



MORNING REPORT

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Top News

NZ dollar holds above 69 US cts as Opec production move bolsters commodity prices; trade war looms

The New Zealand dollar held above 69 US cents as the Organisation of the Petroleum Exporting Countries' move to boost production lifted prices for raw materials, supporting demand for commodity-linked currencies.

The Thomson Reuters CRB commodity price index, a measure of 19 commonly traded raw materials, rose 1.6 percent, spurred on by higher oil prices after Opec said it plans to increase production by 1 million barrels a day. Some producers won't be able to meet the target, meaning the increase is effectively 600,000 barrels a day.

While that supported currencies sensitive to commodity prices, the growing trade tensions between the US and the rest of the world remain in focus, with US President Donald Trump threatening to impose tariffs on European Union nations in response to their retaliatory barriers imposed over steel and aluminium tariffs and the Financial Times reporting Trump plans to restrict Chinese investment in US companies and start-ups.

NZ shares rise after bumpy week, led by NZ Refining, Synlait while Port of Tauranga, A2 drop

New Zealand shares rose, led by New Zealand Refining Company and Synlait Milk while Port of Tauranga and A2 Milk Co fell.

The local benchmark index has had a turbulent week, dropping 1.2 percent in heavy trading on Tuesday but recovering since. The NZX50 ends the week down 0.1 percent from the record 9,008.58 it hit last Friday.

NZ Refining rose 2.4 percent to \$2.56. Today, it gave an update on its refinery shutdown, saying all of the critical maintenance and replacement work on the refinery shutdown has been completed, but there has been a delay with the restart of the hydrocracker unit as a result of two minor leaks. Synlait Milk rose 2.4 percent to \$11.27.

Australia and New Zealand Banking Group gained 2.2 percent to \$30.71. Failed children's clothing retailer Pumpkin Patch is unlikely to be able to pay back nearly \$20 million it owes to ANZ while unsecured creditors will get zilch, according to the latest report by the company's receivers KordaMentha.

ANZ was owed \$59.5 million when Pumpkin Patch was tipped into receivership in October 2016 and as of April 25 this year had been paid a total of \$29.4 million, according to the latest six-monthly report from receivers Brendon Gibson and Neale Jackson of KordaMentha.

Scales Corp advanced 2.1 percent to \$4.77, while Sky Network Television gained 2.1 percent to \$2.47.

Port of Tauranga was the worst performer, down 2.1 percent to \$5.05. A2 Milk Co dropped 1.7 percent to \$11.95, Pushpay Holdings declined 1.2 percent to \$4.22, and NZX fell 0.9 percent to \$1.13.

Fletcher Building dipped 0.9 percent to \$6.82. Outgoing chair Ralph Norris announced the board's audit and risk committee chair Bruce Hassall will

succeed him when he steps down from the troubled building company in September.

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NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,789.37	1.15	▼	0.01%
S&P/NZX 50 Index	8,999.37	0.59	▲	0.01%
S&P/NZX MidCap Index	25,440.27	148.18	▲	0.59%
S&P/NZX SmallCap Index	62,218.39	15.37	▲	0.02%
S&P/NZAX All Index	507.64	1.50	▲	0.30%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,322.10	10.80	▼	0.17%
S&P/ASX 200	6,225.20	6.90	▼	0.11%
ASX Small Ordinaries	2,890.90	26.50	▼	0.91%
S&P/ASX MIDCAP 50	6,992.10	49.70	▼	0.71%
S&P/ASX 20	3,428.60	11.50	▲	0.34%
Foreign Markets Index				
	Last	Change		
S&P 500	2,754.88	5.12	▲	0.19%
Dow Jones	24,580.89	119.19	▲	0.49%
NASDAQ Composite	7,692.82	20.14	▼	0.26%
FTSE	7,682.27	125.83	▲	1.67%
ASX All Ordinaries	6,322.10	10.80	▼	0.17%
NIKKEI 225	22,516.83	176.21	▼	0.78%
HANG SENG INDEX	29,338.70	42.65	▲	0.15%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9297	0.0015	▲	0.16%
USD	0.6915	0.0006	▲	0.09%
CNY	4.4930	0.0000		0.00%
EUR	0.5929	0.0001	▲	0.02%
CAD	0.9177	0.0010	▲	0.11%
GBP	0.5217	0.0008	▲	0.15%
JPY	75.9350	0.0300	▼	0.04%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.66			
10-year Swap	3.12			
Commodities Futures				
	Last	Change		
Gold	1,271.10	0.60	▲	0.05%
Silver	16.45	0.13	▲	0.79%
Crude Oil	69.28	3.74	▲	5.71%

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