

## Top News

### NZ dollar drops to new 5-month low as policy uncertainty weighs on investors

The New Zealand dollar extended its decline, falling to a fresh five-month low, as the lack of hard policy in governance agreements between the Labour, NZ First and Green parties continued to unnerve markets.

The release of the NZ First coalition agreement and confidence and supply deal with the Greens didn't quell concerns over the proposed policy direction with a lack of detail in the short documents.

The local currency dropped to 4.5784 Chinese yuan from 4.6052 yuan as China's five-year Communist Party Congress drew to a close, where delegates voted to make 'Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era' a guiding principle for the party, putting President Xi on par with Mao Zedong and Deng Xiaoping.

### Caterpillar, 3M rally on outlook

Wall Street climbed as stronger-than-expected corporate earnings including from Caterpillar and 3M sent the Dow to a record high, bolstering optimism about the outlook.

The Dow rose as rallies in shares of 3M and those of Caterpillar, recently up 7.2% and 4.8% respectively, outweighed declines in shares of IBM and those of General Electric, recently down 2.3% and 2.1% respectively. Shares of 3M jumped after the company bettered quarterly earnings estimates and lifted its full-year outlook.

Also bettering estimates, McDonald's shares rose after the fast-food restaurant chain reported domestic same-store sales rose 4.1% in the third quarter, while global same-store sales increased 6%, the company said in a statement. Both exceeded analysts' estimates.

### NZ shares extend gain as A2 hits new record; Ryman, Metlifecare, Summerset drop

New Zealand shares eked out another gain as the market digested the details of the governing deals made by the incoming Labour government, with A2 Milk hitting a fresh record while retirement village stocks fell.

Retirement stocks are set to be one of the biggest losers and started to decline before the September election as Labour's polling improved. Goodson said the stocks have been huge beneficiaries of rising house prices, and moves to lessen immigration and increase house building will change the backdrop for those companies.

Ryman Healthcare was the worst performer, down 3.7% to \$8.85. Metlifecare dropped 2.6% to \$5.73, and Summerset Group Holdings fell 2.2% to \$4.85. Arvida Group slipped 0.9% to \$1.17, while outside the benchmark index Oceania Healthcare dropped 3% to 98 cents.

A2 Milk, which has booked strong gains this year as its sales in China continue to improve, was the best performer, up 3.6% to \$8.28.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	8,791.40	0.79	↓	0.01%
S&P/NZX 50 Index	8,130.10	0.55	↑	0.01%
S&P/NZX Mid Cap Index	24,199.22	75.43	↑	0.31%
S&P/NZX Small Cap	53,896.76	223.59	↓	0.41%
S&P/NZAX All Index	558.18	0.12	↑	0.02%

ASX Index				
Index	Last	Change		
ALL ORDINARIES	5,962.5	5.30	↑	0.09%
S&P/ASX 200	5,897.6	3.60	↑	0.06%
S&P/ASX SMALL ORD	2,593.3	10.50	↑	0.40%
S&P/ASX MIDCAP 50	6,451.6	12.30	↑	0.19%
S&P/ASX 20	3,309.4	2.20	↓	0.07%

Foreign Markets Index				
	Last	Change		
S&P 500	2,569.32	4.34	↑	0.17%
DJIA	23,442.86	168.90	↑	0.73%
Nasdaq	6,598.40	11.57	↑	0.18%
FTSE 100	7,526.54	2.09	↑	0.03%
ALL ORDINARIES	5,962.50	5.30	↑	0.09%
Nikkei 225	21,805.17	108.52	↑	0.50%
Hang Seng	28,154.97	150.91	↓	0.53%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.8872	0.0054	↓	0.60%
USD	0.6902	0.0067	↓	0.96%
CNY	4.5790	0.0460	↓	0.99%
EUR	0.5870	0.0001	↓	0.02%
CAD	0.8754	0.0058	↓	0.86%
GBP	0.5258	0.0001	↑	0.02%
JPY	78.5750	0.3615	↓	0.46%

NZ Interest Rates	
	Change
NZ OCR	1.75
3-month Bank Bill	1.94
5-year Swap	2.67
10-year Swap	3.20

Commodities			
	Last	Change	
Spot Gold \$US	1,277.30	4.58	↓ 0.36%
Spot Silver \$US	16.95	0.13	↓ 0.78%
Oil(WTI)	52.47	0.52	↑ 1.00%

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