

Top News

NZ dollar falls against broadly stronger greenback ahead of Fed meeting

The New Zealand dollar fell against a broadly stronger US dollar ahead of the Federal Reserve's two-day policy meeting which may provide hints to how and when the central bank will begin unwinding its massive balance sheet.

The Federal Open Market Committee begins its meeting on Tuesday and while it is expected to keep the Fed funds rate unchanged, traders have increased bets on a rate hike by the end of the year to more than 50% and are anticipating some comment on 'normalising' the Fed's US\$4.5 trillion balance sheet, the result of a vast buying spree of Treasuries and mortgage-backed securities.

Locally, traders will be watching for the Westpac consumer confidence report for the third quarter, due out today, while across the Tasman, the Reserve Bank of Australia is to release the minutes of its September meeting and tonight sees the latest GlobalDairyTrade auction, the last before Fonterra Cooperative Group releases its full-year results next Monday.

Wall St pares gains after fresh records

Wall Street moved higher, paring some gains after rallying to record highs amid optimism about the US economic outlook and corporate profits, as investors eyed a meeting by the Federal Reserve which is set to tighten monetary policy.

The Dow rose as advances in shares of General Electric and those of Caterpillar, recently up 2.2% and 1.9% respectively, outweighed declines in shares of Apple and those of Nike, recently down 1% and 0.7% respectively.

In fresh deal news, shares of Orbital ATK soared, up 20.1% as of 2.09pm in New York after Northrop Grumman said it agreed to buy the missile and rocket maker for about US\$7.8 billion in cash. Northrop's shares traded 2.8% higher in New York. Buying Orbital would make Northrop the fourth-largest Pentagon contractor, displacing Raytheon, according to Bloomberg.

NZX 50 mixed at the start of election week; NZ Refining, Air NZ fall on pipeline leak

New Zealand shares were little changed at the start of election week. New Zealand Refining and Air New Zealand dropped following a pipeline leak, while A2 Milk Co rose.

New Zealand Refining dropped 3.6% to \$2.39, while Air New Zealand stock fell 1.1% to \$3.215. A pipeline leak has disrupted jet fuel supplies at Auckland International Airport. Whangarei-based NZ Refining expects to miss out on between \$10 million and \$15 million of pipeline and refining income as it works to repair the leak on its pipeline between the Marsden Point refinery and the Wiri storage depot.

A2 Milk was the best performer, gaining 2.5% to \$5.84. The stock has gained 168% this year but had been falling back from the record \$6.12 it reached a week ago. Kiwi Property Group rose 1.9% to \$1.345 and Vector gained 1.9% to \$3.30.

Outside the benchmark, NZ Oil & Gas rose 3.5 percent to 75 cents. OG Oil & Gas, the oil and gas arm of the Ofer Global Group, has formalised its partial takeover offer for NZOG.

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NZX Index				
Index	Last	Change		
S&P/NZX All Index	8,401.63	3.92	↓	0.05%
S&P/NZX 50 Index	7,758.71	3.95	↓	0.05%
S&P/NZX Mid Cap Index	22,275.85	38.03	↑	0.17%
S&P/NZX Small Cap	52,392.98	9.93	↓	0.02%
S&P/NZAX All Index	577.37	0.00	↑	0.00%
ASX Index				
Index	Last	Change		
ALL ORDINARIES	5,779.0	23.2	↑	0.40%
S&P/ASX 200	5,720.6	25.6	↑	0.45%
S&P/ASX SMALL ORD	2,465.4	9.3	↑	0.38%
S&P/ASX MIDCAP 50	6,169.4	31.4	↑	0.51%
S&P/ASX 20	3,213.4	13.0	↑	0.40%
Foreign Markets Index				
	Last	Change		
S&P 500	2,503.87	3.64	↑	0.15%
DJIA	22,331.35	63.01	↑	0.28%
Nasdaq	6,454.64	6.17	↑	0.10%
FTSE 100	7,253.28	37.81	↑	0.52%
ALL ORDINARIES	5,779.00	23.20	↑	0.40%
Nikkei 225	19,909.50	102.06	↑	0.52%
Hang Seng	28,159.77	352.18	↑	1.27%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9127	0.0001	↑	0.01%
USD	0.7261	0.0005	↓	0.07%
CNY	4,7750			
EUR	0.6077			
CAD	0.8925	0.0005	↓	0.06%
GBP	0.5384	0.0002	↑	0.04%
JPY	81.0280	0.0245	↓	0.03%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.73			
10-year Swap	3.24			
Commodities				
	Last	Change		
Spot Gold \$US	1,307.30	0.15	↓	0.01%
Spot Silver \$US	17.20	0.01	↓	0.03%
Oil(WTI)	49.93	0.04	↑	0.08%

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