

Yovich & Co. Weekly Market Update

10th November 2025

Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Previous Week 31 st October	13548.32	9178.02	3954.79	9717.25	47562.87	23724.96	0.8747	0.5724	2.50%
Week Close 07 th November	13599.21	9031.70	3997.56	9682.57	46987.10	23004.54	0.8665	0.5629	2.50%
Change	0.38%	-1.59%	1.08%	-0.36%	-1.21%	-3.04%	-0.94%	-1.66%	0.00%

The NZX 50 rose 0.38% for the week to 13,599.21, helped by steady mid-week gains.

Australia's All Ordinaries Index declined 1.59% over the week to 9,031.70. At its November meeting, the Reserve Bank of Australia kept the cash rate unchanged at 3.60%, a decision that was unanimous and widely anticipated. The RBA attributed the recent uptick in inflation to temporary factors such as higher fuel costs, increased council rates, and the reversal of electricity rebates. Commonwealth Bank has updated forecasts showing underlying (trimmed mean) inflation peaking at around 3.2% before moderating to 2.6% by the end of 2027. Meanwhile, GDP growth expectations for 2025 have been slightly upgraded, with the unemployment rate projected to remain steady at approximately 4.4%.

The Shanghai Composite Index gained 1.08% over the week to close at 3,997.56. The rally followed a new government directive requiring state-backed data centres to exclusively use domestically produced AI chips, a move viewed as a significant step in China's ongoing strategy to reduce reliance on foreign technology amid persistent U.S. export restrictions. However, broader Asian markets weakened on Friday, weighed down by softer U.S. labour data which pointed to a slowdown in hiring momentum, while Chinese trade figures revealed an unexpected drop in October exports, following several months of accelerated shipments aimed at getting ahead of impending U.S. tariff increases.

The FTSE 100 eased 0.36% on the week to 9,682.57. The Bank of England held Bank Rate at 4.00% in a close 5–4 vote and signalled a data-dependent path ahead. Sector-wise, travel & leisure and some banks lagged into Friday, leaving the blue-chip index modestly lower week-on-week.

Wall Street finished mixed Friday but logged a risk-off week as investors questioned stretched AI-linked valuations and growth momentum. For the week, the Dow fell 1.21% to 46,987.10 while the Nasdaq dropped 3.04% to 23,004.54 (its worst week since April). U.S. 10-year yields hovered near 4.09%.

The biggest movers of the week ending 7 November 2025				
Up			Down	
Fletcher Building	7.06%		Serko	-13.24%
Turners Automotive Group	6.29%		Spark	-6.53%
Oceania Healthcare	4.43%		Gentrack Group	-5.90%
Fisher & Paykel Healthcare	3.77%		Channel Infrastructure NZ	-4.85%
Vulcan Steel	2.83%		Port of Tauranga	-3.94%

Source: Iress

Investment News

Amazon.com, Inc. (AMZN)

Amazon reported a strong Q3 2025, with net sales up 13% to US\$180.2 billion, and earnings of US\$1.95 per diluted share (vs US\$1.43 a year earlier) driven by a 20% jump in Amazon Web Services (AWS) revenue to US\$33.0 billion, its fastest cloud growth since 2022. North-America sales rose 11% to US\$106.3 billion and International 14% to US\$40.9 billion. Management reaffirmed heavy investment in infrastructure and AI, including plans to double AWS capacity by 2027 and annual capex of around US\$100-125 billion in 2025. The results were well-received, with shares jumping approximately 10-13% in after-hours trading. Bulls point to Amazon's scale, cloud/advertising traction and AI infrastructure build-out as long-term strengths; bears caution the hefty investments, margin pressure from one-off settlement and severance charges (circa US\$4.3 billion) and intensifying cloud/AI competition.

Current Share Price: \$244.41, **Consensus Target Price:** \$292.28.

Vital Healthcare Property Trust (VHP.NZ)

Vital Healthcare Property Trust announced the internalisation of its management structure and a NZ\$220 million capital raise to fund the transition and future developments. The internalisation will see Northwest Healthcare Properties, Vital's current manager, paid NZ\$214 million plus GST to relinquish management rights, with a net after-tax cost to Vital of NZ\$177 million, pending IRD approval. The move brings management in-house, expected to deliver annual cost savings of around NZ\$21 million and align governance and performance incentives directly with unitholders. The capital raising consists of a NZ\$190 million institutional placement at NZ\$1.95 per unit (a 9.5% discount) and a NZ\$30 million unit purchase plan (UPP) allowing eligible New Zealand unitholders to apply for up to NZ\$50,000 of new units each. The UPP offer runs from 14 to 28 November 2025, with settlement on 5 December 2025. Chair Graham Stuart said internalisation "marks an important milestone, positioning Vital for stronger and more sustainable returns." Bulls view the move as governance-enhancing and value-accretive, while bears point to the significant one-off cost and transition risks as management moves in-house.

Current Share Price: \$2.18, **Consensus Target Price:** \$2.13, **Forecasted Gross Dividend Yield:** 5.39%.

Kiwi Property Group (KPG.NZ)

Kiwi Property announced the conditional sale of Sylvia Park Lifestyle (SPL) — the large-format retail complex adjacent to Sylvia Park Shopping Centre — to a newly created Mackersey Large Format Retail (LFR) Fund for \$90 million, matching its March 2025 valuation. Kiwi Property will receive a mix of cash (between \$52.9m and \$65.3m) and units representing 50% of the new fund, while also underwriting up to an additional 25% stake. The transaction will release capital to fund ongoing mixed-use development projects and strengthen the balance sheet, while allowing Kiwi to retain management and leasing of the asset for a fee. CEO Clive Mackenzie said the deal "demonstrates the benefit of our investment in Mackersey," enabling the firm to recycle capital and scale its mixed-use portfolio. Bulls see the sale as a smart capital-management move that enhances liquidity and long-term growth flexibility, while bears may note the partial retention limits near-term cash inflows and maintains some exposure to retail market risk.

Current Share Price: \$1.08, **Consensus Target Price:** \$1.05, **Forecasted Gross Dividend Yield:** 6.47%.

Fletcher Building Limited (FBU.NZ / FBU.ASX)

Fletcher Building has completed the sale of its 13.4% stake in the Pūhoi to Warkworth (NX2) toll road public-private partnership for NZ\$20.2 million, inclusive of a pre-completion dividend, to a New Zealand-based infrastructure investor. The transaction marks the end of Fletcher's involvement in the NX2 consortium, held since 2016, and finalises its exit from public-private partnership (PPP) equity investments. CEO Andrew Reding said the sale "reflects our ongoing focus on simplifying our portfolio and concentrating on our core manufacturing and distribution competencies." The move supports Fletcher's ongoing capital recycling program, allowing management to redirect resources toward its building products and distribution divisions. Bulls view the divestment as a sensible simplification step that strengthens focus on higher-margin operations, while bears may note limited scale of proceeds and slower momentum in key construction markets.

Current Share Price: \$3.44, **Consensus Target Price:** \$3.32.

The a2 Milk Company (ATM.NZ / A2M.ASX)

The a2 Milk Company announced an expansion of its strategic partnership with China State Farm Agribusiness Holding (CSFA) to include English label (EL) infant milk formula (IMF) products in the cross-border eCommerce (CBEC) channel. The collaboration will begin with a2 Genesis™ from early 2026, with plans to extend to a2 Platinum™ and other EL products over time. CSFA, a long-term partner since 2013 and a subsidiary of China National Agriculture Development Group, will act as the exclusive import agent and master distributor for these products adding to its existing role for a2's China label range. CEO David Bortolussi said the deal "further strengthens control of our English label distribution in China" and simplifies logistics while enhancing brand presence across online and retail channels. Bulls view the expanded partnership as a strategic step to deepen market penetration and improve distribution efficiency, while bears may highlight ongoing regulatory and competitive challenges in China's premium IMF market.

Current Share Price: \$10.90, **Consensus Target Price:** \$9.37, **Forecasted Gross Dividend Yield:** 2.50%.

ANZ New Zealand (ANZ.NZ)

ANZ New Zealand reported a full-year cash net profit after tax of \$2.37 billion (+4%) for the year ended 30 September 2025, with statutory profit up 21% to \$2.53 billion due mainly to gains on economic hedges. Revenue rose 2% on solid lending and deposit growth, while expenses increased 3% amid ongoing inflationary pressures. Net interest margin improved 3 bps to 2.60%, supported by stronger home-lending margins. CEO Antonia Watson said the results show "New Zealand is turning the corner," with lower inflation and easing rates expected to lift confidence and activity through 2026. Customer deposits grew 5% and loans 4%, while a \$25 million credit impairment release compared with a \$44 million charge last year. ANZ NZ also invested \$550 million in technology and infrastructure, advancing its multi-year migration to a cloud-based core-banking platform targeted for completion by 2028. Bulls see these results as signalling resilience, digital leadership, and scope for earnings expansion into a recovery; bears highlight rising cost pressures and competitive margin compression in a slow-growth lending market.

Current Share Price: A\$36.80, **Consensus Target Price:** A\$34.28, **Forecasted Gross Dividend Yield:** 4.50%.

Upcoming Dividends: 11th November to 11th December.

Description	Security	ExDivDate	BooksClose	Gross Dividend Amount	Pay Date
Vital Healthcare Limited	VHP	12-Nov-25	13-Nov-25	2.72cps	25-Nov-25
Hallenstein Glasston Holdings Limited	HLG	4-Dec-25	5-Dec-25	37.21cps	12-Dec-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.