

Top News

NZ dollar dips as rumour of White House departure, Spanish terror attack sap risk appetite

The New Zealand dollar slipped back below 73 US cents as investors' appetite for riskier assets waned as rumours circulate that the US national economic council chief Gary Cohn might resign and as Spain became the latest target of a terror attack.

The Chicago Board Options Exchange's volatility index jumped 32% to 15.55 and stocks on Wall Street dropped as investors scaled back their bets on risk-sensitive assets. Rumours that Cohn plans to quit his role in the White House raised fears that US President Donald Trump's pro-business plans could be derailed, while a terror attack in Barcelona killing at least 13 people and injuring 50 others added to the downbeat tone in financial markets.

Trump unsettles Wall St

Wall Street dropped, while US Treasuries advanced, amid concern that US President Donald Trump has derailed his chances of implementing the policies that had been seen as good for business and economic growth.

Rumours that former Goldman Sachs President Gary Cohn would resign as head of the national economic council worried investors.

Also weighing on markets was a terror attack in Barcelona that killed 13 people and wounded dozens.

Cisco shares dropped after the company posted revenue that missed the mark and gave an outlook that also disappointed. Wal-Mart shares fell after the retailer offered an earnings outlook for the third quarter that fell short of expectations.

NZ shares edge up to new record; Fletcher extends gain

New Zealand shares edged up to a new record as stocks across Asia rose in a relatively quiet earnings day domestically, with Fletcher Building extending its gain after yesterday's result while Skellerup climbed on its increased profit.

Stocks across Asia were largely up, with Chinese internet company Tencent Holdings delivering its fastest revenue growth in seven years, stoking demand for tech stocks across the region. Australia one of the few exceptions with the S&P/ASX 200 index down 0.2% in afternoon trading as dominant telecommunications group Telstra dropped 8.2% to A\$3.975 after slashing its dividend payments by about a third. Dual-listed Telstra's NZX stock fell 7.9% to \$4.29.

Fletcher Building rose 1.5% to \$8.42, extending its run of gains for the fifth day. The country's biggest construction company yesterday reported a 23% fall in operating earnings, weighed down by unprofitable building contracts that it's still working through.

Air New Zealand led the market higher, rising 2.1% to \$3.35, while Kathmandu Holdings gained 1.8% to \$2.33. Freightways rose 1.7% to \$7.83 after the courier and information management company bought an Australian medical waste service for as much as A\$10 million, while brokerage First NZ Capital lifted its price target on the company by 11% to \$7.10.

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| NZX Index | | | | |
|----------------------------|-----------|--------|--------|-------|
| Index | Last | | Change | |
| S&P/NZX All Index | 8,527.79 | 17.73 | ↑ | 0.21% |
| S&P/NZX 50 Index | 7,870.05 | 16.72 | ↑ | 0.21% |
| S&P/NZX Mid Cap Index | 22,449.89 | 73.03 | ↑ | 0.33% |
| S&P/NZX Small Cap | 53,509.84 | 28.50 | ↑ | 0.05% |
| S&P/NZAX All Index | 556.59 | 1.43 | ↑ | 0.26% |
| ASX Index | | | | |
| Index | Last | | Change | |
| ALL ORDINARIES | 5,827.2 | 3.6 | ↓ | 0.06% |
| S&P/ASX 200 | 5,779.2 | 5.9 | ↓ | 0.10% |
| S&P/ASX SMALL ORD | 2,414.4 | 12.7 | ↓ | 0.53% |
| S&P/ASX MIDCAP 50 | 6,307.6 | 44.6 | ↓ | 0.71% |
| S&P/ASX 20 | 3,270.8 | 18.6 | ↓ | 0.57% |
| Foreign Markets Index | | | | |
| | Last | | Change | |
| S&P 500 | 2,430.01 | 38.10 | ↓ | 1.54% |
| DJIA | 21,750.73 | 274.14 | ↓ | 1.24% |
| Nasdaq | 6,221.91 | 123.20 | ↓ | 1.94% |
| FTSE 100 | 7,387.87 | 45.16 | ↓ | 0.61% |
| ALL ORDINARIES | 5,827.20 | 3.60 | ↓ | 0.06% |
| Nikkei 225 | 19,702.63 | 26.65 | ↓ | 0.14% |
| Hang Seng | 27,344.22 | 64.85 | ↓ | 0.24% |
| Currencies (per NZ\$ 1.00) | | | | |
| | Last | | Change | |
| AUD | 0.9239 | 0.0013 | ↑ | 0.14% |
| USD | 0.7287 | 0.0025 | ↓ | 0.34% |
| CNY | 4.8630 | 0.0290 | ↓ | 0.59% |
| EUR | 0.6217 | 0.0005 | ↑ | 0.08% |
| CAD | 0.9233 | 0.0006 | ↑ | 0.07% |
| GBP | 0.5663 | 0.0009 | ↓ | 0.16% |
| JPY | 79.8130 | 0.7515 | ↓ | 0.93% |
| NZ Interest Rates | | | | |
| | Last | | Change | |
| NZ OCR | 1.75 | | | |
| 3-month Bank Bill | 1.95 | | | |
| 5-year Swap | 2.65 | | | |
| 10-year Swap | 3.15 | | | |
| Commodities | | | | |
| | Last | | Change | |
| Spot Gold \$US | 1,287.64 | 4.58 | ↑ | 0.36% |
| Spot Silver \$US | 17.01 | 0.09 | ↓ | 0.55% |
| Oil(WTI) | 47.06 | 0.22 | ↑ | 0.47% |