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Yovich & Co. Weekly Market Update

24th August 2026

Survey Results

Thank you to everyone who took the time to complete our recent client survey. We really appreciate you sharing your thoughts with us.

It was great to see so many positive comments about our team, the advice we provide and, particularly, the personal relationships our clients have with their advisers. Many of you told us that you value having people who are approachable, knowledgeable and genuinely care about your investments, and it was especially nice to hear from clients who have been with Yovich & Co for many years.

Your feedback also gave us some useful areas to focus on, including communication, reporting, market information and making it clearer what you can expect from us. These are all things we'll be taking on board as we continue to improve the way we work with you.

And congratulations to Kenneth, who was drawn as the winner of our $250 restaurant voucher. We hope you enjoy it!

Thank you again for your feedback, both the good and the constructive. It all helps us do better.

Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Current Close 21st August	13972.66	9269.70	3905.20	10816.56	53277.01	26180.46	0.8327	0.5974	2.50
Previous Week 14th August	13854.38	9313.20	3927.18	10750.11	53732.41	26729.16	0.8310	0.5889	2.50
Change	0.85%	-0.47%	-0.56%	0.61%	-0.85%	-2.10%	0.20%	1.42%	0.00%

The NZX 50 rose 0.85% over the week to close at 13,972.66, continuing its recent upward momentum. Provisional estimates from the Infometrics June 2026 Quarterly Economic Monitor suggest economic activity increased 2.6% in the June quarter and was 1.7% higher than a year earlier. While employment growth remained softer than broader activity, job numbers rose 0.4% over the quarter, including a 0.3% lift in Auckland, following a period of weakness over the past two years.

The All Ordinaries fell 0.47% to close at 9,269.70. Although there was some positive jumps from CSL and BHP, following their profit results. There was weakness in consumer discretionary, and technology stocks, and renewed inflation concerns as oil prices rose. Labour market data also softened, with Australia's unemployment rate rising to 4.5% in July, its highest level in nearly five years, easing near-term pressure on the RBA to hike again. Economists say the rise in unemployment is consistent with the Reserve Bank's expectation that economic conditions will gradually slow over the coming year, and it makes the chance of another interest rate hike less likely.

The Shanghai Composite declined 0.56% to close at 3,905.20, as sentiment remained cautious following weaker July activity data. Industrial output growth slowed to 4.5% year-on-year, down from 5.3% in June, while retail sales growth eased to 0.6%, below expectations despite support from summer holiday tourism spending. Fixed-asset investment also contracted 6.7% over the first seven months of 2026. The data suggests China's slowdown extended into July following one of its weakest quarterly growth readings on record, adding pressure on Beijing to provide further policy support. However, markets found some support later in the week after an emergency buyback of longer-dated debt by the U.S. Treasury helped ease pressure from rising long-term yields, supporting broader Asian market sentiment.

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The FTSE 100 gained 0.61% to close at 10,816.60, supported by commodity-linked shares, particularly mining stocks, as gold and copper prices firmed. UK economic data was more mixed but generally resilient, with retail sales falling 0.5% in July, while the flash services PMI rose to a six-month high of 52.8, and the composite PMI increased to 52.5

The Dow Jones fell 0.85% to close at 53,277.01 and the Nasdaq Composite declined 2.10%, finishing up at 26,180.46 with the Nasdaq underperforming as technology shares came under pressure. US equities rebounded on Friday but still finished lower for the week, as investors focused on volatile bond yields, oil price strength, and Middle East Tensions.

The biggest movers of the week ending 21 August 2026

Up		Down	
Spark New Zealand	12.44%	Turners Automotive Group	-6.91%
Gentrack Group	10.13%	ANZ Group Holdings Limited (NZ)	-5.83%
EBOS Group	7.16%	Westpac Banking	-4.96%
Mercury NZ	6.92%	Stride Stapled Group	-4.37%
Fletcher Building	6.12%	Freightways Group	-4.06%

Source: LSEG

Investment News

a2 Milk Company (ATM.NZ / A2M.ASX) - FY26 result

a2 Milk reported FY26 revenue of $1.97b, up 12.4%, with growth across all key markets. Infant milk formula sales increased 5% in a flat China market, while Other Nutritionals grew strongly and Liquid Milk sales increased 22%, supported by market share gains in Australia, New Zealand and the United States. However, the result was affected by supply chain disruption in the fourth quarter, which reduced China-label infant formula availability and added extra costs. Net profit after tax was $207.5m, while underlying NPAT rose 7.0%. The company also declared a $300m special dividend and lifted full-year ordinary dividends to 21 cents per share, while guiding to mid-single-digit revenue growth and an EBITDA margin of around 15% for FY27. Bulls will focus on the strong balance sheet, special dividend, product innovation and growth outside traditional China-label formula; bears will note that China recovery may take time, and the FY27 outlook was softer than the market expected. Share Price Reaction: a2 Milk shares fell after the result, with investors focusing more on the weaker FY27 outlook and China recovery risk than the FY26 revenue growth and shareholder returns.

Current Share Price: $8.16, **Consensus Target Price:** $9.24, **Forecast Dividend Yield:** 3.25%.

Freightways (FRW.NZ / FRW.ASX) - FY26 result

Freightways delivered a resilient FY26 result, with revenue up 13.5% to $1.46b, EBITA (earnings before interest, tax and amortisation) up 14.6% to $181.6m, and net profit after tax up 17.3% to $94.0m. Cash generated from operations increased 14.9% to $279.4m, and the full-year dividend was lifted to 45 cents per share, up from 40 cents in FY25. The result was supported by market share gains, the VT Freight Express acquisition in Australia, and improved performance in parts of the information management and waste renewal businesses. However, trading softened late in the year after higher fuel prices and weaker customer demand affected volumes, particularly in the final quarter. Bulls will focus on Freightways' consistent long-term execution, stronger earnings and dividend growth; bears may note that demand remains linked to economic activity, fuel costs and customer parcel volumes. Share Price Reaction: Freightways shares fell after the result, as the market focused on the softer fourth-quarter trading conditions and more cautious FY27 outlook, despite the strong full-year numbers.

Current Share Price: $13.48, **Consensus Target Price:** $15.23, **Forecast Dividend Yield:** 3.83%.

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Spark New Zealand (SPK.NZ / SPK.ASX) - FY26 result

Spark reported FY26 results within guidance, with reported revenue up 6.0% to $3.95b and reported EBITDAI (earnings before interest, tax, depreciation, amortisation and investment income) up 23.0% to $1.30b, although adjusted EBITDAI fell 2.4% to $1.04b. Free cash flow increased 18.5% to $308m, supported by cost control and the completion of the data centre transaction, which helped reduce debt to targeted levels. The Board declared a final dividend of 8 cents per share, taking the total FY26 dividend to 16 cents per share, representing 100% of free cash flow. Operationally, Spark highlighted the return of mobile service revenue to growth, with mobile revenue up 4.4% and mobile service revenue up 1.1%. Bulls will focus on improved cash flow, mobile momentum, debt reduction and the potential value from Spark's strategic review of Digital Services; bears may note that adjusted earnings still declined and the company remains in a transition phase under its SPK-30 strategy. Share Price Reaction: The share price reaction was relatively measured, as investors balanced the stronger cash flow and stable dividend against softer adjusted earnings and the need to see further progress from the SPK-30 strategy.

Current Share Price: $2.17, **Consensus Target Price:** $2.51, **Forecast Dividend Yield:** 7.69%.

Heartland Group (HGH.NZ / HGH.ASX) - FY26 result

Heartland reported a much stronger FY26 result, with net profit after tax of $93.2m, up from $38.8m in FY25, while underlying NPAT rose to $90.4m, up from $46.9m. The improvement reflected better margins, stronger asset quality and improved performance across both New Zealand and Australian banking operations. Heartland Bank's average net interest margin (the difference between what it earns on lending and pays for funding) increased to 4.08%, while Heartland Bank Australia also benefited from lower-cost deposit funding and strong reverse mortgage growth. The Board declared a final dividend of 3.5 cents per share, taking the full-year dividend to 7.0 cents per share. Bulls will focus on the clear profit recovery, improved margins and strong capital position; bears may note that Heartland remains exposed to economic conditions in key lending sectors such as construction, transport, rural lending and reverse mortgages. Share Price Reaction: The result should be supportive for sentiment, as Heartland delivered a clear earnings recovery and a higher dividend, although investors will continue to watch credit quality and the proposed transaction process.

Current Share Price: $1.27, **Consensus Target Price:** $1.37, **Forecast Dividend Yield:** 5.91%.

Walmart (WMT.NYS) - Q2 FY27 result

Walmart reported Q2 FY27 revenue growth of 5.9%, with adjusted earnings per share of US$0.81 and global eCommerce sales up 23%. The company raised its FY27 outlook, now expecting full-year net sales growth of 4.0% to 5.0% and adjusted earnings per share of US$2.80 to US$2.87. The result showed Walmart continues to benefit from its scale, value positioning and investment in online shopping, delivery and advertising. However, U.S. comparable sales growth was softer than expected, and management gave a cautious third-quarter outlook, partly reflecting timing differences and the decision to reinvest tariff refunds into lower prices and customer experience. Bulls will focus on Walmart's defensive consumer position, eCommerce growth and ability to win share in tougher conditions; bears may note that lower-income consumers remain under pressure and sales growth is slowing in parts of the U.S. business. Share Price Reaction: Walmart shares fell sharply after the result, as the market focused on the softer U.S. comparable sales and cautious third-quarter guidance, despite the stronger full-year outlook.

Current Share Price: $103.70, **Consensus Target Price:** $128.14, **Forecast Dividend Yield:** 0.96%.

BHP Group (BHP.ASX) - FY26 result

BHP reported a strong FY26 result, with revenue up 15% to US$58.8b, attributable profit of US$9.8b, and underlying attributable profit up 30% to US$13.2b. The key story was copper, which became BHP's largest earnings driver for the first time, contributing more than half of underlying EBITDA, supported by strong prices and demand from electrification, power networks, data centres and infrastructure. BHP also reported record Western Australian iron ore shipments and declared a US$0.99 final dividend, taking total FY26 dividends to US$1.72 per share, the highest in four years. Bulls will focus on BHP's stronger commodity mix, copper growth and shareholder returns; bears may note that profits remain exposed to commodity prices, China demand, cost inflation and project execution risk. Share Price Reaction: BHP shares rose after the result, with investors responding positively to the copper-driven earnings growth and higher dividend. **Current Share Price:** $65.15, **Consensus Target Price:** $60.76, **Forecast Dividend Yield:** 2.28%.

Target (TGT.NYS) - Q2 FY26 result

Target delivered a stronger Q2 FY26 result, with net sales up 5.3%, comparable sales up 3.8%, and customer traffic up 3.6%. Digital comparable sales increased 8.7%, helped by strong same-day delivery growth, while all six core merchandise categories recorded sales growth. Earnings per share doubled to US$4.11, although this included a benefit from tariff refunds. Management raised full-year expectations, now guiding to net sales growth of around 5%, one percentage point higher than previous guidance. Bulls will focus on improving traffic, stronger digital growth, price reductions on more than 10,000 items and signs the turnaround is gaining traction; bears may note that some of the earnings benefit came from tariff refunds, and the company still needs to prove the recovery is sustainable across clothing, home goods and discretionary categories. Share Price Reaction: Target shares rose after the result, with investors responding positively to the sales recovery, stronger customer traffic and upgraded outlook.
Current Share Price: $165.44, **Consensus Target Price:** $164.55, **Forecast Dividend Yield:** 2.79%.

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Upcoming Dividends: 25th August to 25th September 2026.

Description	Security	Ex Div Date	Books Close	Gross Dividend Amount	Pay Date
Ebos Group Ltd	EBO	27-Aug-26	28-Aug-26	66.28	18-Sep-26
Heartland Group Holdings Ltd	HGH	27-Aug-26	28-Aug-26	4.86cps	11-Sept-26
Investore Property Ltd	IPL	27-Aug-26	28-Aug-26	2.08cps	7-Sept-26
Quayside Holdings Ltd	QHLHA	01-Sep-26	02-Sep-26	1.295 cps	12-Sep-26
Westpac New Zealand Ltd	WNZHA	02-Sep-26	03-Sep-26	1.78 cps	14-Sep-26
Downer EDI Ltd	DOW	2-Sept-26	3-Sept-26	19.50cps	1-Oct-26
Mercury NZ Ltd	MCY	2-Sept-26	3-Sept-26	17cps	30-Sept-26
Bank of New Zealand	BNZHA	03-Sep-26	04-Sep-26	1.83 cps	14-Sep-26
Works Finance (NZ) Ltd	WKSHA	04-Sep-26	05-Sep-26	1.79 cps	15-Sep-26
ANZ Bank New Zealand Ltd	ANBHD	08-Sep-26	09-Sep-26	1.90 cps	21-Sep-26
Argosy Property Ltd	ARG	08-Sep-26	09-Sep-26	1.88 cps	23-Sep-26
Vector Ltd	VCT	8-Sept-26	9-Sept-26	13.5cps	21-Sept-26
PGG Wrightson Ltd	PGW	10-Sep-26	11-Sep-26	7.64 cps	06-Oct-26
Freightways Group Ltd	FRW	10-Sept-26	11-Sept-26	33.33cps	1-Oct-26
Spark New Zealand Ltd	SPK	10-Sept-26	11-Sept-26	9.56cps	2-Oct-26
NZX Ltd	NZX	15-Sept-26	16-Sept-26	4.44cps	30-Sept-26
Auckland International Airport Ltd	AIA	16-Sept-26	17-Sept-26	9.38cps	2-Oct-26
The a2 Milk Company Ltd	ATM	17-Sept-26	18-Sept-26	9.5cps	2-Oct-26
Seeka Ltd	SEK	17-Sept-26	18-Sept-26	27.78cps	15-Oct-26
The Colonial Motor Company Ltd	CMO	24-Sept-26	25-Sept-26	34.72cps	5-Oct-26

Source: LSEG

For more information and to stay updated subscribe to our newsletter and consult with your Financial Adviser to tailor your investment strategy.