

Yovich & Co. Weekly Market Update

27th January 2026

Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Previous Week 16 th January	13718.10	9226.72	4101.91	10235.29	49359.33	23515.39	0.8606	0.5750	2.25%
Week Close 23 rd January	13448.24	9189.87	4136.16	10143.44	49098.71	23501.24	0.8628	0.5950	2.25%
Change	-1.97%	-0.40%	0.84%	-0.90%	-0.53%	-0.06%	0.26%	3.48%	0.00%

The S&P/NZX 50 fell 1.97% over the week closing at 13,448.24, marking its sharpest weekly pullback since late-2024. This was due to economic data here at home and abroad, as hotter-than-expected inflation lifted for the December quarter to 3.1% year on year. Raising concerns the RBNZ may need to hike Interest Rates later this year to keep inflation within the target range of between 1-3%.

Australia’s All Ordinaries slipped 0.40% over the week to 9,189.90, Friday itself was firmer, helped by tech and miners (particularly gold-linked names) as bullion strength continued to support resource earnings expectations. Data released last week showed the unemployment rate eased to 4.2% in December 2025. This week CPI will be released, and this will provide the market with a tilt of whether the RBA will stay on hold or has to lean more towards being hawkish.

China’s Shanghai Composite rose 0.83% over the week to 4,136.16. The tone remains “policy-support vs. growth-sustainability” markets are still reacting to incremental stimulus expectations and property-sector stabilisation efforts, with day-to-day moves often headline-driven. Manufacturing PMI is at 50.1 (back into expansion territory).

The FTSE 100 declined 0.90% over the week to 10,143.44, movements attributed to the late-week softness to renewed geopolitical uncertainty, even as commodity-linked areas (notably precious metal miners) outperformed amid strong gold and silver prices.

In the US, the Dow fell 0.53% over the week to 49,098.71, while the Nasdaq was essentially flat at 23,501.24. The week’s caution was tied to a mix of tariff/geopolitical headlines and shifting risk appetite, with gold strength and a softer USD also signalling defensive positioning. Looking towards this week we await the Fed’s policy rate which is expected to be held at 3.50%-3.75%.

The biggest movers of the week ending 23 January 2026			
Up		Down	
Tourism Holdings	3.07%	The a2 Milk Company	-12.42%
Heartland Group	2.49%	Vista Group International	-8.00%
Meridian Energy	1.97%	Vulcan Steel	-5.90%
Freightways	1.70%	Tower	-5.50%
Vector	1.45%	Gentrack Group	-5.44%

Source: Iress

Investment Picks for 2026

For our 2026 picks, we've focused on two clear areas: core New Zealand quality and high-growth international leaders. The New Zealand sleeve is made up of established businesses with proven market positions and more dependable earnings, with Ryman also offering an improving outlook as conditions normalise. The international sleeve is deliberately aimed at long-term growth, targeting two major themes that are shaping global markets, AI and cloud adoption, and the growing importance of cybersecurity. Overall, the intention is to keep the foundation of the list anchored in high-quality NZ companies, while adding exposure to global companies that are better positioned to benefit from faster-growing technology trends over the coming years.

Our 2026 Picks:

New Zealand

EBOS Group (EBO.NZ) is our defensive pick because it supplies medicines and healthcare products that people need regardless of the economy. It has also grown sensibly through recent acquisitions including SVS Veterinary Supplies, which has strengthened its position in the animal health market and adds another supportive earnings stream alongside its core healthcare operations. IRESS analyst consensus forecasts suggest the share price looks attractive at current levels, with an average target price in the mid-\$35 range versus a current price around \$27, and an expected dividend yield of roughly 4%. The main risks are that distribution is a low-margin business (so costs need to stay under control) and any changes to healthcare funding or pricing, but overall EBOS is a steady, high-quality company.

Ryman (RYM.NZ) is our "recovery" pick in New Zealand, based on improving conditions over time and long-term demand for retirement living as the population ages. IRESS analyst consensus forecasts point to only moderate upside in the short term, but the bigger takeaway is that profits are expected to improve over the next few years and debt is expected to reduce both of which are important because debt levels and the property market have been key concerns for investors. The key risks are softer house sales slowing resales, building costs staying high, and progress being slower than expected, but if Ryman keeps moving in the right direction it has meaningful upside from a low starting point.

Mainfreight (MFT.NZ) is a high-quality logistics company that moves goods around New Zealand and the world, and it has built a strong reputation and customer base over many years. IRESS analyst consensus forecasts suggest earnings may stay a bit softer in the near term, then improve as freight volumes pick up again, which is when Mainfreight usually benefits the most. The main risk is that if the global economy stays weak for longer, freight demand could stay subdued, but when conditions improve Mainfreight is often one of the first companies to see the upside.

International

Microsoft (MSFT.NAS) is one of our international picks because it's a high-quality global business with several strong growth drivers, rather than relying on just one product. It benefits from cloud computing through Azure, the everyday software many businesses use (like Microsoft Office), and the way AI is being built into those tools, with its partnership with OpenAI/ChatGPT adding to that advantage. IRESS analyst consensus forecasts suggest meaningful upside from current levels, and while it's a large company already, Microsoft's ability to keep growing and generate strong cash flow makes it a solid, lower-risk way to gain exposure to the AI trend.

Palo Alto Networks (PANW.NAS) is our cybersecurity pick, based on the view that protecting data and systems is now a "must-have" spend for most organisations. Many companies are also trying to simplify their security by choosing fewer, larger providers and Palo Alto is one of the leaders that can offer a broad range of protection in one place. IRESS analyst consensus forecasts point to attractive upside, but the key risks are that the share price can be sensitive if technology spending slows, and the company needs to keep executing well. Over the longer term, the growing importance of cybersecurity supports the investment case.

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Yovich & Co Stock Picks - Comparative Overview									
Company	Security Code	Exchange	Region	Industry	Current Price	Target Price	Discount (+) / Premium (-)	Forecasted Gross Dividend Yield	Total Return
Ebos Group	EBO	NZ	NZ	Health Care	\$26.93	\$35.31	31.12%	4.10%	35.20%
Ryman Healthcare	RYM	NZ	NZ	Health Care	\$2.88	\$3.23	12.15%	0.00%	12.15%
Mainfreight Limited	MFT	NZ	NZ	Industrials	\$67.54	\$74.17	9.82%	3.50%	13.50%
Palo Alto Network	PANW	NAS	US	Information Technology	\$184.22	\$227.49	23.49%	0.00%	23.49%
Microsoft	MSFT	NAS	US	Information Technology	\$470.28	\$622.04	32.27%	0.76%	33.03%

What the brokers picked (overview across the street)

Across the five brokers comparison, the collective tilt is clearly NZ-heavy and quality/defensive-leaning. There's a strong concentration in healthcare/ageing exposures (EBOS, Ryman, Summerset, Oceania), complemented by infrastructure/property income names (Infratil, Kiwi Property, Vital Healthcare Property Trust). Quality industrials and logistics also feature (Mainfreight, Freightways, Port of Tauranga), with some added domestic cyclical or yield plays (Spark, Mercury, Heartland, Fletcher, NZME).

Offshore picks are present but limited and they skew to established global quality (Mastercard, Alphabet), healthcare (CSL, Bio-Techne) and industrial electrification/efficiency (Schneider Electric), rather than higher-growth tech and cybersecurity specifically.

What this tells us is that EBOS is the clearest "consensus pick" across the group, while the next level of agreement clusters around NZ quality defensives and yield/industrial exposures.

Other Broker Picks for 2026:				
Forsyth Barr	Hamilton Hindin Greene	Salts Funds Management	Amova Asset Management	Craigs Investment Partners
Ebos Group Limited	Ryman Healthcare	Ebos Group Limited	Infratil	Ebos Group Limited
Port of Tauranga	Vital Healthcare Property Trust	NZME	Summerset Group Holdings	Summerset Group Holdings
Oceania Healthcare	Freightways	Fletcher Building	Spark	Freightways
Mainfreight	Heartland Group	Heartland Group	Kiwi Property	Mercury NZ
Mastercard	Alphabet Inc	CSL	Bio-Techne	Schneider Electric

Other Broker Picks Analysis									
Companies:	Security Code	Exchange	Region	Industry	Current Price	Target Price	Discount (+) / Premium (-)	Forecasted Gross Dividend Yield	Total Return
Ebos Group	EBO	NZ	NZ	Health Care	\$26.90	\$35.31	31.26%	4.08%	35.35%
Ryman Healthcare	RYM	NZ	NZ	Health Care	\$2.88	\$3.23	12.15%	0.00%	12.15%
Infratil Limited	IFT	NZ	NZ	Financials	\$10.85	\$14.02	29.22%	2.08%	30.82%
Port of Tauranga	POT	NZ	NZ	Industrials	\$7.94	\$7.21	-9.19%	3.39%	-5.80%
Vital Healthcare Proper VHP		NZ	NZ	Real Estate	\$1.98	\$2.11	6.43%	5.96%	12.39%
NZME	NZM	NZ	NZ	Publishing	\$1.16	\$1.24	6.90%	7.76%	14.70%
Summerset Group Hold SUM		NZ	NZ	Health Care	\$11.72	\$14.63	24.83%	2.12%	26.95%
Oceania Healthcare	OCA	NZ	NZ	Health Care	\$0.86	\$0.96	11.63%	0.00%	11.63%
Freightways	FRW	NZ	NZ	Industrials	\$14.35	\$14.31	-0.28%	4.40%	4.12%
Fletcher Building	FBU	NZ	NZ	Industrials	\$3.88	\$3.46	-10.82%	0.00%	-10.82%
Spark	SPK	NZ	NZ	Communication Services	\$2.26	\$2.89	27.88%	9.29%	37.16%
Mainfreight	MFT	NZ	NZ	Industrials	\$67.54	\$74.17	9.82%	3.54%	13.36%
Heartland Group	HGH	NZ	NZ	Financials	\$1.23	\$1.03	-16.26%	6.10%	-10.16%
Kiwi Property	KPG	NZ	NZ	Real Estate	\$1.05	\$1.12	7.18%	6.66%	13.84%
Mercury NZ	MCY	NZ	NZ	Utilities	\$6.33	\$6.92	9.32%	5.51%	14.83%
Mastercard	MA	NYS	US	Transaction	\$527.36	\$664.08	25.93%	0.66%	26.60%
Alphabet Inc	GOOGL	NAS	US	Communication Services	\$333.26	\$339.15	1.77%	0.25%	2.02%
CSL	CSL	ASX	AUS	Health Care	\$183.52	\$234.17	27.72%	1.68%	29.32%
Bio-Techne	TECH	NAS	US	Life Sciences Tools	\$67.63	\$70.00	3.50%	0.48%	4.00%
Schneider Electric	SU	PAR	EUROPE	Industrials	\$232.30	\$274.05	17.97%	1.77%	19.74%

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Where our picks align with broker consensus

Our NZ sleeve has meaningful overlap with broker positioning, which helps validate the local construction. EBOS is the strongest example (selected by three brokers), while Ryman and Mainfreight both appear in broker lists as well (in different houses), reinforcing that our NZ sleeve is grounded in names with broader market support rather than being purely idiosyncratic.

Where we deliberately differ (and why)

The deliberate point of difference is the international sleeve. NZ broker lists understandably lean domestic, and where they go offshore it tends to be in broad “quality global” names. Our approach instead explicitly targets the two most durable global growth themes: AI/cloud productivity (Microsoft) and cybersecurity (Palo Alto Networks). That’s intentional, it gives the overall list a clearer thematic engine for growth, while the NZ sleeve anchors the portfolio in familiar quality and defensiveness.

Overall, this list is designed as a 12-month view for 2026, supported by longer-term themes that we expect to play out over multiple years. The key factors we will keep monitoring are: property market and funding conditions for Ryman, freight volumes and pricing for Mainfreight, and ongoing execution and margin control for EBOS. Internationally, the main watchpoints are Microsoft’s ability to convert AI investment into earnings growth through cloud and software adoption, and Palo Alto Networks’ ability to keep winning business as cybersecurity demand remains a priority for organisations.

Upcoming Dividends: 28th January to 28th February.

Description	Security	ExDivDate	BooksClose	Gross Dividend Amount	Pay Date
Australian Foundation Investment Co.	AFI	02-Feb-26	03-Feb-26	16.8cps	26-Feb-26

Source: Iress

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