



MORNING REPORT

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Top News

NZ dollar gains as investors prepare for Bank of Japan policy tweaks

The New Zealand dollar rose as investors look ahead to the Bank of Japan meeting where they expect governor Haruhiko Kuroda to amend the extraordinary stimulus policy in a week dominated by central bank reviews.

The US dollar index, a measure of the greenback against a basket of currencies, fell 0.4 percent ahead of the Bank of Japan meeting, which is expected to see a change in its massive stimulus programme to allow for greater swings in interest rates and a wider stock-buying initiative. The Japanese central bank review comes ahead of the Federal Reserve and Bank of England meetings, which are expected to continue the trend among large monetary authorities to looser policy.

Local data today include the ANZ Roy Morgan business confidence survey and July building consents, while the Chinese manufacturing PMI is also in view. The kiwi rose to 92.09 Australian cents from 91.90 cents yesterday.

US trade policy has also been a major feature for currency markets, and US Commerce Secretary Wilbur Ross indicated negotiations with Mexico's President-elect Andres Manuel Lopez Obrador are moving quickly and are close to being completed. That follows comments from US trade representative Robert Lighthizer last week that NAFTA talks are in the "finishing stages".

NZ shares down, Kathmandu, Synlait drop while Pacific Edge jumps

New Zealand shares dropped, giving up gains from Friday, with Kathmandu Holdings and Synlait Milk leading the index lower.

Market-on-close orders are executed at the last traded price for a stock.

Kathmandu Holdings was the worst performer, down 3.4 percent to \$3.13, with Synlait Milk dropping 3.2 percent to \$10.81 and Sky Network Television falling 2.2 percent to \$2.66.

Auckland International Airport declined 2.2 percent to \$6.70 and Metlifecare fell 1.9 percent to \$6.08.

NZX dropped 0.9 percent to \$1.10. The stockmarket operator saw more trades in the first half of 2018 though new listings dropped off significantly, as the company works on its five-year strategy to recapture enthusiasm in the market. Capital raised from initial public offerings and compliance listings plunged to just \$20 million in the six months to June 30, from \$480 million in the first half of 2017.

Gentrack Group edged down 0.1 percent to \$6.89. The stock was halted for most of the day as the company conducted a retail shortfall bookbuild, with the halt lifted at 3.42pm. The bookbuild got a clearing price of \$6.84 per share, a 10.5 percent premium from the \$6.19 offer price and a 4 cent discount from the theoretical ex-rights price of \$6.88, Gentrack said.

Earlier in the day, Gentrack announced it had raised about \$25.8 million in a stock offer to retail investors, in the second part of a \$90 million capital raise to repay debt used for a recent flurry of acquisitions.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	9,723.94	75.59	▼	0.77%
S&P/NZX 50 Index	8,921.38	74.78	▼	0.83%
S&P/NZX MidCap Index	25,534.14	216.30	▼	0.84%
S&P/NZX SmallCap Index	64,384.30	129.77	▲	0.20%
S&P/NZAX All Index	531.59	8.37	▼	1.55%
ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,368.80	22.70	▼	0.36%
S&P/ASX 200	6,278.40	21.80	▼	0.35%
ASX Small Ordinaries	2,845.30	21.00	▼	0.73%
S&P/ASX MIDCAP 50	7,048.60	34.40	▼	0.49%
S&P/ASX 20	3,471.70	13.50	▼	0.39%
Foreign Markets Index				
	Last	Change		
S&P 500	2,802.60	16.22	▼	0.58%
Dow Jones Industrial Average	25,306.83	144.23	▼	0.57%
NASDAQ Composite	7,630.00	107.42	▼	1.39%
DAX PERFORMANCE-INDEX	12,798.20	62.20	▼	0.48%
ASX All Ordinaries	6,368.80	22.70	▼	0.36%
NIKKEI 225	22,544.84	167.91	▼	0.74%
HANG SENG INDEX	28,733.13	71.15	▼	0.25%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9212	0.0029	▲	0.32%
USD	0.6821	0.0025	▲	0.37%
CNY	4.6490	0.0250	▲	0.54%
EUR	0.5828	0.0001	▼	0.02%
CAD	0.8890	0.0016	▲	0.18%
GBP	0.5196	0.0009	▲	0.17%
JPY	75.7765	0.3915	▲	0.52%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.55			
10-year Swap	3.03			
Commodities Futures				
	Last	Change		
Gold	1,230.10	2.60	▼	0.21%
Silver	15.51	0.01	▲	0.08%
Crude Oil	70.08	1.39	▲	2.02%

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