

## Top News

### NZ dollar falls as market weighs 'hawkish' Yellen comments, weaker business confidence

The New Zealand dollar fell against the US dollar, touching a three-week low, after Federal Reserve chair Janet Yellen said the central bank needs to push on with gradual rate hikes despite weak inflation.

In a speech to the US National Association of Business Economics, Yellen said there was a risk the labour market would become overheated without further increases in the fed funds rate and that "persistently easy policy can hurt financial stability".

The kiwi fell yesterday after business confidence fell to a net zero reading with as many pessimists as optimists. According to the ANZ Business Outlook survey, the September result is down from a net 18.3% of firms that expected general business conditions to improve over the coming year in August.

### Yellen lifts US dollar

The US dollar strengthened while Wall Street held on to gains after Federal Reserve Chair Janet Yellen warned against the central bank moving "too gradually" on tightening monetary policy.

The Dow inched higher as gains in shares of Apple and those of IBM, recently up 2.1% and 0.7% respectively, offset declines in shares of McDonald's and those of DowDuPont, recently down 1.6% and 0.9% respectively.

In the latest US economic data, a Conference Board report showed its consumer confidence index fell to 119.8 in September, down from 120.4 in August, the highest reading in five months.

Shares of Switzerland's Nestle rose after the world's top packaged-food company set a profit margin target amid activist investor Dan Loeb's calls for improved performance.

### NZ shares up as confidence returns; Kathmandu, CBL, A2 Milk rise

New Zealand shares gained, with Kathmandu up on its full-year earnings and A2 Milk at a record high, as volumes recovered from yesterday's post-election lull.

Kathmandu gained 6.1% to \$2.27. It lifted annual profit 14% to \$38 million in 2017 as sales grew in New Zealand and Australia, while it cut its debt levels to record lows. CBL Corp was the best performer, up 6.3% to \$3.03, while Sky Network Television gained 3.8% to \$2.77.

A2 Milk rose 3.2% to \$6.37, a record high. Earlier this month, the milk marketer released a presentation from an investor conference in Hong Kong.

New Zealand Refining gained 0.8% to \$2.54 after it said the impact of damage to the pipeline between the refinery and the Auckland depot will be less than anticipated. Whangarei-based New Zealand Refining now expects to miss out on \$8 million to \$9 million of pipeline and refining income after the disruption versus a prior estimate of \$10 million to \$15 million.

Arvida was the worst performer, down 1.7% to \$1.19, while Port of Tauranga dropped 1.4% to \$4.28 and Ryman Healthcare fell 1% to \$9.04.

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NZX Index				
Index	Last	Change		
S&P/NZX All Index	8,538.96	17.82	↑	0.21%
S&P/NZX 50 Index	7,887.18	17.40	↑	0.22%
S&P/NZX Mid Cap Index	22,750.77	150.49	↑	0.67%
S&P/NZX Small Cap	52,892.55	58.63	↑	0.11%
S&P/NZAX All Index	567.06	1.83	↓	0.32%
Index	Last	Change		
ALL ORDINARIES	5,729.6	12.1	↓	0.21%
S&P/ASX 200	5,671.0	12.7	↓	0.22%
S&P/ASX SMALL ORD	2,438.3	1.4	↓	0.06%
S&P/ASX MIDCAP 50	6,077.1	28.3	↓	0.47%
S&P/ASX 20	3,196.4	7.50	↓	0.23%
Foreign Markets Index				
	Last	Change		
S&P 500	2,497.07	0.41	↑	0.02%
DJIA	22,285.00	11.09	↓	0.05%
Nasdaq	6,381.72	11.13	↑	0.17%
FTSE 100	7,285.74	15.55	↓	0.21%
ALL ORDINARIES	5,729.60	12.10	↓	0.21%
Nikkei 225	20,330.19	67.39	↓	0.33%
Hang Seng	27,513.01	12.67	↑	0.05%
Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9138	0.0016	↓	0.17%
USD	0.7205	0.0060	↓	0.83%
CNY	4.7820	0.0240	↓	0.50%
EUR	0.6110	0.0021	↓	0.34%
CAD	0.8900	0.0086	↓	0.96%
GBP	0.5356	0.0037	↓	0.69%
JPY	80.8630	0.2895	↓	0.36%
NZ Interest Rates				
	Last	Change		
NZ OCR	1.75			
3-month Bank Bill	1.95			
5-year Swap	2.69			
10-year Swap	3.18			
Commodities				
	Last	Change		
Spot Gold \$US	1,295.77	14.81	↓	1.13%
Spot Silver \$US	16.82	0.33	↓	1.90%
Oil(WTI)	51.75	0.43	↓	0.82%