



MORNING REPORT

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Top News

NZ dollar falls vs yen, steady vs greenback after Trump unveils tariffs on China

The New Zealand dollar fell against the yen, which was broadly stronger as US President Donald Trump's announcement of US\$60 billion of tariffs on Chinese goods stoked concerns about a trade war.

Trump revealed the first steps in sanctions against China, signing a directive that indicates the US deems China's trade stance puts an unreasonable burden on US commerce and at a media conference he said he saw the action as "reciprocal" - "if they charge us, we charge them the same thing." China has said it will respond and may refer the US moves to the WTO, a forum Trump may also appeal to.

Wall St slides on trade war worries

US Treasuries climbed while Wall Street moved lower after US President Donald Trump said the country plans to impose up to US\$60 billion in annual tariffs on imports from China, keeping alive concerns about a global trade war.

The Dow declined, led by slides in shares of Caterpillar and those of Boeing, down 3.5 percent and 3.3 percent respectively. Shares of Coca-Cola rose 0.3 percent, the only stock in the Dow to trade higher in early afternoon.

Shares of Facebook continued their slide, down 2.2 percent as of 1.24pm in New York. The company's chief executive officer Mark Zuckerberg has been called to appear before a House panel.

"The latest revelations regarding Facebook's use and security of user data raises many serious consumer protection concerns," House Energy and Commerce Committee Chairman Greg Walden and Ranking Member Frank Pallone said in a statement on Thursday.

NZ shares mixed, Trustpower and Infratil jump on trust backdown

New Zealand shares were mixed, with Trustpower and Infratil both rising after retaining a market advantage in Tauranga while Heartland Bank and Freightways dropped.

Trustpower jumped 7.7 percent to \$5.60, a two-month record, making it the best performer. The Tauranga Electricity Consumer Trust has abandoned plans to become a funder for Bay of Plenty community projects after strong pushback from customers of locally headquartered Trustpower, who prefer to receive an annual cheque that helps offset their personal power bills.

The decision effectively entrenches Infratil-controlled Trustpower's competitive advantage in the Tauranga electricity network area because only Trustpower customers are eligible for the annual cheque, worth between \$400 and \$500 in most years. The trust had considered becoming a community projects funder but dropped the idea after considering some 21,000 written submissions.

| NZX Index | | | | |
|----------------------------|------------|---------|---|-------|
| Index | Last | Change | | |
| S&P/NZX All Index | 9,352.710 | 5.430 | ▼ | 0.06% |
| S&P/NZX 50 Index | 8,600.811 | 7.479 | ▼ | 0.09% |
| S&P/NZX MidCap Index | 24,441.141 | 28.381 | ▲ | 0.12% |
| S&P/NZX SmallCap Index | 59,300.069 | 158.809 | ▲ | 0.27% |
| S&P/NZAX All Index | 548.225 | 5.315 | ▼ | 0.96% |
| ASX Index | | | | |
| Index | Last | Change | | |
| ASX All Ordinaries | 6,043.20 | 9.90 | ▼ | 0.16% |
| S&P/ASX 200 | 5,937.20 | 13.10 | ▼ | 0.22% |
| ASX Small Ordinaries | 2,745.30 | 2.30 | ▼ | 0.08% |
| S&P/ASX MIDCAP 50 | 6,825.30 | 14.00 | ▼ | 0.20% |
| S&P/ASX 20 | 3,285.30 | 6.10 | ▼ | 0.19% |
| Foreign Markets Index | | | | |
| | Last | Change | | |
| S&P 500 | 2,643.23 | 68.70 | ▼ | 2.53% |
| Dow Jones | 23,955.17 | 727.14 | ▼ | 2.95% |
| NASDAQ Composite | 7,169.48 | 175.81 | ▼ | 2.39% |
| FTSE 100 | 6,952.59 | 86.38 | ▼ | 1.23% |
| ASX All Ordinaries | 6,043.20 | 9.90 | ▼ | 0.16% |
| NIKKEI 225 | 21,591.99 | 211.02 | ▲ | 0.99% |
| HANG SENG INDEX | 31,071.05 | 343.47 | ▼ | 1.09% |
| Currencies (per NZ\$ 1.00) | | | | |
| | Last | Change | | |
| AUD | 0.9373 | 0.0065 | ▲ | 0.70% |
| USD | 0.7224 | 0.0002 | ▼ | 0.03% |
| CNY | 4.5730 | 0.0060 | ▲ | 0.13% |
| EUR | 0.5866 | 0.0011 | ▲ | 0.19% |
| CAD | 0.9337 | 0.0013 | ▲ | 0.14% |
| GBP | 0.5119 | 0.0008 | ▲ | 0.16% |
| JPY | 76.2235 | 0.4310 | ▼ | 0.56% |
| NZ Interest Rates | | | | |
| | Last | Change | | |
| NZ OCR | 1.75 | | | |
| 3-month Bank Bill | 1.94 | | | |
| 5-year Swap | 2.70 | | | |
| 10-year Swap | 3.15 | | | |
| Commodities Futures | | | | |
| | Last | Change | | |
| Gold | 1,329.40 | 7.90 | ▲ | 0.60% |
| Silver | 16.40 | 0.02 | ▼ | 0.15% |
| Crude Oil | 64.19 | 0.98 | ▼ | 1.50% |

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