

Top News

NZ dollar drops to 15-month low vs Canadian dollar on rate hike, falls vs greenback

The New Zealand dollar dropped to a 15-month low against the Canadian dollar after the Bank of Canada unexpectedly hiked its benchmark rate, and declined against the greenback and the euro.

The Canadian dollar soared, reaching a two-year high against the greenback, after the Bank of Canada raised its overnight lending rate by 25 basis points to 1%, saying the increase was warranted given an unexpectedly strong second quarter of economic growth, surprising some economists who had expected it to wait until October. The kiwi fell against the US dollar after US President Donald Trump agreed a deal with congressional leaders including Democrats to extend the US debt limit until Dec. 15.

Wall St recovers

Wall Street rose, recovering some of the previous day's decline, as US President Donald Trump reached a deal with congressional leaders to extend the US debt limit until December 15.

Meanwhile, Federal Reserve Vice Chairman Stanley Fischer said he would resign next month, citing "personal reasons."

"It has been a great privilege to serve on the Federal Reserve board and, most especially, to work alongside Chair [Janet] Yellen..." Fischer noted in his resignation letter published on the Fed's website. His term was set to expire in June 2018.

The Dow moved higher as gains in shares of Home Depot and those of Chevron, recently up 2.5% and 2.4% respectively, outweighed declines in shares of United Technologies and those of Verizon, down 1.6% and 1% respectively.

The latest US economic data were upbeat. An Institute for Supply Management report showed its non-manufacturing activity index rose to 55.3 in August, up from 53.9 in July, which was the lowest level in 11 months.

NZ shares up as yield appeals, Sky TV and A2 gain

New Zealand shares rose, with Sky Network Television bouncing back from lows and A2 Milk Co advancing to a new record.

Sky Network Television led the index higher, up 4.6% to \$2.71. The stock has dropped 43% this year and is down 12%, while reports last week that Amazon may bid on the sports rights it currently holds saw the stock drop to 18-year lows.

A2 Milk gained 2.5% to \$5.77, a fresh high for the stock which has jumped 164% this year. Mercury New Zealand rose 2.4% to \$3.49, and Investore Property advanced 2.2% to \$1.40.

Heartland Bank, which gave up rights to a 5.5 cent final dividend, was the worst performer. It dropped 4 cents, or 2.1%, to \$1.90. Comvita fell 1.9% to \$7.36 and Scales Corp dropped 1.8% to \$3.34.

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NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,436.37	8.61	↑	0.10%
S&P/NZX 50 Index	7,790.21	8.31	↑	0.11%
S&P/NZX Mid Cap Index	22,394.68	95.12	↑	0.43%
S&P/NZX Small Cap	52,317.06	129.96	↓	0.25%
S&P/NZAX All Index	567.50		↑	
ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,725.9	14.9	↓	0.26%
S&P/ASX 200	5,689.7	16.5	↓	0.29%
S&P/ASX SMALL ORD	2,454.2	15.2	↑	0.62%
S&P/ASX MIDCAP 50	6,117.2	16.2	↓	0.26%
S&P/ASX 20	3,188.5	17.5	↓	0.55%
Foreign Markets Index				
	Last		Change	
S&P 500	2,465.54	7.69	↑	0.31%
DJIA	21,807.64	54.33	↑	0.25%
Nasdaq	6,393.31	17.74	↑	0.28%
FTSE 100	7,354.13	18.79	↓	0.25%
ALL ORDINARIES	5,725.90	14.90	↓	0.26%
Nikkei 225	19,357.97	27.84	↓	0.14%
Hang Seng	27,613.76	127.59	↓	0.46%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.8998	0.0050	↓	0.55%
USD	0.7195	0.0039	↓	0.54%
CNY	4.6910			
EUR	0.6042	0.0003	↑	0.05%
CAD	0.8804	0.0002	↑	0.02%
GBP	0.5520	0.0002	↑	0.04%
JPY	78.6460	0.0815	↓	0.10%
NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.95			
5-year Swap	2.55			
10-year Swap	3.04			
Commodities				
	Last		Change	
Spot Gold \$US	1,333.91	0.26	↓	0.02%
Spot Silver \$US	17.84	0.03	↓	0.15%
Oil(WTI)	49.11	0.52	↑	1.07%