

Top News

NZ dollar falls to 3-week low as RBNZ seen as laggard in rate hike plans

The New Zealand dollar fell to a three-week low as traders took yesterday's weaker inflation reading from the Reserve Bank's survey of expectations as evidence the bank will lag behind its global peers in hiking interest rates, reducing the kiwi's appeal.

The New Zealand dollar has fallen 2.7% from its recent high on July 27, when it touched its highest level in more than two years. Traders have reduced their bets that the local currency could push higher because the RBNZ's monetary policy statement on Thursday is expected to project little increase, if any, in interest rates in coming years as the economy continues to grow without fuelling inflation.

The US economy added 209,000 jobs in July, beating estimates of a 180,000 gain, although wage inflation remained subdued, stoking interest in US inflation data to be released at the end of the week.

Grilling season fires up Tyson Foods

Wall Street moved higher, sending the Dow to yet another record high, amid better-than-expected earnings including from Tyson Foods. Earlier in the day, the Dow climbed to a record high of 22,121.15.

Shares of Tyson Foods climbed, up 4.9% in New York as of 2.14pm, after the top US meat-processing company offered quarterly earnings and an outlook that bettered expectations amid a "strong start to the grilling season." Tyson reported net sales of US\$9.85 billion for the quarter, while it posted net income of US\$447 million, both bettering analysts' expectations.

The Dow climbed as advances in shares of Goldman Sachs and those of Apple, recently up 1.3% and 1.2% respectively, outweighed slides in shares of United Technologies and those of Walt Disney, recently down 3% and 1.2% respectively.

NZ shares up on 'Jacinda Effect', A2 Milk at record

New Zealand shares rallied, with more volume through politically-driven sectors as the September election draws closer. A2 Milk Co rallied to another record, while Xero gave back some gains.

Jacinda Ardern became leader of the Labour Party on Tuesday, taking over from Andrew Little, and the positive reaction to her ascent has been dubbed the 'Jacinda Effect', with the Labour Party reporting an upsurge in volunteers and donations while international media have covered Ardern's response to sexist questioning.

Fletcher Building gained 0.9% to \$7.95, while Metro Performance Glass gained 0.7% to \$1.44. Chorus gained 0.5% to \$4.48, while Contact Energy dropped 0.6% to \$5.34 and Genesis Energy fell 0.4% to \$2.43.

A2 Milk was the best performer, up 3% to \$4.80, its second consecutive record. On Friday, the milk marketer released a statement, in conjunction with Synlait Milk, saying the two are confident with the progress of their application to export a2 Platinum infant formula to China from Jan. 2018.

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NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,426.64	26.30	↑	0.31%
S&P/NZX 50 Index	7,771.57	25.45	↑	0.33%
S&P/NZX Mid Cap Index	22,286.08	114.19	↑	0.52%
S&P/NZX Small Cap	53,175.81	247.34	↑	0.47%
S&P/NZAX All Index	580.61	0.02	↓	0.00%
ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,824.5	51.2	↑	0.88%
S&P/ASX 200	5,773.6	53.0	↑	0.92%
S&P/ASX SMALL ORD	2,400.3	22.2	↑	0.92%
S&P/ASX MIDCAP 50	6,277.7	49.3	↑	0.79%
S&P/ASX 20	3,280.4	31.5	↑	0.96%
Foreign Markets Index				
	Last		Change	
S&P 500	2,480.91	4.08	↑	0.16%
DJIA	22,118.42	25.61	↑	0.12%
Nasdaq	6,383.77	32.21	↑	0.51%
FTSE 100	7,531.94	20.23	↑	0.27%
ALL ORDINARIES	5,824.50	51.20	↑	0.88%
Nikkei 225	20,055.89	103.56	↑	0.52%
Hang Seng	27,690.36	127.68	↑	0.46%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9303	0.0043	↓	0.46%
USD	0.7359	0.0043	↓	0.58%
CNY	4.9470	0.0340	↓	0.68%
EUR	0.6240	0.0048	↓	0.76%
CAD	0.9332	0.0052	↓	0.55%
GBP	0.5648	0.0030	↓	0.53%
JPY	81.5060	0.4540	↓	0.55%
NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.95			
5-year Swap	2.68			
10-year Swap	3.21			
Commodities				
	Last		Change	
Spot Gold \$US	1,257.58	0.71	↓	0.06%
Spot Silver \$US	16.24	0.02	↓	0.13%
Oil(WTI)	49.31	0.27	↓	0.54%