

### Top News

#### NZ dollar recovers vs yen, greenback as North Korea fears ebb

The New Zealand dollar rose against the yen and the greenback as fears eased that North Korea's firing of a missile over Japan's northern island of Hokkaido would lead to escalating tensions on the Korean peninsula.

The UN Security Council is to hold an emergency meeting at the request of Japan which was scheduled for late Tuesday. Japanese Prime Minister Shinzo Abe had called the missile test an "outrageous action" and "an unprecedented, grave and serious threat" to Japan. However, financial markets opted to focus on the strength of the economy, including a Conference Board report showed its consumer confidence index rose to 122.9 in August, up from 120 in July.

In New Zealand, Reserve Bank governor Graeme Wheeler is to deliver his final speech today before retiring, although Steel said no clues to monetary policy were expected given the topic is "Reflections on the stewardship of the Reserve Bank".

#### Wall St lifts on US consumer

Wall Street advanced, recovering from losses earlier in the day prompted by North Korea's firing of a missile over Japan, as investors opted to focus on the strength of the US economy.

Investors initially piled into US Treasuries, sending yields on the 10-year note as low as 2.08%. Concern about geopolitical tensions faded as the day progressed and the outlook for inflation remains the key driver for fixed-income securities.

The Dow rose as gains in shares of United Technologies and those of Boeing, up 2.1% and 1.6% respectively recently, outweighed slides in shares of Nike and those of DuPont, down 2.1% and 0.7% respectively.

United Technologies shares rose after the Wall Street Journal reported the company is nearing a deal to buy Rockwell Collins for more than US\$20 billion, which would create one of the world's biggest aircraft-equipment makers.

#### NZ shares fall as North Korea fears weigh; Chorus hits 5-month low

New Zealand shares dropped in a sea of red after North Korea fired a missile over Japan, with Chorus and Metro Performance Glass extending their recent declines.

Stocks across Asia fell amid reports North Korea fired a ballistic missile over Japan's northern island of Hokkaido, sapping investors' appetite for riskier assets such as equities.

Chorus plunged 7.7% to \$4.05, a five-month low, and leading the index lower for a second day. Yesterday, the network operator lifted annual profit 24% to \$113 million after cutting costs and changing the way it capitalises some labour costs, making up for a decline in connection numbers that's been driven by its biggest customer, Spark New Zealand.

Metro Glass dropped 3.7% to \$1.05, hitting a record low. Trade Me Group fell 3.2% to \$4.51 and Vista Group International declined 2.8% to \$5.19. Investore Property was the best performer, up 0.7% to \$1.36.

NZX Index				
Index	Last		Change	
<b>S&amp;P/NZX All Index</b>	8,383.96	91.60	↓	1.08%
<b>S&amp;P/NZX 50 Index</b>	7,738.33	88.53	↓	1.13%
<b>S&amp;P/NZX Mid Cap Index</b>	22,270.59	233.02	↓	1.04%
<b>S&amp;P/NZX Small Cap</b>	52,254.30	259.77	↓	0.49%
<b>S&amp;P/NZAX All Index</b>	551.38	3.44	↓	0.62%

ASX Index				
Index	Last		Change	
<b>ALL ORDINARIES</b>	5,733.6	37.6	↓	0.66%
<b>S&amp;P/ASX 200</b>	5,669.0	40.9	↓	0.72%
<b>S&amp;P/ASX SMALL ORD</b>	2,404.1	6.5	↓	0.27%
<b>S&amp;P/ASX MIDCAP 50</b>	6,153.8	43.0	↓	0.7%
<b>S&amp;P/ASX 20</b>	3,186.2	29.6	↓	0.93%

Foreign Markets Index				
	Last		Change	
<b>S&amp;P 500</b>	2,446.30	2.06	↑	0.08%
<b>DJIA</b>	21,865.37	56.97	↑	0.26%
<b>Nasdaq</b>	6,301.89	18.87	↑	0.30%
<b>FTSE 100</b>	7,337.43	64.03	↓	0.87%
<b>ALL ORDINARIES</b>	5,733.60	37.6	↓	0.66%
<b>Nikkei 225</b>	19,362.55	87.35	↓	0.45%
<b>Hang Seng</b>	27,765.01	98.28	↓	0.35%

Currencies (per NZ\$ 1.00)				
	Last		Change	
<b>AUD</b>	0.9125	0.0014	↑	0.15%
<b>USD</b>	0.7251	0.0004	↓	0.06%
<b>CNY</b>	4.7820	0.0140	↓	0.29%
<b>EUR</b>	0.6056	0.0001	↓	0.02%
<b>CAD</b>	0.9078	0.0003	↑	0.03%
<b>GBP</b>	0.5612	0.0002	↑	0.04%
<b>JPY</b>	79.5600	0.2895	↑	0.37%

NZ Interest Rates		
	Last	Change
<b>NZ OCR</b>	1.75	
<b>3-month Bank Bill</b>	1.95	
<b>5-year Swap</b>	2.61	
<b>10-year Swap</b>	3.09	

Commodities				
	Last		Change	
<b>Spot Gold \$US</b>	1,308.90	0.80	↓	0.06%
<b>Spot Silver \$US</b>	17.39	0.05	↓	0.28%
<b>Oil(WTI)</b>	46.49	0.29	↓	0.43%

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