIKKEI 225	22,408.88	99.81	▼	0.44%
HANG SENG INDEX	30,536.14	133.33	▲	0.44%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9358	0.0007	▲	0.07%
USD	0.6983	0.0014	▲	0.20%
CNY	4.4440	0.0050	▲	0.11%
EUR	0.5892	0.0018	▲	0.31%
CAD	0.8977	0.0051	▼	0.56%
GBP	0.5155	0.0002	▲	0.04%
JPY	76.6230	0.5680	▲	0.75%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.75			
10-year Swap	3.22			
Commodities Futures				
	Last	Change		
Gold	1,312.80	0.90	▼	0.07%
Silver	16.51	0.04	▲	0.26%
Crude Oil	71.24	2.18	▲	3.16%

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