

# MORNING REPORT

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## Top News

New Zealand shares rose for a third day as investors around Asia remained optimistic that trade tensions between China and the US will ease, removing a risk to global growth. The S&P/NZX 50 index increased 54.81 points, or 0.6 percent, to 8,793.17. Within the index, 28 stocks gained, 17 fell, and five were unchanged. Turnover was \$150.6 million.

Stocks across Asia rallied for another day on growing optimism US President Donald Trump and his Chinese counterpart Xi Jinping will overcome their trade dispute. Theresa May's successful vote to keep the leadership also supported investor sentiment. Australia's S&P/ASX 200 index was up 0.3 percent in afternoon trading, while Hong Kong's Hang Seng gained 1.3 percent.

Fletcher Building led the market higher, up 4.5 percent to \$4.91, a three-week high, on slightly busier volumes than usual of 1.7 million. A notice to the NZX yesterday showed Australian fund manager Perpetual increased its stake in the building company to 11 percent. Air New Zealand rose 1.3 percent to \$3.02 after reaching an agreement with workers who threatened to strike. Auckland International Airport rose 1.7 percent to \$7.10. Trade Me slipped 0.6 percent to \$6.33 on a volume of 2.3 million shares. The online marketplace said a potential suitor dropped out of a bidding war after it put UK private equity firm Apax Partners in the box seat yesterday, agreeing to a planned scheme of arrangement at \$6.45 a share. Restaurant Brands slipped 0.2 percent to \$8.45 on 1.2 million shares. Meridian Energy rose 1.5 percent on heavier trading of 1.9 million. A2 Milk rose 2.2 percent to \$11.13 and Infratil gained 2 percent to \$3.62. Contact Energy fell 2 percent to \$5.80 in light trading, posting the biggest decline on the NZX 50. Vital Healthcare Property Trust was unchanged at \$2.05. The New Zealand Shareholders' Association threw its weight behind dissident investors seeking to change the governance of the property trust, saying the manager has treated unitholders with contempt.

The New Zealand dollar traded in a tight range as the European Central Bank confirmed it will end its quantitative easing programme at the end of the month, despite a gloomier economic outlook. The kiwi was little changed at 68.62 US cents, at 60.38 - euro cents, at 54.24 British pence and at 0.9492 Australian cents. It traded at 4.7209 Chinese yuan and at 77.93 yen yesterday. The trade-weighted index

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,553.81	57.58	▲	0.61%
S&P/NZX 50 Index	8,793.17	54.81	▲	0.63%
S&P/NZX MidCap Index	25,956.06	51.22	▲	0.20%
S&P/NZX SmallCap Index	58,199.23	295.57	▲	0.51%
S&P/NZAX All Index	519.30	0.32	▲	0.06%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	5,735.30	8.00	▲	0.14%
S&P/ASX 200	5,661.60	8.10	▲	0.14%
ASX Small Ordinaries	2,534.30	20.00	▲	0.80%
S&P/ASX MIDCAP 50	6,189.80	27.90	▲	0.45%
S&P/ASX 20	3,173.80	6.60	▲	0.21%
Foreign Markets Index				
	Last	Change		
S&P 500	2,645.65	5.42	▼	0.20%
Dow Jones Industrial Average	24,550.09	22.82	▲	0.09%
NASDAQ Composite	7,056.54	41.77	▼	0.59%
DAX PERFORMANCE-INDEX	10,924.70	4.73	▼	0.04%
ASX All Ordinaries	5,735.30	8.00	▲	0.14%
NIKKEI 225	21,816.19	213.44	▲	0.99%
HANG SENG INDEX	26,524.35	337.64	▲	1.29%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9499	0.0001	▲	0.01%
USD	0.6866	0.0009	▲	0.13%
CNY	4.7240	0.0120	▲	0.25%
EUR	0.6040	0.0010	▲	0.17%
CAD	0.9166	0.0010	▲	0.11%
GBP	0.5420	0.0011	▼	0.20%
JPY	77.9710	0.3135	▲	0.40%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75	1.75		
3-month Bank Bill	1.94	1.94		
5-year Swap	2.35	2.35	▲	0.00
10-year Swap	2.78	2.78	▼	0.00
Commodities Futures				
	Last	Change		
Gold	1,246.70	3.30	▼	0.26%
Silver	14.84	0.01	▼	0.07%
Crude Oil	53.01	1.86	▲	3.64%

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