

# Yovich & Co. Weekly Market Update

23<sup>rd</sup> February 2026

## Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
<b>Week Close 20<sup>th</sup> February</b>	13308.52	9303.20	4082.07	10686.89	49625.97	22886.07	0.8433	0.5974	2.25
<b>Previous Week 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>	0.83%	1.77%	0.00%	2.25%	0.25%	1.48%	-1.15%	-1.05%	0.00%

The NZX 50 rose 0.83% over the week to close at 13,308.52, rebounding from the sharp fall the previous Friday, however remaining within a choppy but broadly contained trading range. Reserve Bank Governor Anna Breman reiterated that the economy has room to recover as inflation tracks back toward the Bank's target, despite an increasingly volatile global backdrop.

Australia's All Ordinaries rose 1.77% to 9,303.20, continuing its steady climb despite noticeable day-to-day sector rotation beneath the surface. The market finished the week broadly flat as global equities eased on renewed US-Iran tensions and as investors reassessed companies viewed as more exposed to AI-related disruption. On the data front, Australia's unemployment rate held at 4.1% in January (seasonally adjusted), unchanged from December. Economists say the numbers suggest that the labour market remains relatively tight and the economy is still operating close to capacity.

China's mainland equities didn't generate a new weekly close for 16–20 February, as Shanghai/Shenzhen markets were closed for Lunar New Year, reopening Tue 24 Feb.

In the UK, the FTSE 100 rose 2.25% over the week to close at 10,686.89, supported by defensives and commodity-linked sectors and aided by improving risk sentiment late in the week. On the economic front, UK labour market data showed unemployment edging up to 5.2% (three months to December), keeping attention on the outlook for rates.

US equities finished the week firmer. The Dow Jones Industrial Average added 0.25% to close at 49,625.97, while the Nasdaq Composite outperformed, rising 1.51% to 22,886.07. Friday's gains were led by mega-cap tech, including Alphabet and Amazon, after the U.S. Supreme Court struck down Trump's global tariffs, helping lift risk sentiment. A key near-term catalyst was the release of the Fed's January 27–28 meeting minutes on 18 February, which investors used to fine-tune expectations around the timing and path of future rate moves. Geopolitical risk also increased as US-Iran tensions intensified, lifting oil prices and adding to day-to-day volatility.

The biggest movers of the week ending 20 February 2026				
Up			Down	
a2 Milk Co	11.70%		Channel Infrastructure NZ	-5.19%
Gentrack Group	6.19%		Ryman Healthcare Group	-4.98%
Sanford	6.03%		Vista Group International	-4.72%
Auckland Intl Airport	5.46%		SkyCity Entertainment Group	-4.12%
Westpac Banking	5.04%		Stride Stapled Group	-3.94%

Source: Iress

## Investment News

### Palo Alto Networks (PANW.NAS) – strong Q2, softer profit guidance spooks the market

Palo Alto Networks delivered another strong quarter operationally but rattled investors with lower profit guidance. Fiscal Q2 2026 revenue grew about 15% year-on-year to ~US\$2.6bn, and “next-generation security” ARR (annual recurring revenue) jumped 33% to US\$6.3bn, highlighting the strength of its subscription and platform offerings. Remaining

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performance obligations (RPO, a forward-revenue pipeline measure) climbed 23% to US\$16bn, and non-GAAP operating margin (profit margin excluding stock-based pay and other one-offs) was a robust 30.3%. Management even lifted full-year revenue guidance to US\$11.28–11.31bn, implying low-20s percentage growth. The sting in the tail was profiting guidance: adjusted EPS for FY26 has been cut to US\$3.65 to \$3.70 from US\$3.80 – \$3.90 as integration costs from big recent deals – notably the circa US\$25bn CyberArk acquisition and the Chronosphere and Koi transactions weigh on margins. In plain English, Palo Alto is choosing to “spend first, harvest later” to build a broader AI-enabled cyber-security platform. The shares fell about 6% to 8% on the result to roughly US\$150 – \$155 and are down around mid-teens percent year-to-date despite the strong top-line growth. There’s no dividend (management reinvests all cash in growth), but analysts remain broadly positive: recent surveys show a consensus 12-month target in the low-US\$200s (around US\$210–220), implying roughly 40% to 45% upside from current levels. Bulls see PANW as a core long-term holding in cyber security: sticky subscriptions, rising recurring revenue, strong cash generation and a leading position in AI-driven threat detection. Acquiring identity-security and observability assets could deepen its “one-stop shop” status with large enterprises. Bears worry that the acquisition spree is expensive and complex, that organic growth (excluding acquisitions) may slow, and that repeated guidance cuts could pressure the valuation multiple if margins don’t trend back up. With no dividend, the investment case is purely about growth and multiple re-rating. Share Price Reaction: Despite beating Q2 expectations, the stock sold off sharply on the day down around 6%–8% and one of the weakest names in the S&P 500 as the profit downgrade overshadowed the revenue upgrade. The market is essentially asking PANW to prove that today’s lower margins really are the price of higher, more profitable growth later.

**Current Share Price:** \$148.70, **Consensus Target Price:** \$225.08.

#### **SEEK Limited (SEK.ASX) – good underlying growth, but China write-down and softer volumes**

SEEK’s FY26 half-year result was a classic “good business, messy headline number” story. For the six months to 31 December 2025, net revenue rose 12% to A\$600.9m, operating earnings (EBITDA – earnings before interest, tax, depreciation and amortisation) grew 19% to A\$267.1m, and adjusted profit (excluding one-offs) jumped 35% to about A\$104m. Management upgraded FY26 guidance, now expecting net revenue of A\$1.19– \$1.23bn and EBITDA of A\$530 – \$550m, and declared a record interim dividend of 27c per share, up 13% on the prior period. However, SEEK reported a statutory loss of roughly A\$180 – \$250m due to a large non-cash impairment (accounting write-down) of about A\$350m on its China job-platform investment, Zhaopin. Management is also progressing plans to exit its stake in Employment Hero via its growth fund. Operationally, most of the growth came from higher “yield” earning more per job ad through AI-enabled product upgrades and pricing, while job ad volumes in Australia and New Zealand were slightly weaker, reflecting a softer hiring environment. The share price fell around 3% to 4% on the day of the result, closing near A\$16.5, and is down roughly a third over the past year as the market worries about slower hiring and offshore risks. At this level SEEK offers a forecasted dividend yield of around 3.90%, broker consensus still leans “Buy”, with 12-month price targets generally in the high-A\$20s well above the current price implying that analysts see meaningful recovery potential if execution remains solid. Bulls view SEEK as the clear market leader in ANZ online recruitment with strong data, brand and pricing power, using AI to improve candidate role matching and monetise premium listings. If job markets stabilise and SEEK executes on product and pricing, today’s lower share price could offer attractive medium-term upside, especially if the Employment Hero stake is sold well. Bears worry that relying on higher pricing rather than rising ad volumes could have limits in a weak labour market, that China-related impairments may not be “one-off”, and that, after a big de-rating, investors may still demand very clear proof of durable growth before re-rating the stock. Share Price Reaction: Despite upgraded guidance and a record dividend, the shares drifted lower on the day and remain substantially below last year’s levels, reflecting ongoing scepticism around global growth, job volumes and the risk of further write-downs.

**Current Share Price:** \$16.27, **Consensus Target Price:** \$29.36, **Forecasted Gross Dividend Yield:** 3.90%.

### Goodman Property Trust (GMT.NZ) – revaluation uplift and on-market buyback

Goodman Property Trust, a logistics and warehouse-focused REIT (real estate investment trust), has announced a supportive combination of portfolio revaluation and capital management. Draft independent valuations point to an uplift of about NZ\$112m (around 2.7%) in the fair value of its property assets as at 31 March 2026, taking total property funds under management to roughly NZ\$4.9bn and lifting net tangible assets (NTA – assets minus liabilities per unit) by about 7c per unit. On a look-through basis, the portfolio is valued on a weighted average capitalisation rate of circa 5.9% (a valuation yield and lower cap rate generally means higher property values). Alongside this, GMT has launched an on-market unit buyback, with the ability to repurchase up to 15% of units over a 12-month period, but only where the price is at or below a “repayment price” linked to NTA. Any units bought back will be cancelled, boosting NTA per remaining unit and signalling management’s view that the units are trading below underlying asset value. Units are changing hands around NZ\$1.90 to \$1.93, broadly little changed in net terms since the revaluation and buyback announcement, and implying a current cash distribution yield of roughly 3.5% – 3.6%. Analyst consensus points to an average 12-month target around NZ\$2.20 (mid-teens percentage upside) with a mixed Hold/Buy stance. The bull case is that GMT offers exposure to modern logistics and warehouse assets a structural beneficiary of e-commerce and supply-chain investment with high occupancy and a disciplined balance sheet. The revaluation and buyback suggest the underlying portfolio is performing well and that management sees value at current prices. The bear view is that, as a yield vehicle, GMT is sensitive to interest rates and property yields; if long-term bond yields stay elevated, industrial REIT valuations can remain under pressure. Its starting yield is also lower than some other NZ listed property names, so investors are relying more on NTA support and moderate growth than on high income alone. Share Price Reaction: The market’s response has been measured: units have traded roughly sideways around NZ\$1.90 since the news, suggesting investors see the revaluation and buyback as supportive but not transformational in the near term.

**Current Share Price:** \$1.91, **Consensus Target Price:** \$2.20, **Forecasted Gross Dividend Yield:** 3.60%.

**Upcoming Dividends: 24<sup>th</sup> February to 24<sup>th</sup> March.**

Description	Security	ExDivDate	BooksClose	Gross Dividend Amount	Pay Date
Investore Property Ltd	IPL	24-Feb-26	25-Feb-26	2.22cps	5-Mar-26
Ventia Services Group Ltd	VNT	24-Feb-26	25-Feb-26	14.83cps	9-Apr-26
Asset Plus Ltd	APL	25-Feb-26	26-Feb-26	0.2cps	6-Mar-26
Vital Healthcare Property Trust	VHP	25-Feb-26	26-Feb-26	2.44cps	12-Mar-26
South Port New Zealand Ltd	SPN	26-Feb-26	27-Feb-26	11.81cps	10-Mar-26
Stride Property Ltd & Stride Investment Management Ltd	SPG	27-Feb-26	2-Mar-26	0.61cps	10-Mar-26
Downer EDI Ltd	DOW	3-Mar-26	4-Mar-26	15.26cps	2-Apr-26
Barramundi Ltd	BRM	4-Mar-26	5-Mar-26	1.36cps	27-Mar-26
Kingfish Ltd	KFL	4-Mar-26	5-Mar-26	2.80cps	27-Mar-26
Marlin Global Ltd	MLN	4-Mar-26	5-Mar-26	2.04cps	27-Mar-26
Freightways Group Ltd	FRW	5-Mar-26	6-Mar-26	29.17cps	1-Apr-26
Skellerup Holdings Limited	SKL	5-Mar-26	6-Mar-26	11.56cps	19-Mar-26
Argosy Property Ltd	ARG	10-Mar-26	11-Mar-26	1.94cps	25-Mar-26
Auckland International Airport Ltd	AIA	18-Mar-26	19-Mar-26	9.03cps	2-Apr-26
Vector Ltd	VCT	18-Mar-26	19-Mar-26	12.5cps	31-Mar-26
The a2 Milk Company Ltd	ATM	19-Mar-26	20-Mar-26	15.30cps	2-Apr-26
Spark New Zealand Ltd	SPK	19-Mar-26	20-Mar-26	9.56cps	10-Apr-26

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