

# Yovich & Co. Weekly Market Update

17<sup>th</sup> March 2025

## Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
<b>Previous Week 7<sup>th</sup> March</b>	12399.78	8178.50	3372.55	8679.88	42801.72	18196.22	0.9055	0.5710	3.75%
<b>Week Close 14<sup>th</sup> March</b>	12266.25	8013.35	3419.56	8632.33	41488.19	17754.09	0.9088	0.5746	3.75%
<b>Change</b>	-1.08%	-2.02%	1.39%	-0.55%	-3.07%	-2.43%	0.32%	0.49%	0.00%

The S&P/NZX 50 Index dropped 1.08% over the past week, closing at 12,266.25. So far this year, it has fallen 6.23%, though it remains 3.88% higher over the past 12 months.

The Australian All Ordinaries Index also declined, losing 2.02%, reflecting broader weakness in global markets and concerns over international trade policies.

Meanwhile, the Shanghai Composite Index gained 1.56%, outperforming major indices. The rise appears to be driven by optimism around potential government stimulus aimed at boosting domestic consumption and economic growth.

The UK FTSE 100 Index saw a slight decline, likely due to ongoing uncertainty around trade policies and shifting market sentiment.

In the United States, both the DJIA and NASDAQ posted sharp declines, with trade tensions escalating further. President Donald Trump's decision to double tariffs on Canadian steel and aluminium imports to 50% added to fears of an economic slowdown, leading to a broad market sell-off. The S&P 500, now down 4.13% year-to-date, is approaching correction territory as investors grow increasingly cautious about the long-term impact of trade disputes.

## Weekly Market Movers

The biggest movers of the Week ending 14 <sup>th</sup> March 2025			
Up		Down	
Vista Group International	8.70%	Oceania Healthcare	-5.97%
Serko	7.10%	Gentrack Group	-5.89%
Sanford	6.64%	Summerset Group	-4.65%
The a2 Milk Company	6.54%	Fisher & Paykel Healthcare	-4.64%
Fonterra Shareholders' Fund	6.36%	The Warehouse Group	-4.30%

Source: Iress

## Investment News

### Vista Group International (VGL.NZ)

Vista Group International has experienced significant growth, with its stock surging 116% over the past year. The company recently announced the retirement of long-serving director Kirk Senior, effective after the Annual Shareholders Meeting on May 21, 2025. Kirk Senior played a crucial role in Vista's 2014 IPO and its expansion into new industry verticals.

Vista Group continues to strengthen its market position by securing key agreements with major cinema chains, including Odeon Cinemas Group and Village Cinemas Australia, which have adopted the Vista Cloud platform. These developments signal the company's ongoing efforts to enhance its industry footprint, leverage cloud-based solutions, and build strategic client partnerships. Investors remain optimistic about Vista's trajectory, as it continues to innovate and expand in the global cinema technology space.

**Current Share Price:** \$3.95, **Consensus Target Price:** \$3.96, **Total Potential Return:** 0.25%

### Fonterra Co-operative Group (FSF.NZ)

Fonterra Co-operative Group, New Zealand's leading dairy company, is undergoing significant strategic transformations. In November 2024, Fonterra announced plans to divest its consumer business, including renowned brands such as Anchor, Mainland, and Western Star, aiming to focus more on its business-to-business dairy nutrition segment. This divestment could potentially raise between NZD 1 to 2 billion.

To facilitate this transition, Fonterra has restructured its management team. Richard Allen now leads the global ingredients division, while Teh-han Chow oversees the global foodservice sector. Additionally, the company has appointed René Dedoncker as CEO-elect and Paul Victor as CFO-elect for the prospective standalone entity, Mainland Group, should the divestment proceed via an initial public offering (IPO).

Financially, Fonterra has raised its forecast earnings by up to 25%, reflecting robust global dairy demand. The company is also engaging with potential buyers and preparing for an IPO, with first-round bids expected by the end of March 2025.


**Current Share Price:** \$5.55, **Consensus Target Price:** \$5.70, **Total Potential Return:** 2.70%

## Spotlight on Infratil (IFT.NZ) – Celebrating 31 years of Infrastructure

From a bold idea in 1994 Lloyd Morrison started Infratil. Lloyd's idea was that investing in infrastructure could significantly improve lives. In March 1994 Infratil was listed on the NZ Stock Exchange, providing individuals with the ability to invest in global infrastructure assets. The investments/assets are across digital infrastructure (64%), renewable energy (22%), healthcare (10%) and airport (4%) sectors. Within these sectors, Infratil invests in a range of diverse companies globally. The aim is to deliver long-term shareholder returns of 11–15% a year through a mix of share price appreciation and dividend returns.

Infratil's disciplined active investment approach is: 1) Our assets are diversified by industry and geography, 2) Our risk is manageable if our investments fall in value, 3) Bonds are an important part of our funding. "We take a robust approach to investing and carefully examine the performance and risks of companies we invest in. Investors usually assess companies on their returns. To understand if returns are good and are repeatable you need to understand the risks a company takes to deliver these returns."

<b>Security Code</b>	IFT.NZ			
<b>Description</b>	Multi-Sector Holdings- Global Infrastructure			
<b>Exchange</b>	NZX/ASX			
<b>Industry</b>	Finance			
<b>Market Capitalisation (NZD)</b>	\$10.04 Billion			
<b>Index</b>	NZX50			
<b>Weighting in Index</b>	6.77%			
<b>Current Price (NZD)</b>	\$		10.34	
<b>Target Price (NZD)</b>	\$		12.87	
<b>Discount to Target Price</b>	19.66%			
<b>5 Year Hist Return</b>	24.50%			
<b>5 Year Hist Risk (SD)</b>	25.41%			



<b>Forecasts</b>	<b>6/2024A</b>	<b>6/2025F</b>	<b>6/2026F</b>	<b>6/2027F</b>
<b>PE Ratio</b>	-31.7	37.71	32.76	24.62
<b>Dividend Yield (%)</b>	1.88%	2%	2.01%	2.15%
<b>Revenue (NZD)</b>	\$2,995 Million	\$3,415 Million	\$3,555 Million	\$3,708 Million
<b>EBITDA (NZD)</b>	\$864 Million	\$982 Million	\$1,116 Million	\$1,305 Million
<b>Net Debt (NZD)</b>	\$5,472 Million	\$4,981 Million	\$5,263 Million	\$3,708 Million
<b>\$</b>	9.65	\$ 11.26	\$ 12.87	\$ 14.48
<b>Strong Buy</b>	Buy	Hold	Sell	Strong Sell

Infratil has not been able to avoid the recent sell-offs impacting global markets as its share price decreased from an all-time high of \$13.34 in October 2024 to the current levels. In times of heightened uncertainty, quality becomes an important differentiator. Infratil's strategy has always been built on backing high-quality assets, great management teams who are invested in their businesses, and structural tailwinds that drive sustainable, long-term growth. While markets can fluctuate in the short term, the focus remains on the core themes underpinning Infratil's investment strategy and careful, patient capital allocation. Even with the discounted share price, the 10-year shareholder return remains at a strong 17.4%, this is above the rolling 11-15% p.a. returns that Infratil aims to provide to shareholders. The recent insider buying from directors and senior management, including the CEO and CFO, as announced to the NZX - demonstrates their confidence in Infratil's outlook. The financial report for the year ending 31 March 2024 will be published in May 2025.

**Current Share Price: \$10.34, Consensus Target Price: \$12.87, Consensus Forecast Dividend Yield: 1.88%, Total Return: 21.54%.**

### Upcoming Dividends: 18th March to 18th April.

Description	Security	ExDivDate	BooksClose	Gross Dividend Amount	Pay Date
NZME	NZM	18-Mar-25	19-Mar-25	8.33 cps	31-Mar-25
NZX	NZX	18-Mar-25	19-Mar-25	4.3 cps	2-Apr-25
AUCKAIR	AIA	19-Mar-25	20-Mar-25	8.68 cps	4-Apr-25
BRISCOE	BGP	19-Mar-25	20-Mar-25	13.88 cps	27-Mar-25
GENESISENRGY	GNE	19-Mar-25	20-Mar-25	9.9 cps	10-Apr-25
PLP Fund	PLP	19-Mar-25	20-Mar-25	1.12 cps	27-Mar-25
SEEKA	SEK	19-Mar-25	20-Mar-25	6.94 cps	15-Apr-25
a2 Milk	ATM	20-Mar-25	21-Mar-25	11.8 cps	4-Apr-25
COLMOTOR	CMO	20-Mar-25	21-Mar-25	20.83 cps	31-Mar-25
Spark	SPK	20-Mar-25	21-Mar-25	16.14 cps	4-Apr-25
TOURHOLD	THL	20-Mar-25	21-Mar-25	3.47 cps	4-Apr-25
VECTOR	VCT	20-Mar-25	21-Mar-25	12 cps	31-Mar-25
NZ Land	NZL	24-Mar-25	25-Mar-25	2.54 cps	22-Apr-25
PGGWRIGHT	PGW	25-Mar-25	26-Mar-25	3.47 cps	3-Apr-25

Source: Iress

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