

Top News

NZ dollar drops to 5-month low as Nats lose two seats, Fed hike odds rise

The New Zealand dollar fell to a five-month low after the National Party lost two seats after special votes were counted while market bets on a Federal Reserve rate hike in the US increased.

The kiwi dropped as traders reacted to the potential for a change of government to one that may be less market-friendly after Labour and the Greens both took one seat from National. That put the ruling party with 56 seats to Labour-Greens with 54 although it hasn't altered the position of NZ First as king/queen maker.

In the US on Friday, payrolls data showed that economy unexpectedly shed 33,000 jobs last month, reflecting hurricane disruptions, although wage inflation rose and the jobless rate fell.

Eyes on Fed minutes, US inflation

US inflation and retail sales data, the latest round of quarterly corporate earnings, and renewed tension between the US and North Korea will form a key focus as Wall Street begins the week near record highs.

Last Friday's nonfarm payrolls data bolstered expectations the Federal Reserve will tighten monetary policy again this year, with bets firming for a December move.

Minutes from last month's Federal Open Market Committee meeting are slated for release on Wednesday, which might offer fresh clues about officials' take on the outlook for inflation and interest rates.

Geopolitical tensions are also back in focus amid Friday's reports that North Korea was preparing to test a long-range missile that could reach the West Coast of the US.

NZ shares rise ahead of final election results; Synlait, A2, Fonterra drop

New Zealand shares gained, led by Meridian Energy and Port of Tauranga, as investors kept an eye on the final count of the general election and the subsequent coalition talks, while dairy stocks Synlait Milk and A2 Milk Co gave up gains.

Meridian Energy led the index, up 2.5% to \$2.89, while Port of Tauranga gained 2.1% to \$4.39 and Sanford rose 1.9% to \$8.

Synlait Milk was the worst performer, down 2.6% to \$6.72, and A2 Milk Co dropped 1.4% to \$7.16, both falling from record highs. The two stocks have gained since last Thursday on confirmation that their brands and recipes have gained registration in China.

Fonterra Shareholders Fund units declined 2.2%, or 14 cents, to \$6.10 after shedding rights to a 20 cents per share final dividend. Polish Dairy, the fifth largest producer of milk in the European Union, will join Fonterra Cooperative Group's Global Dairy Trade platform from Nov. 21.

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NZX Index				
Index	Last	Change		
S&P/NZX All Index	8,645.50	1.94	↑	0.02%
S&P/NZX 50 Index	7,977.34	0.34	↑	0.00%
S&P/NZX Mid Cap Index	23,588.25	2.07	↑	0.01%
S&P/NZX Small Cap	54,025.44	264.47	↑	0.49%
S&P/NZAX All Index	573.49	4.27	↑	0.75%

ASX Index				
Index	Last	Change		
ALL ORDINARIES	5,777.4	57.10	↑	0.99%
S&P/ASX 200	5,710.7	58.90	↑	1.03%
S&P/ASX SMALL ORD	2,488.8	22.50	↑	0.90%
S&P/ASX MIDCAP 50	6,148.6	33.20	↑	0.54%
S&P/ASX 20	3,217.5	40.00	↑	1.24%

Foreign Markets Index				
	Last	Change		
S&P 500			↓	%
DJIA	22,773.67	1.72	↓	0.01%
Nasdaq	6,590.18	4.82	↑	0.07%
FTSE 100	7,522.87	14.88	↑	0.20%
ALL ORDINARIES	5,777.40	57.10	↑	0.99%
Nikkei 225	20,690.71	62.15	↑	0.30%
Hang Seng	28,458.04	78.86	↑	0.28%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9082	0.0001	↓	0.01%
USD	0.7065	0.0002	↑	0.03%
CNY	4.6960			
EUR	0.6019	0.0001	↑	0.02%
CAD	0.8854	0.0002	↑	0.02%
GBP	0.5384	0.0003	↓	0.06%
JPY	79.4810	0.0060	↑	0.01%

NZ Interest Rates		
	Last	Change
NZ OCR	1.75	
3-month Bank Bill	1.96	
5-year Swap	2.74	
10-year Swap	3.26	

Commodities				
	Last	Change		
Spot Gold \$US	1,275.92	0.48	↓	0.04%
Spot Silver \$US	16.81	0.01	↑	0.06%
Oil(WTI)	49.29	1.33	↓	2.63%