

**Australia shares fall ahead of China survey, Reserve Bank meeting**  
**Malaysian Insider**  
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Australian shares fell 0.6% today, with the morning session characterised by cautious trade ahead of a key China factory activity survey and the Reserve Bank of Australia's policy meeting.

The "Big Four" banks lost ground with Commonwealth Bank of Australia and Westpac Banking Corp falling 0.7% each. Mid-tier Bank of Queensland Ltd declined 0.8%.

Asian stocks were sluggish, "suggesting most are watching the (China) data today before reinstating trades for the new quarter," Evan Lucas, market analyst from IG.

A recent string of weak data in China, Australia's biggest export market, has stoked speculation Beijing will take steps to stimulate the economy. Any signs of further weakness in a survey of Chinese manufacturing activity due around 0100 GMT (9am, Malaysia time) will likely add to the case for stimulus.

A Reuters poll showed the median forecast of 14 economists is a rise to 50.3 from February's 50.2.

The S&P/ASX 200 index fell 34.2 points to 5,360.6 by 0057 GMT (8.57am, Malaysia time). The benchmark added 0.5% yesterday and rose 0.8% for the first quarter of 2014.

Volume was light, with 174.1 million shares trading hands by 0032 GMT (8.32am, Malaysia time), compared to a daily moving average of 630.2 million shares so far in 2014.

The benchmark hit a 5-1/2 year high of 5,462.3 points on March 7, but has since drifted lower as geopolitical tension in Ukraine and fears about slowing growth in China have cooled investor interest.

Besides the China manufacturing survey, investors will also watch out for comments from the RBA's policy meeting which concludes later in the day.

All 20 economists polled by Reuters see the RBA keeping the cash rate on hold at a record low of 2.5%.

Resource stocks eased as copper fell overnight due to China's tighter credit conditions even as speculation grew that Beijing would move to stimulate its economy. Among miners, Independence Group tumbled 3.1% and BHP Billiton Ltd slipped 0.6%.

Bullion producers Newcrest Mining Ltd and Regis Resources Ltd lost 3% and 6% after gold fell, notching its first monthly decline this year.

Defensives were on the backfoot with Australia's largest telecommunications provider Telstra Corporation Ltd dropping 1% and biotechnology firm CSL Ltd slipping 0.5%.

Lynas Corporation Ltd climbed 2.4% after reporting higher production and sales in the March quarter, in line with guidance.

Ten Network Holdings Ltd tumbled 5.5% after the television station recorded its lowest ever weekly audience share for prime time.

New Zealand's benchmark NZX 50 index slipped 0.4% to 5,117.6. – Reuters, April 1, 2014.

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