

Top News

NZ dollar gains vs yen as demand for safe havens abates, rises vs euro

The New Zealand dollar rose against the yen as investors regained some risk appetite, reducing demand for Japan's currency as a safe haven.

The UN votes this morning on a new round of sanctions against North Korea in retaliation for its latest nuclear test and missile launches but the US has reportedly watered down its draft resolution and there is relief that the isolated nation didn't conduct another nuclear test to coincide with its 69th anniversary over the weekend.

Meanwhile, Hurricane Irma weakened to a tropical storm and didn't make a direct hit on Miami, reducing the level of damage that could dent US economic growth. The Chicago Board Options Exchange Volatility Index, or VIX, fell to its lowest level in more than a week.

The kiwi dollar rose to 60.62 euro cents from 60.29 cents late yesterday after European Central Bank officials including board director Benoît Coeuré flagged a gradual reduction in monetary stimulus from the bank.

Wall St rallies

Wall Street rallied, while US Treasuries dropped, as concern about geopolitical tensions and the impact from Hurricane Irma, which eased to a tropical storm as of Monday, declined.

US Treasuries slid, pushing yields on the 10-year note eight basis points higher to 2.13%. The US dollar rose, while the euro and the Japanese yen weakened.

The Dow moved higher, led by gains in shares of DowDuPont and those of Travelers, recently up 3.4% and 2.7% respectively. Bucking the trend were shares of Home Depot and those of General Electric, recently down 1.1% and 0.2% respectively, for the only two declining stocks in the Dow.

Shares of Apple rose, up 1.5% as of 2.38pm in New York, a day before the company is set to unveil its latest products including three iPhones.

NZ shares mixed as A2, F&P Health hit records while CBL, retirement stocks fall

New Zealand shares were mixed with exporters A2 Milk Co and Fisher & Paykel Healthcare hitting record highs as a weaker kiwi dollar boosts their overseas earnings, while CBL Corp dropped amid a gloomy outlook for insurers.

A2 Milk rose 3.6% to \$6.12, a fresh record, and leading the market higher. The milk marketer released a presentation from an investor conference in Hong Kong, having pitched to London investors last week, and reiterated the board is evaluating capital management alternatives and is open to a special dividend depending on progress of its planned \$40 million on-market share buyback, which it will launch in the next year, and future market conditions. The shares have gained 18% since then, and are up 177% this year.

Fisher & Paykel Healthcare, another exporter, advanced 1.7% to \$12.82, an all-time high. Xero gained 2.1% to \$26.95 and is up 51% this year.

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Tel: +64 (9)304 0145

Web: www.equity.co.nz

E-mail: Info@equity.co.nz

Address: Level 7, 12-26 Swanson Street, Auckland, NZ

NZX Index				
Index	Last		Change	
S&P/NZX All Index	8,497.18	2.54	↓	0.03%
S&P/NZX 50 Index	7,851.75	0.22	↑	0.00%
S&P/NZX Mid Cap Index	22,496.17	55.03	↑	0.25%
S&P/NZX Small Cap	52,315.66	82.88	↑	0.16%
S&P/NZAX All Index	575.23	0.41	↑	0.07%
ASX Index				
Index	Last		Change	
ALL ORDINARIES	5,775.1	35.7	↑	0.62%
S&P/ASX 200	5,713.1	40.5	↑	0.71%
S&P/ASX SMALL ORD	2,468.9	6.4	↑	0.26%
S&P/ASX MIDCAP 50	6,161.9	34.8	↑	0.56%
S&P/ASX 20	3,199.2	27.3	↑	0.85%
Foreign Markets Index				
Index	Last		Change	
S&P 500	2,488.11	26.68	↑	1.08%
DJIA	22,057.37	259.58	↑	1.19%
Nasdaq	6,432.26	72.07	↑	1.13%
FTSE 100	7,413.59	35.99	↑	0.49%
ALL ORDINARIES	5,775.10	35.70	↑	0.62%
Nikkei 225	19,545.77	270.95	↑	1.41%
Hang Seng	27,955.13	286.66	↑	1.04%
Currencies (per NZ\$ 1.00)				
	Last		Change	
AUD	0.9030	0.0015	↑	0.17%
USD	0.7248	0.0016	↓	0.22%
CNY	4.7300	0.0250	↑	0.53%
EUR	0.6064	0.0021	↑	0.35%
CAD	0.8786	0.0045	↓	0.51%
GBP	0.5505	0.0004	↓	0.07%
JPY	79.3320	0.7480	↑	0.95%
NZ Interest Rates				
	Last		Change	
NZ OCR	1.75			
3-month Bank Bill	1.94			
5-year Swap	2.58			
10-year Swap	3.07			
Commodities				
	Last		Change	
Spot Gold \$US	1,326.94	19.14	↓	1.42%
Spot Silver \$US	17.77	0.18	↑	1.03%
Oil(WTI)	48.09	0.61	↑	1.28%