



## MORNING REPORT

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### Top News

#### NZ dollar weaker as US-China jitters weigh on market sentiment

The New Zealand dollar was weaker after rumours the US was considering delisting Chinese companies from US stock exchanges among the latest move in the US-China trade war.

The US is reportedly looking at preventing Chinese companies from listing on US exchanges and maybe even delisting companies that are already there.

Sources told Reuters on Friday that the US move would be part of a broader effort to limit US investments into Chinese companies, in part because of growing security concerns about their activities.

However, China-US trade tensions are in focus ahead of a new round of high-level talks between the world's two largest economies. They are expected in Washington on Oct. 10-11, led from the Chinese side by President Xi Jinping's top economic adviser, Vice Premier Liu He.

Domestically, the focus today will be on the ANZ business confidence survey to see if businesses' sentiment has improved. China's performance of manufacturing index – due this afternoon – will also be watched.

#### NZ shares edge up in quiet trading; property stocks rise while gentailers fall

New Zealand shares edged higher in relatively quiet trading, with property stocks including Kiwi Property Group and Stride Property among the day's gainers. Electricity generators were largely weaker.

International leads were mixed as investors try to gauge the impact of volatile geopolitical threats, such as the potential impeachment of US President Donald Trump through to the protracted trade war between the US and China.

Investors have been drawn to stocks offering reliable dividends this year as the low interest rate environment has increased the attraction of defensive equities. That demand has underpinned the 23 percent gain on the benchmark index so far this year, which has been led by Meridian Energy, up more than 55 percent.

Meridian fell 3.9 percent, or 21 cents, to \$5.18, after shedding rights to about 13.2 cents per share of dividends. That was the day's biggest decline, albeit on a volume of 597,000 shares, less than half its 90-day average of 1.4 million.

Mercury NZ fell 0.8 percent to \$4.97 on a volume of 2.3 million shares, more than three times its average 698,000. The power company confirmed earnings guidance at today's annual meeting, which marked the departure of long-serving chair Joan Withers.

Property stocks were generally stronger, with Kiwi Property Group up 1.5 percent at \$1.655, Precinct Properties New Zealand rising 1.4 percent to \$1.85, Stride Property advancing 1.3 percent to \$2.31, and Property For Industry up 1.1 percent at \$2.38. Goodman Property fell 0.9 percent to \$1.13.

NZX Index				
Index	Last	Change		
S&P/NZX All Index	0.00	0.00	▲	0.00%
S&P/NZX 50 Index	0.00	0.00	▲	0.00%
S&P/NZX MidCap Index	0.00	0.00	▲	0.00%
S&P/NZX SmallCap Index	0.00	0.00	▲	0.00%

ASX Index				
Index	Last	Change		
ASX All Ordinaries	6,824.10	38.50	▲	0.57%
S&P/ASX 200	6,716.10	38.50	▲	0.58%
ASX Small Ordinaries	2,890.60	9.90	▲	0.34%
S&P/ASX MIDCAP 50	7,093.80	29.20	▲	0.41%
S&P/ASX 20	3,729.50	20.10	▲	0.54%

Foreign Markets Index				
	Last	Change		
S&P 500	2,961.79	15.83	▼	0.53%
Dow Jones	26,820.25	70.85	▼	0.26%
NASDAQ Composite	7,939.63	91.03	▼	1.13%
DAX	12,380.94	92.44	▲	0.75%
ASX All Ordinaries	6,824.10	38.50	▲	0.57%
NIKKEI 225	21,878.90	169.30	▼	0.77%
HANG SENG INDEX	25,954.81	87.09	▼	0.33%

Currencies (per NZ\$ 1.00)				
	Last	Change		
AUD	0.9309	0.0001	▲	0.01%
USD	0.63	-0.0006	▼	0.10%
CNY	4.4850	0.0000	▲	0.00%
EUR	0.58	-0.0006	▼	0.10%
CAD	0.8331	-0.0010	▼	0.12%
GBP	0.51	-0.0011	▼	0.22%
JPY	67.9350	-0.0200	▼	0.03%

NZ Interest Rates		
	Last	Change
NZ OCR	1.00	
3m Bank Bill	1.14	
5y Swap	0.95	
10y Swap	1.20	

Commodities Futures (Spot Price \$USD)				
	Last	Change		
Gold	1,503.30	11.90	▼	0.79%
Silver	17.59	0.32	▼	1.80%
Crude Oil	56.18	0.23	▼	0.41%

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