

Yovich & Co. Market Update

July 24th 2017

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Previous Month	7611.44	5764.04	3192.43	7312.72	21349.63	6140.42	0.9539	0.7332	1.75%
Week Close	7670.86	5771.19	3237.98	7452.91	21580.07	6387.75	0.9421	0.7455	1.75%
Change	0.78%	0.12%	1.43%	1.92%	1.08%	4.03%	-1.23%	1.67%	0.00%

Market Themes

- Another record high was reached for the NZX Gross Index, with growth companies like Serko (SKO.nz), EROAD (ERD.nz) and Trilogly (TIL.nz) leading the market higher.
- The political landscape is starting to heat up as the election on 23 September 2017 gets closer. At this early stage the markets have not been too concerned about a change so the assumption is that it will be a National lead Government without any major change to the direction that the economy is taking.
- A switch from the Mining stocks back to the Financials has seen the market in Australia trade sideways over the past month.
- Motoring stocks such as BMW, Daimler and Volkswagen fell last week as Tesla rolled out the first Model 3 from the production line. This saw the export weighted DAX index slide further since the highs reached in June.
- The NASDAQ index has surged ahead after consolidating in June.
- The Kiwi remained strong against the Greenback and is trading close to the ceiling of the range over the past 2 years.

Investment News

Preferred High Yielding Equities.

Code	Stock	Rec.	Price	Target Price	P/E		Gross Yield	
					12MF	24MF	12MF	24MF
PGW.nz	PGG Wrightson Limited	Neutral	\$ 0.59	\$ 0.62	12.7	12.1	9.40%	9.40%
MVN.nz	Methven Limited	Outperform	\$ 1.11	\$ 1.15	9.9	9.2	9.10%	9.40%
SKT.nz	Sky Network Television Limited	Neutral	\$ 3.35	\$ 3.55	11.8	12.8	11.90%	10.90%
MEL.nz	Meridian Energy Limited	Neutral	\$ 2.87	\$ 2.74	33.6	30.9	8.20%	8.10%
ARG.nz	Argosy Property Limited	Outperform	\$ 1.04	\$ 1.08	15.9	15.6	8.30%	8.30%
TGH.nz	Tegel	Outperform	\$ 1.27	\$ 1.56	11.5	11.3	7.80%	8.00%
HBL.nz	Heartland Bank Limited	Neutral	\$ 1.79	\$ 1.73	13.9	13.2	7.40%	7.70%
SKL.nz	Skellerup Holdings	Neutral	\$ 1.68	\$ 1.55	14.9	14.3	7.50%	7.70%
NZX.nz	NZX Limited	Neutral	\$ 1.18	\$ 1.15	17.5	15.6	7.40%	7.70%
GMT.nz	Goodman Property Trust	Neutral	\$ 1.24	\$ 1.27	15.6	14.9	7.50%	7.50%
TLS.nz	Telstra Corporation Limited	Neutral	\$ 4.37	\$ 5.11	13.9	13.2	7.00%	6.60%
IFT.nz	Infratil Limited	Neutral	\$ 3.09	\$ 3.17	36.4	25.5	7.40%	7.50%
THL.nz	Tourism Holdings	Neutral	\$ 4.26	\$ 4.10	14.1	13.3	6.50%	7.50%
KPG.nz	Kiwi Property Group Limited	Neutral	\$ 1.38	\$ 1.40	18.1	18	6.90%	7.00%
MPG.nz	Metro Performance Glass Limited	Outperform	\$ 1.45	\$ 1.88	9.9	9.7	7.70%	7.90%
SCL.nz	Scales	Outperform	\$ 3.42	\$ 4.00	13.2	12.3	6.80%	7.60%
CEN.nz	Contact Energy Limited	Outperform	\$ 5.25	\$ 5.85	22.3	19.6	6.60%	6.80%
ZEL.nz	Z Energy Limited	Neutral	\$ 7.85	\$ 8.22	14.3	12.5	7.30%	11.10%