

## KEY INDICES

Equities	Close	Change	%
FTSE 100 Index	5466	63	1.17
Dow Jones	11644	166	1.45
HKSE	18502	-256	-1.36
NASDAQ	2668	48	1.82
NZ 50	3302	-4	-0.13
S&P/ASX 200	4206	-39	-0.92
S&P 500	1225	21	1.74
Nikkei 225	8748	-75	-0.85

## EXCHANGE RATES

Currency	Close	Change	%
NZ \$/US \$	0.8061	0.0000	0.48
NZ \$/YEN	62.0966	0.0311	0.05
NZ \$/GBP	0.5082	0.0000	0.37
NZ \$/Aust \$	0.7794	0.0000	-0.02
NZ \$/CA \$	0.8137	0.0078	0.52

## KEY COMMODITIES

Commodities	Close	Change	%
Lead	2026	-10	-0.49
Copper	7545	235	3.21
Gold	1678.89	12.69	0.76
Nickel	18875	420	2.28
Zinc	1930	6	0.31
Aluminium	2201	-6	-0.27
Oil	86.60	2.37	2.81

## MARKET MOVERS ASX

Best	%	Worst	%
COH	5.00	AQP	-5.75
		ILU	-5.30
		PDN	-4.39
		FMG	-3.36

## MARKET MOVERS NZX

Best	%	Worst	%
GFF	1.52	RAK	-1.39
ANO	1.20		
KIP	0.95		
FBU	0.90		

## MARKET ANNOUNCEMENTS

WBC	Issue of Debt Securities	<a href="#">Click Here for Full Announcement</a>
	x Other Market Announcements	<a href="#">Click Here for Other Announcements</a>
	xx Key Dividend Dates	<a href="#">Click Here for Dividend Dates</a>

## NZ MARKET REPORT

### Dollar Breaks Through US80c

The New Zealand dollar rose back above US80 cents for the first time since September amid hopes that European policymakers will this week unveil a comprehensive solution to their debt crisis.

The kiwi recently traded at US80.35c, up from US79.50c on Friday, and it rose to 70.18 on the trade weighted index of major trading partners' currencies from 69.73.

The New Zealand and Australian dollars were the biggest winners over the weekend, after news coming out the Group of 20 Nations meeting suggested officials are close to delivering a comprehensive euro zone rescue plan.

The news was light on details but the market is speculating that the plan will include beefing up the European Financial Stability Fund to €2 trillion from €440 billion currently, addition support for banks, and a 50 per cent haircut for Greek bondholders, down from 70 per cent previously.

The risk rally "is all on the expectation that European leaders will announce a comprehensive plan in the next week," said Mike Burrowes, a market strategist at Bank of New Zealand.

The upswing in sentiment was also helped by solid corporate earnings out of the US, which helped buoy global equity markets.

On Wall Street the Standard & Poor's 500 Index closed 1.7 per cent higher at 1,224.58 helped by stronger retail sales data for September. Europe's Stoxx 600 rose 0.8 per cent to 238.51

On the crosses, the kiwi recently traded at 77.88 Australian cents, down from 77.96 cents on Friday, and rose to 62.06 Japanese yen from 61.12 yen. It rose to 57.91 euro cents from 57.71 cents previously, and rose to 50.78 pence from 50.45.

The dollar may trade between a range of US80 cents and US81.20c today, Burrowes said, although more volatility could be in store as details of the plan and its implementation emerge.

## Australian Market Report - Local sharemarket expected to open higher

The Australian share market is expected to open more than one per cent higher, buoyed by gains in the United States at the end of the week. US stocks climbed on Friday, buoyed by Google's gang buster earnings, rising US retail sales and hopes that European governments are moving to resolve the euro zone debt crisis.

Ahead of the local open, SPI futures were trading 46 points higher to 4,266.

Market and Company News | Friday 14 October 2011

### Australia & New Zealand Banking (ANZ)

ANZ has appointed Alistair Currie as the chief operating officer with responsibility for technology, shared services and operations including ANZ's Bangalore, Manila and Chengdu hubs, property and major projects. ANZ weakened 11 cents (0.52%) to \$20.99.

### Leighton (LEI)

Leighton Holdings has received a US\$518m contract from Iraq's South Oil that forms part of a project to develop two offshore platforms, a pipeline and a mooring system in an effort to stabilise and expand of the country's crude oil capacity. Leighton separately said it received a US\$79.9m contract for work on the single point mooring system for South Oil. LEI fell 37 cents (1.79%) to \$20.27.

### Metcash (MTS)

Metcash has refinanced a \$700m syndicated debt facility, which has been well supported by local and overseas banks. The company said the transaction completes the final stage of its debt refinancing strategy. The new facility consists of a \$400m tranche maturing in December 2014 and a \$300m tranche maturing in December 2015. MTS dipped 2 cents (0.48%) to \$4.18.

### Extract Resources (EXT)

Extract Resources, which is developing one of the world's largest unmined uranium deposits, continues with the process of securing a possible partner and interest has been expressed by several partners in its project. The Perth-based company also said discussions continue on debt financing and an off take deal to sell production from the planned Husab uranium mine in Namibia. EXT fell 5 cents (0.58%) to \$8.50.

### Virgin Australia (VBA)

Virgin Australia Chief Executive John Borghetti said the airline is flying extra hours to accommodate people whose travel has been disrupted by industrial action at competitor Qantas Airways. Borghetti told a business lunch the airline was also bringing into service a new 737 aircraft, which can carry 180 passengers, three weeks ahead of plan to add to the airline's capacity. VBA rose 2 cents (6.15%) to \$0.35.

### Macmahon Holdings (MAH)

Macmahon Holdings' German partner Operta GmbH have received a contract for coal mining operations at the massive Tavan Tolgoi mine in Mongolia, a five-year deal worth more than US\$500m. The contract with Erdenes Tavan Tolgoi JSC, the state-owned company that owns the Tavan Tolgoi project, was signed Thursday at a ceremony in Ulan Bator attended by Mongolian Prime Minister Sukhbaatar Batbold and German Chancellor Angela Merkel. MAH remained unchanged at \$0.63.

Companies commencing Ex-Dividend Trading Today (ASX 300):

TFS Corporation Limited

## Overseas Market Report - US Stocks End Higher; Dow In Positive Territory For Year

US stocks jumped on Friday, sending major stock indexes to their highest close since early August and pushing both the Dow and the Nasdaq Composite back into positive territory for the year.

The Dow industrials closed with a 166.36-point gain, or 1.5%, at 11644.49. The Dow is now ahead by 0.58% for 2011. Stocks were spurred higher after a positive reading on US retail sales, signs of progress in Europe's sovereign-debt crisis and a stellar Google earnings report.

The session capped a 4.88% gain for the Dow this week, the biggest weekly gain since the week ended July 1 and capping a three-week winning streak that is its longest in six months.

The Standard & Poor's 500-stock index gained 20.92 points, or 1.74%, to 1224.58, for its biggest weekly percentage gain since mid-July, 2009. The Nasdaq Composite advanced 47.61 points, or 1.82%, to 2667.85, capping its biggest weekly percentage gain since March 2009.

Energy, materials and technology stocks led the S&P 500 as investors grabbed the stocks that are commonly associated with a "risk on" trading mentality. Overall trading was below average, however, with roughly 3.6 billion shares changing hands in New York Stock Exchange composite volume.

A Commerce Department report showed that US retail and food services sales rose 1.1% in September, outstripping forecasts. Investors' sanguine reaction to the data was a contrast with the sour mood evident in the Thomson Reuters/University of Michigan consumer sentiment index for early October, which came in lower than expected.

Google jumped \$32.69, or 5.9%, to 591.68, after the online-search company reported third-quarter earnings that beat expectations by a wide margin. Revenue also topped forecasts as online ad sales accelerated.

Apple gained 13.57, or 3.3%, to 422, with the arrival of the latest version of the iPhone, the iPhone 4S, at retail stores.

For Australian ADRs listed on the NYSE, BHP Billiton strengthened \$1.69 (2.22%) to \$77.70. ResMed improved 14 cents (0.46%) to \$30.41. Telstra Corporation increased 19 cents (1.21%) to \$15.94. Telecom Corporation of NZ rose 19 cents (1.87%) to \$10.33 and Westpac firmed \$2.46 (2.24%) to \$112.45.

Treasury bonds ended with a thud, wrapping up a week that has raised some concerns that the multi-month price rally through September may have peaked. At 7:45AM (AEST), the 10 year Treasury note was 2.25% and the five year note was 1.11%.

European markets ended higher, led by gains for miners, technology stocks and car makers, while some banks were lower following a series of downgrades and warnings from brokers and credit-rating agencies.

The Stoxx Europe 600 index rose 0.8% to close at 238.51.

European markets extended their gains following better-than-expected retail-sales data in the US.

Among the winners in Europe, shares of Ericsson rose 3.9% after its mobile handset joint venture Sony Ericsson broke even in the third quarter and said it still expects modest industry growth in 2011.

Other technology stocks also rose, with SAP AG climbing 2.1% after saying it still expects to hit the high end of its operating profit target.

Strong earnings from Google also added to the sector's momentum.

Among other tech stocks, shares in chip maker STMicroelectronics NV rallied 3.6% in Paris, helping lift the CAC 40 index 1% to 3,217.89.

Mining stocks were also higher as commodity prices rose across the board, helped by a slight softening in Chinese inflation.

Among commodity stocks, shares in Vedanta Resources PLC rose 1.2% in London, while silver miner Fresnillo PLC added 1.9%, helping lift the FTSE 100 index 1.2% to 5,466.36.

Italian oil major Eni SpA jumped 4.5% as the FTSE MIB index rose 2.5% to 16,289.6 after Prime Minister Silvio Berlusconi's government won a confidence vote in parliament.

On the downside, several European bank stocks were lower.

Shares in Commerzbank AG fell 4.9% in Frankfurt after Goldman Sachs downgraded the bank to neutral from buy.

The DAX 30 index rose 0.9% to close at 5,967.20 as gains for technology and auto stocks offset the bank losses. Shares in BMW AG rose 3%.

On the FTSE 100, Rio Tinto added 62.00 pence (1.89%) to 3,286.94 pence and BHP Billiton strengthened 37.00 pence (1.94%) to 1,946.44 pence.

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Asian equity markets ended mostly lower, retracing part of the recent rally as a modest slowing in Chinese inflation failed to kindle a rebound amid fresh concerns over regional economic growth and euro-zone debt.

Regional markets started off on a weak footing after Standard & Poor's downgraded Spain's long-term sovereign credit rating to AA-minus from AA.

In another signal of heightened growth concerns among Asian policy makers, Singapore's central bank earlier eased monetary policy for the first time in over two years in an expected move on the heels of the Indonesian central bank's surprise rate cut this week.

Japan's Nikkei Stock Average fell 0.9%, South Korea's Kospi Composite added 0.7% and India's Sensex was up 1.2%. China's Shanghai Composite shed 0.3%, while Hong Kong's Hang Seng Index fell 1.4%. Singapore's Straits Times Index ended up 0.4%.

Hong Kong and China shares declined despite the mainland's September consumer price index coming in slightly lower than expected, rising 6.1% from a year earlier, slower than August's 6.2% on-year increase, and below the median 6.2% expected.

Mainland real estate stocks, which are sensitive to policy tightening, lost ground. In Hong Kong, China Resources Land was the worst blue-chip performer, tumbling 6.3%. Hong Kong-listed Evergrande Real Estate dropped 8.3%, while Shanghai-listed Gemdale fell 1.2%.

Growth-sensitive metals stocks lost ground around the region.

Jiangxi Copper's Hong Kong and Shanghai shares shed 2.4% and 0.4% respectively. Tokyo-listed Sumitomo Metal Mining shed 1.2%, Seoul-listed Posco was down 0.5% and Tata Steel lost 2.8% in Mumbai.

In Tokyo, Olympus was the single-biggest drag on the Nikkei, dropping 17.6% following the company's announcement it had removed Michael Woodford, its first non-Japanese chief executive, from his roles as president and CEO after only six months. The company cited a large gap between Woodford and other executives over the direction of management.

The NZX-50 ended down 0.1% at 3302.47.

Base metals closed mostly higher on the London Metal Exchange as the euro surged to a four-week high against the dollar, with investors optimistic that European leaders will make progress on the region's debt crisis at the weekend. Crude oil prices surged 3.1% on hopes of an economic recovery in the US and expectations of a pending solution to the European debt crisis. Gold ended higher as gains in other markets and hopes about the weekend's Group of 20 finance ministers' meeting buoyed prices.

The euro was boosted to a four-week high against the greenback as hopes grew over progress in resolving the euro zone crisis with ongoing meetings on the issue.