

Yovich & Co. Weekly Market Update

5th October 2026

Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Current Close 2nd October	13680.49	8854.70	3842.19	10461.95	51176.96	27190.86	0.8077	0.5619	2.75
Previous Week 25th September	13811.11	8845.60	3888.37	10695.25	51828.62	27068.72	0.8051	0.5655	2.75
Change	-0.95%	0.10%	-1.20%	-2.23%	-1.27%	0.45%	0.32%	-0.64%	0.00%

The NZX 50 declined approximately 0.95% over the week, finishing at 13,680.49. It was a volatile week, with the index rising strongly on Wednesday but dropping almost 0.94% on Friday alone. The weakness appeared to be driven primarily by the broader global sell-off in bond markets, rather than any single domestic economic release. ANZ Business Confidence remained extremely elevated, although it eased slightly from 54 to 52 in September. Firms' expectations for their own activity remained at +48, but reported past activity declined from 16 to 11. Interestingly, inflation expectations remained relatively high, while a net 82% of businesses expected costs to increase and 48% intended to raise their own prices. ANZ noted that responses received after oil prices increased later in September showed weaker activity expectations.

The All Ordinaries was flat, finishing up around 0.10%. The index rose strongly on Wednesday before falling almost 2% on Thursday. With nearly all major sectors declining. The major event was the Reserve Bank of Australia raising the cash rate another 25 basis points to 4.60% on 29 September.

The Shanghai Composite fell approximately 1.19% over its shortened trading week. The index dropped sharply on Monday before recovering some ground on Tuesday and Wednesday, ahead of the market closure for China's National Day holiday. Manufacturing surveys also pointed to an improvement in production as weather-related disruptions eased. More broadly, manufacturing activity across Asia continued to benefit from strong demand for semiconductors, AI infrastructure and related capital goods.

The FTSE 100 had the weakest performance of the major indices we cover, falling approximately 2.24%. The decline largely reflecting a broader global bond-market sell-off. Rising government bond yields increased concerns around borrowing costs and interest-rate-sensitive sectors, while financial shares were particularly weak. GDP was 1.4% higher than a year earlier, also revised upward, while business investment growth was revised dramatically higher to 5.2% year-on-year. Stronger economic activity means the Bank of England has less room to cut rates, particularly with energy-driven inflation still elevated. Markets are increasingly expecting another BoE increase later in the year.

The Dow declined 1.27%, while the Nasdaq gained 0.45%. Annual headline PCE inflation was 3.4%. More encouragingly, core PCE increased only 0.2% for the month, leaving annual core inflation at 3.0%. Consumer spending surged 0.9% in August, while personal income grew only 0.2%. The household savings rate subsequently fell to 4.1%.

The biggest movers of the week ending 2 October 2026

Up	
Hallenstein Glasson	13.96%
Fonterra Shareholders Fund Units	6.55%
Skellerup Holdings	2.48%
Fisher & Paykel Healthcare	2.20%
SkyCity Entertainment Group	1.52%

Down	
Serko	-8.27%
Ryman Healthcare Group	-7.67%
Summerset Group Holdings	-6.25%
Sanford	-5.19%
Vulcan Steel	-4.87%

Source: LSEG

Investment News

Micron Technology (NASDAQ: MU): AI Demand Drives Record Result

Micron Technology delivered a record fourth quarter, with revenue surging to US\$54.2 billion, compared with US\$41.5 billion in the previous quarter and US\$11.3 billion a year earlier. Adjusted earnings reached US\$33.42 per share, while operating cash flow climbed to US\$44.0 billion. The result was driven by exceptionally strong demand and pricing for memory products used in artificial intelligence (AI) data centres, particularly high-bandwidth memory (HBM), where supply remains tight. This also helped lift Micron's gross margin to around 87%. Looking ahead, Micron expects first-quarter FY27 revenue of approximately US\$61.5 billion, indicating that AI-related demand remains strong. While this provides a significant growth opportunity, memory markets have historically been cyclical, and the very high margins currently being achieved could come under pressure if additional industry supply comes online or AI infrastructure spending slows.

Share Price Reaction: Micron shares rose 3.0% to US\$1,097.39 in the first trading session following the result. Some of those gains were given back the following day, with the shares closing the week at US\$1,074.89, still slightly above their pre-result level.

Current Share Price: \$1,074.89, Consensus Target Price: \$1,468.72, Forecast Dividend Yield: 0.06%.

SpaceX (NASDAQ: SPCX): Starship Reaches Orbit and Deploys Next-Generation Satellites

SpaceX achieved a major milestone during the week when its Starship rocket reached Earth orbit for the first time and successfully deployed 26 next-generation Starlink V3 satellites. The flight represents an important step in moving Starship from an experimental programme towards a commercially useful launch system. The larger V3 satellites are designed to significantly increase the capacity of the Starlink network, while Starship's much greater payload capability could eventually allow SpaceX to launch more satellites at a lower cost per unit. The mission was not completely trouble-free, with an engine shutting down during ascent and the planned flight shortened from around 10 hours to approximately three hours. While reaching orbit and deploying satellites strengthens the case for Starship, further testing is still required before SpaceX can demonstrate the rapid and reliable reusability needed to achieve its longer-term cost targets.

Share Price Reaction: SpaceX shares initially fell 2.2% to US\$145.47 on the day of the launch. They subsequently recovered strongly, finishing the week at US\$158.96, including a 7.4% rise on Friday. This left the shares approximately 6.9% higher than the previous Friday's close. **Current Share Price: \$158.96, Consensus Target Price: \$228.26.**

The Warehouse Group (NZX: WHS) – Turnaround Gains Momentum

The Warehouse Group reported a significant improvement in profitability for FY26 despite New Zealand consumers remaining cautious. Reported sales were \$3.0 billion, down 1.9% against the prior 53-week year, but up 0.4% on a comparable 52-week same-store basis. More importantly, gross margin improved to 32.6% and operating costs fell by \$29.8 million, helping operating profit increase to \$22.6 million from just \$1.3 million a year earlier. Reported net profit after tax also improved to \$11.2 million, compared with a \$2.8 million loss. Cash flow was another positive, with operating cash flow increasing to \$193.5 million and net debt falling sharply from \$96.1 million to \$17.0 million. The result suggests management's focus on costs, inventory and cash generation is gaining traction, although sales growth remains subdued and no final dividend was declared, highlighting that the turnaround still has further to go.

Share Price Reaction: WHS shares closed at \$0.635 following the result, before reaching \$0.65 the following day. The shares finished the week at approximately \$0.645, around 7.5% higher than the previous Friday's \$0.60 close.

Current Share Price: \$0.65, Consensus Target Price: \$0.81, Forecast Dividend Yield: 4.79%.

Synlait Milk (NZX: SML) – Second-Half Recovery Provides Encouraging Signs

Synlait Milk's FY26 headline result remained weak, but a substantial improvement during the second half provided evidence that its operational recovery is beginning to gain traction. Revenue was \$1.94 billion, with reported earnings before interest, tax, depreciation and amortisation (EBITDA) of \$8.1 million and underlying EBITDA of \$46.3 million. The company recorded a reported net loss of \$75.4 million, while net debt ended the year at \$215.0 million. Importantly, reported EBITDA improved from a \$34.7 million loss in the first half to positive \$42.8 million in the second half, as manufacturing operations stabilised. Synlait has also completed the sale of its North Island assets, helping repair its balance sheet and allowing management to focus on its remaining operations. While the stronger second half is encouraging, Synlait is still loss-making on a full-year basis and remains in the early stages of its recovery, meaning consistent execution and further debt reduction will be important.

Share Price Reaction: Investors responded positively to the improved second-half performance. Synlait's ASX-listed shares rose around 13.3% on the day of the result, while the NZX-listed shares were trading around \$0.425 by 30 September. The reaction suggests investors focused more on the operational improvement than the weak headline full-year loss.

Current Share Price: \$0.41, **Consensus Target Price:** \$0.44, **Forecast Dividend Yield:** 1.98%.

Hallenstein Glasson Holdings (NZX: HLG) – Strong Australian Growth Lifts Profit

Hallenstein Glasson delivered a strong FY26 result, with group sales increasing 19.6% to \$563.0 million, or 15.6% on a constant-currency basis. Gross margin improved from 59.3% to 61.7%, helped by stronger full-price sales and improved supplier and freight arrangements. This combination of higher sales and better margins saw net profit after tax jump 49.9% to \$59.2 million. Glassons Australia remained the main growth engine, with sales rising 29.0% to \$324.4 million, while both the New Zealand Glassons and Hallensteins businesses also improved. The company increased its full-year gross dividend to approximately 86.9 cents per share, including a gross final dividend of approximately 54.25 cents per share. Trading has remained strong since year-end, with group sales for the first eight weeks of FY27 running 18.4% ahead of the previous year on a constant-currency basis. While the outlook remains positive, management has cautioned that this exceptionally strong early growth rate is unlikely to continue at the same pace through the remainder of the first half, with consumer spending, currency movements and freight costs remaining key risks.

Share Price Reaction: Investors reacted strongly to the result, with HLG shares rising 5.7% to \$14.00 on 29 September, followed by another 5.4% rise to \$14.75 the following day. That represented an increase of approximately 11.3% over the two trading sessions following the result.

Current Share Price: \$15.10, **Consensus Target Price:** \$16.43, **Forecast Dividend Yield:** 5.25%.

Upcoming Dividends: 6th October 2026 to 6th November 2026.

Description	Security	Ex Div Date	Books Close	Gross Dividend Amount	Pay Date
Foley Wines Ltd	FWL	08-Oct-26	09-Oct-26	2.78cps	23-Oct-26
Australian Foundation Investment Company Ltd	AFI	15-Oct-26	16-Oct-26	11.43cps	12-Nov-26
The Bankers Investment Trust	BIT	22-Oct-26	23-Oct-26	1.66cps	27-Nov-26
South Port New Zealand Ltd	SPN	02-Nov-26	03-Nov-26	28.47cps	11-Nov-26

Source: LSEG

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