

MORNING REPORT

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Top News

NZ dollar little changed near 17-month low on TWI basis ahead of employment data

The New Zealand dollar was little changed, holding near a 17-month low on a trade-weighted basis before employment data that may point to an uptick in inflation.

The kiwi dollar sank yesterday after reports showed business confidence turned negative in October and building permits fell in September, while Prime Minister Jacinda Ardern announced a ban on foreigners buying existing homes in New Zealand starting early next year.

The currency has retreated since the new coalition government was formed but may get a boost today with employment figures expected to show rising wage pressures, adding to the case for the Reserve Bank to begin projecting higher interest rates in its monetary policy statement next week.

Kellogg, Mondelez shares rally

Wall Street advanced amid better-than-expected corporate earnings including for food companies Kellogg and Mondelez, while US Federal Reserve policy makers began their two-day meeting.

"Operating profit margin expansion got an added boost from the transition out of Direct-Store Delivery, and we posted another quarter of sequential improvement in our net sales performance," John Bryant, Kellogg's chairman, said in a statement. Shares of Mondelez also rallied, up 6% as of 2.54pm in New York, following its quarterly results.

Shares of Mosaic climbed, up 8.6% as of 1.46pm in New York, after the US fertiliser company reported earnings that exceeded estimates and announced cost cuts.

The Dow rose as advances in shares of Intel and those of Apple, recently up 2.5% and 1.4% respectively, outweighed declines in shares of General Electric and those of Pfizer, recently down 1.6% and 0.6% respectively.

NZ shares rise, rounding out 2.7% monthly gain; Ryman up, Sky TV, NZX down

New Zealand shares rose, ending the month up 2.7%, led by a revival in Ryman Healthcare while Sky Network Television and NZX dropped.

Ryman Healthcare was the best performer, up 1.8% to \$9.30. The stock fell as low as \$8.85 a week ago amidst investor concern about the impact the new government's policies could have on house prices. Strong house price gains have driven retirement village stocks higher over recent years.

NZX dropped 1.7% to \$1.18. It posted a 4.4% decline in third-quarter revenue to \$18.5 million as a tepid environment for new listings weighed on the stock market operator's income.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	8,811.23	4.07	↑	0.05%
S&P/NZX 50 Index	8,146.34	2.36	↑	0.03%
S&P/NZX Mid Cap Index	24,365.26	24.76	↓	0.10%
S&P/NZX Small Cap	53,993.32	44.62	↑	0.08%
S&P/NZAX All Index	563.42	2.27	↓	0.40%

ASX Index				
Index	Last	Change		
ALL ORDINARIES	5,976.4	7.30	↓	0.12%
S&P/ASX 200	5,909.0	10.10	↓	0.17%
S&P/ASX SMALL ORD	2,592.8	0.20	↓	0.01%
S&P/ASX MIDCAP 50	6,487.9	18.40	↓	0.28%
S&P/ASX 20	3,297.0	7.70	↓	0.23%

Foreign Markets Index				
	Last	Change		
S&P 500	2,575.31	2.48	↑	0.10%
DJIA	23,380.86	32.12	↑	0.14%
Nasdaq	6,727.57	28.61	↑	0.43%
FTSE 100	7,493.08	5.27	↑	0.07%
ALL ORDINARIES	5,976.40	7.30	↓	0.12%
Nikkei 225	22,011.61	0.06	↓	0.00%
Hang Seng	28,245.54	90.65	↓	0.32%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.8935	0.0011	↓	0.12%
USD	0.6843	0.0034	↓	0.49%
CNY	4.5390	0.0130	↓	0.68%
EUR	0.5872	0.0031	↓	0.53%
CAD	0.8820	0.0006	↓	0.07%
GBP	0.5150	0.0058	↓	1.11%
JPY	77.7560	0.0720	↓	0.09%

NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.62			
10-year Swap	3.15			

Commodities				
	Last	Change		
Spot Gold \$US	1,271.26	4.96	↓	0.39%
Spot Silver \$US	16.71	0.14	↓	0.84%
Oil(WTI)	54.06	0.16	↑	0.30%

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