



MORNING REPORT

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Top News

NZD weaker as greenback gains on news US-China trade talks to recommence

The New Zealand dollar fell after the greenback got a lift from news that US trade negotiators will head to China to recommence trade talks.

US trade negotiators will head to China for face-to-face talks as the world's two largest economies try to strike a deal, sources told CNBC.

The kiwi was at 53.90 British pence from 54.03 after news that Boris Johnson, who promised to exit the European Union with or without deal by the end of October, will replace Theresa May as prime minister.

The New Zealand dollar was at 95.70 Australian cents from 95.86, at 60.11 euro cents from 60.13, at 72.56 yen from 72.78 and at 4.6108 Chinese yuan from 4.6328.

NZ shares extend gain as Mainfreight, A2 hit new highs

New Zealand shares extended their gain as Mainfreight and A2 Milk Co hit highs on strong demand for the export-focused stocks that have reliably outperformed expectations. Sky Network Television led the market higher.

The benchmark index gained for a fifth day as the international environment for low interest rates continues to drive demand for equities, especially stocks paying reliable dividends.

Heavyweight stocks Mainfreight and A2 were among the day's biggest gainers as investors remained optimistic both firms will continue their track record of beating expectations. Mainfreight rose as high as \$42.73 and ended the day up 2.5 percent at a record close \$42.02 on a volume of 58,000 shares. Its 90-day average is 64,000.

A2 climbed 1.9 percent to \$17.45, having hit an all-time high \$17.57. Volume was 443,000 shares, down from its 727,000 average.

Ward said A2 was another company that has attracted strong support heading into next month's earnings season, with investors anticipating the milk marketing firm will continue its trend of under-promising and over-delivering.

Sky TV led the market higher for a second day, up 3.3 percent at \$1.26 on 262,000 shares, less than its 1.2 million average. The shares hit a record low last week.

Electricity generator-retailer shares were largely unmoved by the Electricity Authority's new transmission pricing methodology, which aims to charge consumers based on the benefit they receive from transmission projects.

Genesis Energy rose 0.9 percent to \$3.44, Meridian Energy increased 0.2 percent to \$4.94 on a volume of 1.4 million shares, Trustpower was unchanged at \$7.50, Mercury NZ was unchanged at \$4.75 and Contact Energy decreased 0.5 percent to \$7.81. Lines company Vector was unchanged at \$3.86.

Synlait Milk posted the day's biggest fall, down 1.5 percent at \$9.65 on a volume of 51,000, less than half its 110,000 average.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	11,733.46	43.37	▲	0.37%
S&P/NZX 50 Index	10,867.25	42.56	▲	0.39%
S&P/NZX MidCap Index	30,634.81	47.39	▲	0.15%
S&P/NZX SmallCap Index	60,606.68	17.61	▲	0.03%

ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,812.50	31.30	▲	0.46%
S&P/ASX 200	6,724.60	33.40	▲	0.50%
ASX Small Ordinaries	2,957.30	12.90	▲	0.44%
S&P/ASX MIDCAP 50	7,207.40	64.00	▲	0.90%
S&P/ASX 20	3,744.80	14.20	▲	0.38%

Foreign Markets Index				
	Last	Change		
S&P 500	3,005.47	20.44	▲	0.68%
Dow Jones Industrial Average	27,349.19	177.29	▲	0.65%
NASDAQ Composite	8,251.40	47.27	▲	0.58%
DAX PERFORMANCE-INDEX	12,490.74	201.34	▲	1.64%
ASX All Ordinaries	6,812.50	31.30	▲	0.46%
NIKKEI 225	21,620.88	204.09	▲	0.95%
HANG SENG INDEX	28,466.48	95.22	▲	0.34%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9570	-0.0001	▼	0.01%
USD	0.67	0.0000	▲	0.00%
CNY	4.6120	0.0000	▲	0.00%
EUR	0.60	0.0001	▲	0.02%
CAD	0.8805	-0.0001	▼	0.01%
GBP	0.54	-0.0001	▼	0.02%
JPY	72.5585	0.0130	▲	0.02%

NZ Interest Rates				
	Last	Change		
NZ OCR	1.50			
3m Bank Bill	1.48			
5y Swap	1.39			
10y Swap	1.74			

Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,417.90	9.00	▼	0.63%
Silver	16.42	0.01	▲	0.09%
Crude Oil	57.13	0.91	▲	1.62%

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