

Yovich & Co. Weekly Market Update

9th February 2026

Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Previous Week 30 th January	13423.18	9164.83	4117.95	10223.54	48892.47	23461.82	0.8648	0.6021	2.25%
Week Close 6 th February	13444.02	8954.61	4065.58	10369.75	50115.67	23031.21	0.8575	0.6014	2.25%
Change	0.16%	-2.29%	-1.27%	1.43%	2.50%	-1.84%	-0.84%	-0.11%	0.00%

The NZX 50 finished at 13,444.02, with the local market wrapping up a shortened trading week due to the Waitangi Day holiday. The index was up around 0.16% from 13,423.18 at the prior week's close, continuing to trade within a relatively tight consolidation range. On the domestic front, the unemployment rate lifted to 5.4% in the December quarter. While that headline increase looks softer at first glance, the detail was more encouraging. Jobs and total hours worked continued to grow but were more than offset by an even stronger rise in labour-force participation. Overall, the release appears broadly consistent with the Reserve Bank's forecasts.

Australia's All Ordinaries fell around 2.29% over the week to 8,954.60, down from 9,164.80 at the prior week's close, marking its weakest weekly performance since November. The tone deteriorated sharply into Friday in a broad "risk-off" move, with rates repricing a key driver after the RBA lifted the cash rate 25 bps to 3.85% on 3rd February, its first hike in roughly two years, prompting investors to reassess the likelihood of a higher-for-longer policy path and keeping pressure on more rate-sensitive areas such as property/REITs and higher-multiple growth stocks. Market breadth deteriorated into Friday and softer commodity prices weighed on Australia's resources-heavy market.

China's Shanghai Composite fell 1.27% over the week to 4,065.58, while the UK's FTSE 100 rose 1.43% to 10,369.75, helped by strength in more defensive areas of the market. On the macro front, the Bank of England held its policy rate at 3.75% on 5th February and signalled it expects inflation to move back toward its 2% target by spring.

The Dow Jones rose about 2.50% over the week to 50,115.67, up from 48,892.47, pushing through the 50,000 level for the first time and underscoring how resilient "old economy" and broader cyclical/industrial exposures have been as investors continue to favour earnings certainty and cashflow. In contrast, the Nasdaq Composite fell around 1.84% to 23,031.21 from 23,461.82, highlighting a still-uneven tone in the growth complex, particularly in the more crowded, AI-linked parts of the market, where sentiment remains highly sensitive to interest-rate expectations, positioning, and any shift in guidance. Next up is the Fed's meeting minutes from 27-28 January, out on 18th February 2026, which could sway markets by shifting expectations for interest rates.

The biggest movers of the week ending 6 February 2026			
Up		Down	
Vector	3.52%	Serko	-10.85%
Westpac Bank	3.27%	Gentrack Group	-8.26%
Contact Energy	3.21%	KMD Brands	-7.27%
Fisher & Paykel Healthcare	2.54%	NZX	-5.98%
Heartland Group	2.49%	Vulcan Steel	-5.53%

Source: Iress

Investment News

Alphabet Inc. (GOOGL.NAS) — Q4 & FY2025

Alphabet reported a very strong Q4, with revenue up 18% year-on-year to US\$113.8bn and diluted EPS rising to US\$2.82, comfortably ahead of market expectations. Google Cloud remained the standout, with revenue up 48% to US\$17.7bn and an approximately 30% operating margin, while the cloud backlog climbed to around US\$240bn, underlining long-term contract visibility. For the full year, group revenue passed US\$400bn for the first time (+15% y/y), helped by healthy Search and YouTube trends and growing paid subscriptions, while Gemini AI now reaches hundreds of millions of users. Management also guided to a sharp step-up in 2026 capital expenditure (capex – long-term investment in data centres and chips) to US\$175 to \$185bn, roughly double 2025 levels, to support AI infrastructure. Bulls focus on Alphabet's scale, diversified revenue and leading AI/cloud position; bears worry that this capex "arms race" and ongoing regulatory risks could pressure future returns and margins.

Share Price Reaction: Despite the earnings beat, Alphabet's shares fell roughly 4% to 5% after the announcement as investors digested the very aggressive 2026 capex guidance.

Current Share Price: \$322.86, **Consensus Target Price:** \$367.77, **Forecasted Gross Dividend Yield:** 0.03%.

Palantir Technologies (PLTR.NAS) — Q4 & FY2025

Palantir delivered another "AI-boom" quarter, with Q4 revenue up 70% y/y to US\$1.41bn and EPS of US\$0.25, beating consensus estimates of US\$0.23. U.S. commercial revenue grew 137% and U.S. government revenue 66%, reflecting strong uptake of its AI Platform across both corporates and defence/government agencies. The company reported a very high adjusted operating margin of 57% and a Rule-of-40 score of 127% (growth + margin, a common software health metric), while guiding to circa 61% revenue growth for FY2026 and highlighting robust contract wins and a growing customer base. Bulls see Palantir as a "picks and shovels" AI infrastructure play with strong U.S. demand and expanding profitability; bears remain concerned about valuation, political/governance controversies and reliance on a relatively concentrated set of large U.S. clients. **Share Price Reaction:** The stock initially traded up a few percent in after-hours trading but subsequently reversed, at one point dropping around 10% to 14% in the following sessions as part of a broader AI/software sell-off and ongoing worries about lofty valuations.

Current Share Price: \$135.90, **Consensus Target Price:** \$190.75.

Uber Technologies (UBER.NYS) — Q4 & FY2025

Uber's Q4 numbers showed strong underlying business momentum: revenue grew 20% y/y to US\$14.4bn, gross bookings rose 22% to US\$54.1bn, monthly active users reached about 202m (+18%), and total trips increased 22%. Profitability also improved, with adjusted EBITDA (cash-style profit measure before interest, tax, depreciation and amortisation) up 35% to US\$2.5bn and free cash flow at a record US\$2.8bn. However, adjusted EPS of US\$0.71 missed consensus (US\$0.79) and Q1 2026 profit guidance came in a bit light, even as bookings guidance was solid, and the company announced a CFO transition. Bulls highlight Uber's scale, improving margins and optionality from autonomous vehicle (AV) partnerships without heavy in-house R&D spend; bears focus on sensitivity to competition (including robotaxis), regulatory risk and the need to keep proving margin progress. **Share Price Reaction:** Despite the strong top-line and cash-flow trends, Uber's shares fell roughly 8–10% around the release (about 8.5% pre-market, approximately 5% intraday) as investors focused on the EPS miss and softer profit guidance.

Current Share Price: \$74.77, **Consensus Target Price:** \$105.46.

Amazon.com Inc. (AMZN.NAS) — Q4 2025

Amazon posted another record holiday quarter, with Q4 net sales up 14% y/y to US\$213.4bn (about 13.6% growth on a comparable basis), slightly ahead of revenue expectations, while EPS of US\$1.95 was a small miss versus consensus (US\$1.97). Cloud remains the key profit engine: AWS revenue grew 24% y/y to US\$35.6bn, one of its fastest growth rates in years, with healthy margins. For FY2025, group net sales reached US\$716.9bn (+12% y/y), with solid growth across North America, International and AWS, and operating income rising to US\$25bn despite around US\$2.4bn of one-off charges; excluding these, underlying operating profit would have been closer to US\$27.4bn. The key talking point, however, was guidance for 2026 capital expenditure of roughly US\$200bn (nearly 60% higher than 2025), directed mainly into AI infrastructure, custom chips, robotics and satellite networks. Bulls argue that Amazon is cementing its long-term position in AI and cloud at massive scale; bears worry this spending wave could compress free cash flow and returns, especially with intense competition from Microsoft and Google. Share Price Reaction: Despite strong revenue and AWS trends, Amazon's shares fell roughly 9% to 11% after the release, wiping out an estimated US\$200 to \$250bn in market value as investors reacted to the very large AI-driven capex plans and a modest EPS miss.

Current Share Price: \$210.32, **Consensus Target Price:** \$285.08.

Upcoming Dividends: 10th February to 10th March.

There are no dividends for this period.

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