



# MORNING REPORT

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## Top News

### NZ dollar gains as global mood improves on US-China progress

The New Zealand dollar firmed against the greenback on renewed global optimism after the US and China indicated progress was being made on an interim trade deal.

There was "consensus on principles" during a "serious and constructive" telephone call between the main trade negotiators, Reuters reported the Chinese Commerce Ministry saying.

US President Donald Trump told reporters "I don't like to talk about deals until they happen, but we're making a lot of progress."

Shirley also said that while the US jobs data was positive – with 128,000 jobs created in October versus the 85,000 expected in a Reuters survey of economists - "It wasn't good enough to make anyone think the Fed should take their foot off the monetary policy easing pedal," which weighed on the greenback.

Prior months were also revised upward and the employment gains in August and September combined were 95,000 more than previously reported, the Bureau of Labor Statistics said. The US unemployment rate held steady at 3.6 percent.

### Shares fall as power companies still plagued by smelter; property rises

New Zealand shares fell, as investors continued to assess the impact of Rio Tinto's threat to close the Tiwai Point smelter. However, property stocks had a strong day, led by Vital Healthcare Property Trust.

The S&P/NZX50 Index declined 26.13 points, or 0.2 percent, to 10,761.69. Within the index, 29 stocks fell, 15 rose and six were unchanged. Turnover was \$117.2 million.

Vital Healthcare Property Trust led property stocks higher, lifting by 1.5 percent to \$2.70, as 200,000 shares changed hands. Ryman Healthcare rose by 1.4 percent to \$13.09 while Argosy Property lifted 1.5 percent to \$2.70 and Precinct Properties New Zealand gained 1.4 percent to \$1.85. Kiwi Property Group was unchanged at \$1.59 having raised \$180 million at \$1.58 per share earlier this week.

Contact Energy was the worst of the electricity generator-retailer stocks, falling by 2.3 percent to \$7.21. Trustpower was down 1.5 percent at \$8.31, Mercury fell 1.3 percent to \$4.90 and Meridian was down by about 1.7 percent at \$4.52.

Vista Group International was the day's biggest decliner, falling by 3.1 percent to \$3.78, although on relatively light volumes as fewer than 100,000 shares traded hands compared to its 90-day average of 449,000.

Bank stocks also fell, with Australia and New Zealand Banking Group down by 1.7 percent at \$28.30 after yesterday it said New Zealand net profit fell 8 percent to \$1.83 billion in the 12 months ended Sept. 30. Westpac Banking Group, which reports next week, fell by 0.5 percent.

NZX Index			
Index	Last	Change	
S&P/NZX All Index	11,644.56	24.10	▼ 0.21%
S&P/NZX 50 Index	10,761.69	26.13	▼ 0.24%
S&P/NZX MidCap Index	31,032.82	100.41	▼ 0.32%
S&P/NZX SmallCap Index	63,530.85	227.91	▲ 0.36%

ASX Index			
Index	Last	Change	
ASX All Ordinaries	6,779.10	6.20	▲ 0.09%
S&P/ASX 200	6,669.10	5.70	▲ 0.09%
ASX Small Ordinaries	2,886.50	11.40	▲ 0.40%
S&P/ASX MIDCAP 50	7,042.00	8.40	▲ 0.12%
S&P/ASX 20	3,677.20	5.80	▼ 0.16%

Foreign Markets Index			
	Last	Change	
S&P 500	3,066.91	29.35	▲ 0.97%
Dow Jones Industrial Average	27,347.36	301.16	▲ 1.11%
NASDAQ Composite	8,386.40	94.04	▲ 1.13%
DAX PERFORMANCE-INDEX	12,961.05	94.25	▲ 0.73%
ASX All Ordinaries	6,779.10	6.20	▲ 0.09%
NIKKEI 225	22,850.77	76.23	▼ 0.33%
HANG SENG INDEX	27,100.76	194.06	▲ 0.72%

Currencies (per NZ\$ 1.00)			
	Last	Change	
AUD	0.9307	0.0010	▲ 0.11%
USD	0.64	0.0010	▲ 0.16%
CNY	4.5240	0.0000	▲ 0.00%
EUR	0.58	0.0007	▲ 0.12%
CAD	0.8461	0.0017	▲ 0.20%
GBP	0.50	0.0012	▲ 0.24%
JPY	69.6850	0.1400	▲ 0.20%

NZ Interest Rates		
	Last	Change
NZ OCR	1.00	
3m Bank Bill	1.12	
5y Swap	1.11	
10y Swap	1.41	

Commodities Futures (Spot Price \$USD)			
	Last	Change	
Gold	1,516.70	1.90	▲ 0.13%
Silver	18.11	0.04	▲ 0.24%
Crude Oil	56.23	2.05	▲ 3.78%

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