

Top News

NZ dollar gains with commodity currencies, advances vs euro

The New Zealand dollar rose against the greenback, in line with other commodity currencies as the CRB Index rose to a six-month high. It gained against the euro as Spain tightened its grip on independence-minded Catalan.

The CRB Index of 19 commonly traded commodities rose to a six-month high on Friday and Brent crude oil climbed above US\$60 a barrel. Other growth-related news included US gross domestic product rising a faster-than-expected 3%, on an annualised basis, in the third quarter, while stocks on Wall Street charted new records.

The greenback, which rose on the GDP data, trimmed its gains on reports that US President Donald Trump is leaning toward current Federal Reserve board member Jerome Powell to be the next chair.

Fed gathers as Trump picks successor

With Wall Street at record highs, investors will eye US President Donald Trump's pick for the next Federal Reserve chair, a meeting of the Fed, and the latest US jobs data amid a slew of corporate earnings reports including from Apple and Facebook.

A Commerce Department report on Friday showing the US economy expanded at a stronger-than-expected 3% annual pace in the third quarter bolstered optimism about the outlook for corporate profits.

Meanwhile, the latest earnings and outlooks released late last week such as from Amazon, Alphabet, Microsoft and Intel sparked rallies in their shares on Friday. Amazon soared 13.2%, Alphabet climbed 4.3%, while Microsoft jumped 6.4% and Intel surged 7.4%.

The Federal Open Market Committee, which begins its two-day policy meeting on Tuesday, is widely expected to hold off raising its target interest rate until its December meeting. However, investors will scrutinise comments on inflation and clues about the outlook for the pace of future rate hikes.

NZ shares down on Fletcher's weakness, exporters A2 and Comvita book gains

New Zealand shares fell, dragged lower by Fletcher Building for a third day running, while exporters Comvita and A2 Milk continued to make gains.

Fletcher was the worst performer for the third day in a row, dropping 2.4% to \$7.28. On Wednesday, it announced it has taken a further \$125 million provision against problematic construction contracts including the convention centre and the justice precinct in Christchurch, and said its B&I unit would report a full-year loss of \$160 million, including \$35 million of overhead costs.

Metro Performance Glass fell 2% to 98 cents, Chorus dropped 1.4% to \$3.98 and Mercury New Zealand declined 1.3% to \$3.35. A2 Milk rose 2.4% to \$8.60, with its supplier Synlait Milk also rising 2.3% to \$7.96.

Property For Industry rose 0.9% to \$1.625. It wants to raise \$100 million through a new bond offer to institutional and New Zealand investors in order to repay existing bank debt.

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| NZX Index | | | | |
|-----------------------|-----------|-------|--------|-------|
| Index | Last | | Change | |
| S&P/NZX All Index | 8,747.84 | 0.20 | ↓ | 0.00% |
| S&P/NZX 50 Index | 8,084.98 | 1.75 | ↓ | 0.02% |
| S&P/NZX Mid Cap Index | 24,257.30 | 49.88 | ↑ | 0.21% |
| S&P/NZX Small Cap | 53,901.40 | 64.24 | ↑ | 0.12% |
| S&P/NZAX All Index | 560.64 | 0.67 | ↓ | 0.12% |

| ASX Index | | | | |
|-------------------|----------|-------|--------|-------|
| Index | Last | | Change | |
| ALL ORDINARIES | 5,969.30 | 13.20 | ↓ | 0.22% |
| S&P/ASX 200 | 5,903.20 | 13.10 | ↓ | 0.22% |
| S&P/ASX SMALL ORD | 2,591.10 | 8.10 | ↓ | 0.31% |
| S&P/ASX MIDCAP 50 | 6,483.30 | 2.20 | ↓ | 0.03% |
| S&P/ASX 20 | 3,296.30 | 13.40 | ↓ | 0.41% |

| Foreign Markets Index | | | | |
|-----------------------|-----------|--------|--------|-------|
| | Last | | Change | |
| S&P 500 | 2,581.07 | 20.67 | ↑ | 0.81% |
| DJIA | 23,434.19 | 33.33 | ↑ | 0.14% |
| Nasdaq | 6,701.26 | 144.49 | ↑ | 2.20% |
| FTSE 100 | 7,505.03 | 18.53 | ↑ | 0.25% |
| ALL ORDINARIES | 5,969.30 | 13.20 | ↓ | 0.22% |
| Nikkei 225 | 22,008.45 | 268.67 | ↑ | 1.24% |
| Hang Seng | 28,438.85 | 236.47 | ↑ | 0.84% |

| Currencies (per NZ\$ 1.00) | | | | |
|----------------------------|---------|--------|--------|-------|
| | Last | | Change | |
| AUD | 0.8955 | 0.0007 | ↑ | 0.08% |
| USD | 0.6875 | 0.0004 | ↓ | 0.06% |
| CNY | 4.5740 | | | |
| EUR | 0.5922 | 0.0003 | ↓ | 0.05% |
| CAD | 0.8814 | 0.0012 | ↑ | 0.14% |
| GBP | 0.5237 | 0.0002 | ↓ | 0.04% |
| JPY | 78.1750 | 0.0200 | ↓ | 0.03% |

| NZ Interest Rates | | | | |
|-------------------|------|--|--------|--|
| | Last | | Change | |
| NZ OCR | 1.75 | | | |
| 3-month Bank Bill | 1.94 | | | |
| 5-year Swap | 2.69 | | | |
| 10-year Swap | 3.25 | | | |

| Commodities | | | | |
|------------------|----------|------|--------|-------|
| | Last | | Change | |
| Spot Gold \$US | 1,273.58 | 0.22 | ↓ | 0.02% |
| Spot Silver \$US | 16.84 | 0.02 | ↑ | 0.14% |
| Oil(WTI) | 53.90 | 1.33 | ↑ | 2.53% |

