

# Yovich & Co. Weekly Market Update

16<sup>th</sup> February 2026

## Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
<b>Previous Week 6<sup>th</sup> February</b>	13444.02	8954.61	4065.58	10369.75	50115.67	23031.21	0.8575	0.6014	2.25%
<b>Week Close 13<sup>th</sup> February</b>	13198.18	9138.80	4082.07	10446.35	49500.93	22546.67	0.8530	0.6037	2.25%
<b>Change</b>	-1.86%	2.02%	0.40%	0.73%	-1.24%	-2.15%	-0.49%	0.35%	0.00%

The NZX 50 finished the week at 13,198.18, down 1.86%, with the market sliding late in the week as global sentiment turned more cautious, partly due to renewed concerns about AI disruption. The next OCR decision is on Wednesday, and markets are expecting no change. Inflation also picked up, with CPI at 3.1% year on year in the December 2025 quarter, meaning headline inflation ended 2025 above 3%. Survey-based inflation expectations remain below 3%, which should be reassuring for the RBNZ, although expectations have lifted across all timeframes and in some cases are drifting further above the 2% midpoint target. On the activity side, net migration strengthened into the end of 2025, helped by fewer New Zealanders leaving and more non-New Zealanders arriving, and tourism also continued to recover, with annual visitor numbers rising above 3.5 million in 2025, about 10% below pre-March 2020 levels and up around 195,000 over the past year.

Australia's All Ordinaries closed at 9,138.80, up 2.02%. Overall, the week was positive, supported by strong company updates from Commonwealth Bank, James Hardie, and Evolution Mining. That said, sentiment deteriorated into Friday, with the Australian market finishing lower as sharp falls in technology stocks weighed on performance following a sell-off in the US. By the close, nine of the 11 industry sectors were in the red. Despite the weak finish, the index still recorded a solid gain for the week overall.

China's Shanghai Composite ended the week at 4,082.07, up 0.40%. Shares were slightly higher as investors balanced signs of government support with continued weak spending at home. Inflation stayed low, with consumer prices up 0.2% over the year in January 2026, while prices charged by manufacturers were still falling, down 1.4% over the year, reinforcing the view that authorities may need to keep leaning on stimulus to stabilise the cycle. Over in the UK, the FTSE 100 was up 0.74% on the week, extending a multi-week run higher helped by defensives and corporate activity.

US shares had a weaker week overall. The Dow closed at 49,500.93, down 1.23% from 50,115.67, while the Nasdaq ended at 22,546.67, down 2.10% from 23,031.21, as investors took some money off the table in growth and AI stocks and adjusted expectations for interest rates. January's US CPI came in a little lower than expected (around 2.4% year on year), which helped bond yields ease but did not fully lift confidence across the sharemarket. The US added 130,000 jobs in January 2026 and the unemployment rate was 4.3%. Looking ahead, the Federal Reserve meeting minutes from 27 to 28 January are due on 18 February 2026 and may influence how soon markets expect rate cuts to begin.

The biggest movers of the week ending 16 February 2026			
Up		Down	
Skellerup Holdings	11.15%	Serko	-16.35%
ANZ Group Holdings Limited (NZ)	9.51%		-8.25%
Infratil	3.60%		-6.69%
Argosy Property	3.48%		-6.29%
Vital Healthcare Property Trust	2.31%		-5.71%

Source: Iress

## Investment News

### Freightways Group Limited (FRW.NZ / FRW.ASX)

Freightways delivered a strong HY26 (half year to 31 Dec 2025), with revenue up 8.5% to \$718.2m and EBITA (earnings before interest, tax and amortisation) up 12.2% to \$96.5m, lifting the EBITA margin to 13.4% (from 13.0%). NPAT (net profit after tax) rose 17.2% to \$52.5m, and earnings per share increased to 29.3c (+17.2%), supported by solid trading across most businesses and good cost control. Cash generation was a highlight, with cash from operations up 28.3% to \$134.2m and net debt reduced 6.7% to \$587.1m, allowing the interim dividend to be lifted 10.5% to 21c per share (fully imputed in NZ, partly franked in Australia). The Express Package & Business Mail division remained the engine, with revenue up 10.4% and EBITA up 14.0% as Allied and Post Haste benefited from oversize and economy parcel growth, while Big Chill also improved. Information Management & Waste Renewal was steady, with higher secure destruction and medical-waste revenue offset by the wind-down of a large digital contract and one-off restructuring costs at Shred-X. Strategically, Freightways completed the A\$71m acquisition of VT Freight Express, an asset-light B2B (business-to-business) express operator expected to be ~6% EPS-accretive from year one, and signalled a continued focus on disciplined M&A to build out its Australian network. Bulls see a well-run logistics group with improving margins, strong cash flow and measured expansion in Australia; bears note that further margin gains still depend on a gradually improving NZ economy, integration of VTFE, and ongoing investment in fleet and air-network upgrades. Share Price Reaction: FRW recently traded around NZ\$15.00 per share, near its 12-month highs and up strongly over the past year, suggesting investors had already been pricing in better earnings and see HY26 as confirmation of the recovery rather than a major positive surprise.

**Current Share Price:** \$14.85, **Consensus Target Price:** \$14.80, **Forecasted Gross Dividend Yield:** 4.30%.

### Skellerup Holdings Limited (SKL.NZ)

Skellerup reported a record first half for FY26, with revenue up 11% to \$183.5m and EBIT (earnings before interest and tax) up 16% to \$40.6m, driven by broad-based growth across its Industrial and Agri divisions. NPAT (net profit after tax) rose 20% to \$28.9m, while operating cash flow increased 20% to \$38.8m, helping reduce net debt to just \$17.5m (around 5% of total assets). Industrial benefited from stronger demand for products used in drinking-water and wastewater systems, roofing and construction (especially in the US, Australia and the UK), while Agri saw a 21% lift in revenue on the back of higher global dairy rubberware market share and improved footwear sales. The Board lifted the interim dividend 11% to 10.0 cents per share and raised FY26 NPAT guidance to \$57–62m, signalling confidence despite ongoing tariff and geopolitical uncertainty. Bulls see a high-quality industrial exporter with strong international niches, robust cash generation and a conservative balance sheet; bears point to tariff risk, elevated inventory levels and exposure to global economic cycles. Share Price Reaction: Following the HY26 release, Skellerup's shares rose about 3% to \$5.57, trading close to their 52-week high, indicating investors welcomed the record profit, upgraded guidance and healthy dividend increase

**Current Share Price:** \$5.78, **Consensus Target Price:** \$6.25, **Forecasted Gross Dividend Yield:** 5.60%.

### CSL Limited (CSL.ASX)

CSL's half-year 2026 result was tough, highlighting both the cost of its restructuring and the scale of the turnaround still ahead. Revenue was US\$8.3b, down 4% (constant currency), and underlying NPATA (net profit after tax, adjusted for restructuring and impairments) was US\$1.9b, down 7%, while reported NPAT fell 81% to US\$401m due to one-off restructuring charges and write-downs in its vaccines and iron-deficiency businesses. Cash flow from operations remained solid at US\$1.3b (+3%), and the interim dividend was held at US\$1.30 per share. CSL also expanded its on-market share buyback from US\$500m to US\$750m, signalling confidence in its balance sheet, and reaffirmed FY26 guidance, expecting a much stronger second half driven by immunoglobulin, albumin and newly launched therapies such as Hemgenix and Andembry. At the same time, the Board announced the sudden departure of CEO Paul McKenzie, appointing long-time CSL executive Gordon Naylor as interim CEO while a global search for a permanent replacement gets underway. Bulls see a still-high-quality plasma and vaccines franchise with strong cash generation, a larger buyback and the potential for a cleaner reset under new leadership; bears focus on the sharp profit drop, execution risk in the transformation, questions about capital allocation (including the Vifor deal) and the uncertainty created by the CEO change. Share Price Reaction:

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CSL's shares fell around 5% on the day of the announcement, extending a slide that has seen the stock lose close to half its value over the past 18 months, as investors reacted to the 81% headline profit fall and the abrupt CEO exit despite steady guidance and the larger buyback.

**Current Share Price: \$150.01, Consensus Target Price: \$211.08, Forecasted Gross Dividend Yield: 1.90%.**

**ANZ Group Holdings (ANZ.NZ / ANZ.ASX) – 1Q26 Trading Update**

ANZ got FY26 off to a solid start, with 1Q26 cash profit of \$1.94b, up 75% on the 2H25 quarterly average once last year's one-off items are stripped out. Underlying momentum was helped by 4% higher operating income and a 21% drop in operating expenses, bringing the cost-to-income ratio down to 49.5% (from 54.6%) and lifting return on tangible equity to 11.7%. Credit quality remains sound: the quarterly provision charge was modest, total loss rates stayed very low (around 4 bps), and collective provision coverage was broadly unchanged at 1.19% of risk-weighted assets. On the balance sheet, customer deposits grew 5% and net loans 1% versus September, while the key CET1 capital ratio edged up to 12.15%, comfortably above regulatory minimums. Bulls will like the combination of better profitability, tight cost control, strong capital and benign arrears, while bears may point out that loan growth remains modest and that earnings are still sensitive to competition for deposits and any future deterioration in credit quality.

**Current Share Price: AU\$40.89, Consensus Target Price: AU\$37.55, Forecasted Gross Dividend Yield: 4.16%.**

**Upcoming Dividends: 17<sup>th</sup> February to 17<sup>th</sup> March.**

Description	Security	ExDivDate	BooksClose	Gross Dividend Amount	Pay Date
South Port New Zealand Limited	SPN	26-Feb-26	27-Feb-26	11.81cps	10-Mar-26
Skellerup Holdings Limited	SKL	5-Mar-26	6-Mar-26	11.56cps	19-Mar-26

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