

# Yovich & Co. Weekly Market Update

4<sup>th</sup> August 2025

## Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Previous Week 25 <sup>th</sup> July	12853.46	8934.34	3593.66	9120.31	44901.92	21108.32	0.9164	0.6018	3.25%
Week Close 1 <sup>st</sup> August	12729.40	8917.05	3559.95	9068.58	43588.58	20650.13	0.9139	0.5916	3.25%
Change	-0.97%	-0.19%	-0.94%	-0.57%	-2.92%	-2.17%	-0.27%	-1.69%	0.00%

The NZX 50 Index dipped last week, closing down 0.97%, with 17 of the top 50 companies finishing in the black and three remaining unchanged.

August is a busy month for financial markets. It marks reporting season for NZX-listed companies with a June 2025 financial year-end. This month, we expect to hear from 28 companies within the S&P/NZX 50 benchmark, representing approximately 60% of the index by weight. The macroeconomic backdrop for the reporting period remains challenging, particularly for sectors exposed to consumer spending, housing, and construction, despite the economy being well into an interest rate cutting cycle. Dampening the potential boost from lower rates are concerns over new trade tariffs potentially introduced under a second Trump presidency, alongside persistent domestic cost-of-living pressures. A rare bright spot for the New Zealand economy has been agricultural exports. However, this sector is not a significant part of the companies reporting this season, and the situation is further complicated by the new 15% tariffs (a 5% increase) on NZ exports to the US. Beyond macroeconomic factors, company-specific challenges persist. The Gentailer sector is grappling with fuel supply issues; Spark has been impacted by reduced government spending; and Auckland International Airport continues to report sluggish passenger volumes due to ongoing engine constraints at Air New Zealand. Dividends from cyclical sectors are expected to be minimal or significantly lower as balance sheet capacity continues to be absorbed in this downcycle. Also, as mentioned last week, Money Month, a government-led initiative, is underway, encouraging New Zealanders to engage with their finances. This year's focus is on building an emergency fund. Click [here](#) to find upcoming events.

Across the Tasman, the All-Ordinaries Index held relatively steady, down just 0.19% for the week. Mining and banking stocks continued to lose momentum, with additional drag coming from the healthcare and technology sectors — including names like Xero and WiseTech Global. On a positive note, utilities performed well, and ResMed bucked the broader healthcare trend by posting gains. Notably, Australia avoided further tariff hikes under Trump's latest announcements, with rates holding at 10%.

In the US, both the NASDAQ and the Dow were trimmed by 2.17% and 2.92% respectively, wiping some of the gains made in the previous week. The decline followed a flurry of economic developments, most significantly President Donald Trump signing an executive order imposing new duties on U.S. imports from countries including Canada, Brazil, India, and Taiwan. The move is part of his broader strategy to pressure trade partners into negotiating more favourable terms. Additionally, job growth data for July came in weaker than expected, hinting at possible early signs of strain in the labour market. As a result, markets are now anticipating a 0.25% interest rate cut by the Federal Reserve.

The biggest movers of the week ending 1 August 2025			
Up		Down	
Fonterra Shareholders' Fund	5.45%	Mainfreight	-10.61%
Chorus	3.01%	Vulcan Steel	-6.09%
ANZ Bank	2.45%	KMD Brands	-5.77%
Tower	2.40%	SKYCITY Entertainment Group	-3.92%
Argosy Property	2.22%	Tourism Holdings	-3.76%

Source: Iress

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## Investment News

### Briscoe Group (BGP.NZ)

Briscoe Group announced an unaudited 2.07% rise in Q2 sales to \$192.9 million, helping offset a soft Q1 and bringing H1 sales to \$371.3 million, just 0.22% below the previous year. Online sales rose to 19.36% of group sales, driven by 2.92% growth and with a new platform launch set for August. Homeware sales recovered with a 3.97% Q2 lift, while sporting goods dipped 1.34%, reflecting ongoing discretionary spending pressure. Group inventory remains below last year's levels, and Net Profit After Tax is expected to exceed \$29 million. Briscoe's full half-year results will be released on 10 September 2025.

**Current Share Price:** \$6.07, **Consensus Target Price:** \$4.89, **Forecasted Gross Dividend Yield:** 5.5%.

### ResMed (RMD.ASX)

ResMed closed FY2025 with robust Q4 results, reporting a 10% year-on-year revenue increase to US \$1.35 billion, while non-GAAP operating profit rose 19% and EPS grew 23% to US \$2.55. Full-year revenue reached US \$5.15 billion, driven by continued strength in its sleep and breathing devices and growth in its digital health ecosystem, particularly Residential Care Software. Gross margins expanded by 230 basis points, supported by procurement efficiencies and favourable currency shifts. The company generated US \$539 million in operating cash flow in Q4, increased its quarterly dividend 13% to US \$0.60, and announced the acquisition of VirtuOx to expand at-home diagnostic capabilities. CEO Mick Farrell signalled ongoing investment in innovation and digital scalability as ResMed heads into FY2026.

**Current Share Price:** \$42.88, **Consensus Target Price:** \$46.70, **Forecasted Gross Dividend Yield:** 0.6%.

### Mainfreight (MFT.NZ)

Mainfreight delivered solid FY2025 revenue growth of 11% to \$5.24B, driven largely by strong Australian performance, though profit before tax fell 3% due to increased overheads and mixed global results. Net profit rose 31% thanks to a prior-year tax adjustment. Despite headwinds, economic softness, customer downtrading, and weaker results in NZ, Asia, and the Americas, the company is investing in network expansion and sustainability. Air & Ocean volumes rose, warehousing activity was mixed, and the transport division gained market share. Looking ahead, Mainfreight anticipates improved trading conditions and tighter cost control to support H2 performance. Overall, analysts expect a challenging near-term environment but retain confidence in Mainfreight's long-term fundamentals, pointing to management's proven ability to navigate downturns and the company's strategic investments in automation and global capacity expansion.

**Current Share Price:** \$60.50, **Consensus Target Price:** \$73.21, **Forecasted Gross Dividend Yield:** 3.90%.

### Microsoft (MSFT.NAS)

Microsoft posted a standout Q4 FY2025, with revenue up 18% to \$76.4 billion and net income rising 24% to \$27.2 billion, driven by a 39% surge in Azure revenue. The company announced a record \$30 billion in capital expenditure to expand its AI and cloud infrastructure, as its AI tools reached 100 million users. Despite this momentum, Microsoft laid off 9,000 employees in a major restructuring move. The market reacted strongly, sending shares up nearly 9% and lifting its market cap above \$4 trillion, as investors embraced Microsoft's accelerating leadership in AI and cloud. These results reinforced confidence in Microsoft's AI-driven cloud strategy and fuelled a broader rally across major U.S. stock indexes.

**Current Share Price:** \$524.11, **Consensus Target Price:** \$394.57, **Forecasted Gross Dividend Yield:** 0.7%.

### Upcoming Dividends: 4<sup>th</sup> August to 4<sup>th</sup> September.

Description	Security	ExDivDate	BooksClose	Gross Dividend Amount	Pay Date
Australian Foundation Investment Company	AFI	5-Aug-25	6-Aug-25	21.34cps	28-Aug-25

Source: Iress

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

## Spotlight Money Month: Budgeting Your Way to Financial Peace of Mind

### Budgeting and Emergency fund

One of the most powerful financial decisions anyone can make is to take control of their money, not just in terms of numbers on a spreadsheet, but in the way money impacts day-to-day life, emotional wellbeing, and long-term security. That's why, during this Money Month, we're focusing on two fundamental yet life-changing concepts: budgeting and building an emergency fund.

### The Emergency Fund: Your Financial Safety Net

Imagine the peace of mind that comes from knowing you could handle an unexpected bill, a car repair, a dental emergency, or a gap in income without panic or debt. That's what an emergency fund provides: security, confidence, and breathing room when life throws a curveball.

Financial advisers typically recommend having three to six months of essential living expenses set aside in an easily accessible savings account. For many, even that first \$500 or \$1,000 can feel like a stretch. The good news? Building an emergency fund doesn't require a big windfall, it just requires a plan.

### Budgeting: The Emotional and Practical Backbone

A budget is more than a financial tool; it's a statement of priorities. It tells your money where to go, rather than wondering where it went. Budgeting should not be viewed as a restrictive exercise, rather as a form of empowerment. It's a way to take ownership of your financial life with clarity and intention.

Emotionally, budgeting reduces stress, guilt, and uncertainty. Instead of avoiding bank balances or reacting to financial surprises, you gain confidence by knowing where you stand. Clients often report that just having a budget in place makes them feel more in control regardless of income level.

Practically, budgeting creates the structure needed to start or grow an emergency fund. By tracking where your money goes each month, you can uncover hidden spending, reallocate funds, and build savings without feeling deprived.

### Tools That Help Turn Intention into Action

Budgeting doesn't have to be complicated. In fact, the simpler the system, the more likely you are to stick with it. There are many services to help with setting a budget. Some banks have functions as part of their online Banking applications. There are local budgeting services and online tools/apps such as [Sorted](#) and [Sort Me](#), which provide a practical and personalised approach. These tools separate your income into different 'pots' for bills, lifestyle spending, and savings including your emergency fund. They take the thinking out of budgeting and offer the discipline and structure many people need.

### Real Change Starts Small

One of the biggest misconceptions about emergency funds and budgeting is that you have to overhaul everything at once. Not true. Start with small, consistent steps.

- Set a realistic savings goal: \$500 or \$1,000 is a powerful starting point.
- Add "Emergency Fund" as a non-negotiable line in your budget.
- Automate savings weekly or monthly, even if it's just \$10 or \$20 at a time.
- Review your budget monthly to track your progress and make adjustments.

It's not about how much you make, it's about what you do with what you have. When you budget intentionally and save consistently, you create more than financial stability, you build financial resilience.

### This Week's Challenge

We challenge you to:

1. Track your spending - every dollar, every category.
2. Review and reflect - What surprised you? What can be adjusted?
3. Open or top up an emergency fund account, even with a small deposit.
4. Explore a budgeting tool or service that fits your lifestyle.