

Top News

NZ dollar gains vs pound on Brexit squabbles, weak manufacturing data

The New Zealand dollar rose against the pound as the British Conservative Party conference gets underway with deep divisions over Brexit and after weaker-than-expected manufacturing data.

The UK's Markit PMI for manufacturing printed at 55.9 in September, missing estimates for 56.2 contributing to a slide in the pound. At the Conservative Party Conference Prime Minister Theresa May is reportedly fighting for her survival amid reports Foreign Minister Boris Johnson is ambitious for the top job, having criticised May's Brexit strategy. In the US, the ISM manufacturing survey was stronger than expected.

The New Zealand dollar rose to 61.33 euro cents from 61.09 cents yesterday after an independence vote in Spain's Catalonia over the weekend, which the national government has declared illegal.

US manufacturing lifts mood

US stocks and the dollar gained, with the Dow and S&P 500 climbing to records, as reports of better-than-expected manufacturing activity bolstered optimism about the outlook for the economy and corporate profits. Third-quarter earnings are expected to increase 6.2% from a year earlier, according to Reuters.

The Dow touched a record high 22,538.20, while the S&P 500 climbed to a record 2,527.96. An Institute for Supply Management report showed its index of US national factory activity climbed to 60.8 in September, the highest reading in 13 years and up from 58.8 in August.

The Dow moved higher as gains in shares of Intel and those of Walt Disney, recently up 2% and 1.5% respectively, outweighed declines in shares of Apple and those of Exxon Mobil, recently 0.6% and 0.4% weaker respectively.

Shares of Metro fell after the Canadian grocer said it plans to sell assets and is committed to maintaining its BBB credit rating as it agreed to buy Jean Coudu Group, a pharmacy chain, for about C\$4.5 billion (US\$3.6 billion).

NZ shares dip, Metro Glass at low while A2, Sanford, Synlait gain

New Zealand shares fell slightly with Metro Performance Glass hitting a record low while A2 Milk Co and Synlait Milk extended last week's gains.

Metro Glass led the index lower, down 2% to 98 cents, a record low. The shares have dropped over the past twelve months, having traded at \$2.22 last October, with two sharp drops in February and August this year as outlook worsened.

A2 Milk Co was the best performer on the index, up 3.7% to \$6.67, while Synlait Milk gained 1.8% to \$6.75. The two have gained strongly this year as sales and market access to China have improved, with A2 up 202% and Synlait gaining 113% so far.

NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,587.63	2.60	↓	0.03%
S&P/NZX 50 Index	7,928.89	2.71	↓	0.03%
S&P/NZX Mid Cap Index	23,197.75	77.43	↑	0.33%
S&P/NZX Small Cap	53,396.63	147.24	↑	0.28%
S&P/NZAX All Index	563.75	0.68	↓	0.12%

ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,791.3	46.40	↑	0.80%
S&P/ASX 200	5,729.3	47.70	↑	0.83%
S&P/ASX SMALL ORD	2,470.2	22.40	↑	0.91%
S&P/ASX MIDCAP 50	6,184.8	51.90	↑	0.84%
S&P/ASX 20	3,223.7	25.20	↑	0.78%

Foreign Markets Index				
	Last		Change	
S&P 500	2,529.22	9.86	↑	0.39%
DJIA	22,557.94	152.85	↑	0.68%
Nasdaq	6,516.46	20.50	↑	0.32%
FTSE 100	7,438.84	66.08	↑	0.90%
ALL ORDINARIES	5,791.30	46.40	↑	0.80%
Nikkei 225	20,400.78	44.50	↑	0.22%
Hang Seng	27,554.30	132.70	↑	0.48%

Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9194	0.0001	↓	0.01%
USD	0.7198	0.0026	↓	0.36%
CNY	4.7940	0.0090	↓	0.19%
EUR	0.6131	0.0006	↑	0.10%
CAD	0.9005	0.0001	↑	0.01%
GBP	0.5420	0.0021	↑	0.39%
JPY	81.1130	0.2820	↓	0.35%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.95	
5-year Swap	2.76	
10-year Swap	3.29	

Commodities				
	Last		Change	
Spot Gold \$US	1,271.49	8.23	↓	0.64%
Spot Silver \$US	16.58	0.06	↓	0.34%
Oil(WTI)	50.47	1.20	↓	2.23%

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