

Yovich & Co. Weekly Market Update

21st July 2025

Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Previous Week 11 th July	12686.68	8820.33	3510.18	8941.12	44371.51	20585.53	0.9135	0.6007	3.25%
Week Close 18 th July	12880.40	9006.76	3534.48	8992.12	44342.19	20895.66	0.9162	0.5958	3.25%
Change	1.53%	2.11%	0.69%	0.57%	-0.07%	1.51%	0.29%	-0.81%	0.00%

The NZX 50 Index rose 1.53% last week, with 22 of the top 50 companies finishing in the black and five remaining unchanged. Today, Stats NZ released the much-anticipated consumer price index (CPI) for the 12 months to the June 2025 quarter, which came in at 2.7%, up from 2.5% in March. This increase remains within the Reserve Bank’s target band of 1% to 3%. Quarterly data showed the biggest contributors were a 10.0% rise in vegetable prices and a 9.5% increase in cultural services. On the downside, domestic accommodation services fell 9.2%, and petrol prices dropped 4.8%. Notably, the rise in cultural services was mainly driven by higher subscription costs for TV streaming services.

Across the Tasman, the All Ordinaries Index climbed 2.11% for the week, buoyed by a brighter outlook for the mining sector. This followed disappointment from mortgage holders after the Reserve Bank of Australia held interest rates steady at 3.85% during its July meeting. However, with moderating inflation and softening employment data, economists are increasingly confident a rate cut will come in August.

Despite some solid earnings updates, European stocks posted a subdued performance on Friday following reports that U.S. President Donald Trump is considering imposing tariffs of at least 15% to 20% on EU imports, even if a trade deal is reached.

U.S. markets were mixed last week, with the tech-focused NASDAQ rising 1.5%, while the industry-heavy Dow edged down 0.07%. Annual inflation in the U.S. for June 2025 rose to 2.7% from 2.4% in May—closely mirroring New Zealand's rate. Although fuel prices declined, they were outweighed by increases in food costs. The Q2 earnings season is now underway, with Tesla and Alphabet set to report this week, and major players such as 3M and United Airlines having already announced results. Investors are focused on earnings performance and evaluating the impact of current and potential future tariffs.

The biggest movers of the week ending 18 July 2025				
Up			Down	
Briscoe Group	7.77%		Oceania Healthcare	-6.58%
Mainfreight	6.16%		SKYCITY Entertainment Group	-5.00%
Tower	6.13%		Gentrack Group	-4.63%
Infratil	5.96%		KMD Brands	-3.85%
The a2 Milk Company	5.26%		Channel Infrastructure NZ	-3.21%

Source: Iress

Investment News

Infratil (IFT.NZ)

Infratil shares jumped out of the gates on Wednesday, rising 3.51% after the company announced its inclusion in Australia's benchmark stock index. The S&P Dow Jones stated that it would add the infrastructure investor to the S&P/ASX 200 index, effective July 23, replacing gold company Spartan Resources. Infratil's addition to the Australian blue-chip index has contributed to the strong share price performance.

Current Share Price: \$11.55, **Consensus Target Price:** \$12.75, **Forecasted Gross Dividend Yield:** 1.80%.

NZ Windfarms (NWF.NZ)

NZ Windfarms has received final High Court approval for its scheme of arrangement with Meridian Energy, under which Meridian will acquire all remaining shares it does not already own. As a result, NZ Windfarms' shares were suspended from trading at the close of 18 July 2025, with a record date of 23 July and full delisting from the NZX set for 30 July. Shareholders on record will receive 25 cents per share in cash, and no action is required unless bank details need updating.

Takeover price: \$0.25.

BHP Group Limited (BHP.ASX)

BHP reported record copper and iron ore production for FY25, underpinned by strong operational performance across its global assets. Escondida in Chile delivered its best output in 17 years, while South Flank in Western Australia exceeded nameplate capacity in its first full year. Group copper production rose 8% to 2.0 Mt, and iron ore reached 263 Mt, supported by infrastructure efficiencies. Despite challenges like adverse weather and project cost increases—particularly for the Jansen potash project—BHP remains on track with production and cost guidance for FY26. The company also advanced sustainability goals, including low-emission shipping and green steel trials.

Current Share Price: \$40.29, **Consensus Target Price:** \$42.16, **Forecasted Gross Dividend Yield:** 2.50%.

Pacific Edge (PEB.NZ)

Pacific Edge has launched a \$5 million Share Purchase Plan (SPP) for eligible New Zealand shareholders, offering new shares at \$0.10 each—the same price as its earlier \$16.1 million placement, which is pending shareholder approval on 6 August 2025. The funds raised will support operations for over 12 months without Medicare coverage, accelerate adoption of its Cxbladder Triage test in the US following its inclusion in AUA guidelines, and advance product development for global markets.

Current Share Price: \$0.104, **Consensus Target Price:** \$0.10.

Upcoming Dividends: 22nd July to 22nd August.

Description	Security	ExDivDate	BooksClose	Gross Dividend Amount	Pay Date
Bankers Investment Trust	BIT	24-Jul-25	25-Jul-25	1.54cps	29-Aug-25
Henderson Far East Income Limited	HFL	24-Jul-25	25-Jul-25	14.07cps	29-Aug-25
Livestock Improvement Limited	LIC	31-July-25	1-Aug-25	16.97cps	15-Aug-25

Source: Iress

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