

Yovich & Co. Weekly Market Update

23rd March 2026

Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Current Close 20th March	12989.99	8628.30	3957.05	9918.33	45577.47	21647.61	0.8306	0.5834	2.25
Previous Week 13th March	13187.34	8839.10	4095.45	10261.15	46558.47	22105.36	0.8267	0.5772	2.25
Change	-1.52%	-2.44%	-3.50%	-3.46%	-2.15%	-2.11%	0.47%	1.06%	0.00%

The NZX 50 declined 1.52% over the week as investors grew more cautious and weakness across global markets flowed through to New Zealand equities. Brent crude climbed 8.77%, rising to US\$112.19 per barrel from US\$103.14, which kept concerns around energy-led inflation front of mind. KMD Brands was the weakest performer over the week after reports out of Australia indicated the retailer had appointed Goldman Sachs to assist with bolstering its balance sheet while the share price continues to trade near record lows. The New Zealand market has now recorded a third straight weekly decline, with the worsening conflict in the Middle East pushing fuel prices higher and bond markets starting to factor in the risk of additional Reserve Bank rate hikes to curb inflation.

Australia's All Ordinaries fell 2.44% to 8,628.30, with widespread weakness across the market as rising energy prices and a more cautious global backdrop weighed on cyclical and interest rate-sensitive sectors. Australia has experienced one of the largest increases in fuel prices among developed economies since the Iran conflict began, with concerns that diesel shortages could meaningfully affect economic activity. The Australian sharemarket also ended lower on Friday, as losses among the major miners and banks rounded out another subdued week for the market amid ongoing concern about the impact of higher oil prices on both inflation and growth.

China's Shanghai Composite fell 3.50% to 3,957.05, with sentiment weighed down by the weaker global backdrop, although expectations remain that policymakers could step in with further support if growth conditions deteriorate.

The FTSE 100 fell 3.46% to 9,918.33, as investors remained focused on the inflation and growth risks linked to the Middle East conflict and the associated lift in energy prices. Reuters noted that the FTSE has now recorded a third consecutive weekly decline, with higher oil prices continuing to add to inflation concerns.

US equities also faced another challenging week. The Dow Jones fell 2.15%, while the Nasdaq Composite declined 2.11%. Selling pressure picked up into Friday's session as higher oil prices reinforced fears that inflation could stay elevated for longer, potentially delaying or limiting future interest rate cuts. The Federal Reserve left interest rates unchanged within the 3.50% to 3.75% range following its two-day policy meeting on Wednesday, which was widely anticipated. Alongside that decision, the Fed released its first Summary of Economic Projections for 2026, showing that officials still expect a median of one rate cut in 2026.

The biggest movers of the week ending 19 March 2026			
Up		Down	
Chorus Ltd	5.23%	KMD Brands	-19.15%
Channel Infrastructure NZ	3.85%	Serko	-14.11%
Argosy Property	3.12%	Vista Group International	-13.85%
Investore Property	2.86%	Summerset Group Holdings	-7.68%
Genesis Energy	2.78%	Vulcan Steel	-6.67%

Source: LSEG

Investment News

Genesis Energy (GNE.NZ / GNE.ASX) – Shortfall bookbuild premium confirmed

Genesis confirmed the shortfall bookbuild for its NZ\$300m 1-for-7.9 renounceable rights offer has cleared at NZ\$2.22 per new share, representing a NZ\$0.17 premium to the NZ\$2.05 rights offer price. Eligible shareholders who did not take up their rights in full, and shareholders who were ineligible to participate, will receive NZ\$0.17 for each new share not taken up, with payment expected on 31 March 2026. Settlement is expected on 24 March (ASX) and 25 March (NZX), with allotment and trading of the new shares expected to commence on 25 March 2026. In total, Genesis raised approximately NZ\$400m across the rights offer and the NZ\$100m placement announced on 23 February 2026.

Current Share Price: \$2.14, **Consensus Target Price:** \$2.38, **Historical Yield:** 6.51%

Mercury NZ (MCY.NZ / MCY.ASX) – retail green bond offer launched

Mercury has announced it is considering a retail + institutional Green Bond offer of up to \$200m (with up to \$50m oversubscriptions), being 7-year unsecured, fixed-rate Green Bond. Proceeds would be allocated under Mercury's Green Financing Framework (green-labelled funding typically used to finance or refinance eligible renewable/clean-energy projects), and the offer broadens Mercury's funding sources while maintaining flexibility in its capital structure. Bulls see this as sensible balance-sheet management for a renewables-focused utility; bears note that issuing new debt at today's rates can lift interest costs, and bond issuance doesn't directly lift near-term equity earnings. Share Price Reaction: Equity-market reaction is usually small for bond funding announcements, and MCY.nz has generally traded steadily around these updates.

Current Share Price: \$6.51, **Consensus Target Price:** \$7.12, **Forecasted Gross Dividend Yield:** 4.19%

FedEx (FDX) – Fiscal Q3 earnings beat & raised guidance

FedEx delivered a strong fiscal Q3 FY26, with adjusted Earnings Per Share (EPS) of \$5.25 on revenue of \$24.0b (+8% y/y), beating market expectations, driven by improved U.S. domestic volumes and pricing and continued execution on its efficiency program (targeting >\$1b in savings). Management also raised its full-year (FY26) earnings guidance to \$19.30 to \$20.10 (from \$17.80 to \$19.00), pointing to a stronger Q4 outlook. Bulls see improving demand trends, cost-out momentum and the planned Freight spin-off as supportive for valuation; bears highlight macro sensitivity (trade, fuel, geopolitics) and uneven performance across segments. Share Price Reaction: The stock jumped circa 7% to 10% around the release as investors reacted to the earnings beat and guidance upgrade.

Current Share Price: \$358.85, **Consensus Target Price:** \$400.21, **Forecasted Gross Dividend Yield:** 1.57%

KMD Brands (KMD.nz) – funding/refinancing update (Goldman Sachs engaged)

KMD told the market it has engaged Goldman Sachs to assist with its treasury and capital management strategy as part of an ongoing review of funding options, responding to media speculation. The company reiterated it is in discussions with lenders on refinancing its long-term debt facilities but emphasised no decision has been made to pursue any recapitalisation initiative, and no refinancing terms have been agreed. (Context from KMD's earlier trading update: management had indicated net debt around \$85m–\$90m at 31 Jan 2026, and said the group planned to release HY results on 25 March 2026.) Share Price Reaction: KMD sold off sharply, closing down 12.77% to \$0.21 on 16 March 2026, on elevated volume, and remained volatile in subsequent sessions as investors weighed refinancing/recapitalisation risk. The weakness continues over the following sessions (e.g., 19–20 March also down), suggesting the market was pricing in refinancing/recapitalisation risk rather than treating it as a neutral advisory update.

Current Share Price: \$0.19, **Consensus Target Price:** \$0.33, **Forecasted Gross Dividend Yield:** 0.39%

Jarrold Goodall (FSP 198885)
Nathanael McDonald (FSP 629229)
Daniel Butzbach (FSP1007407)
Racheal Morgan (FSP1011386)



Upcoming Dividends: 24th March to 24th April.

Description	Security	ExDivDate	Books Close	Gross Dividend Amount	Pay Date
PGG Wrightson Ltd	PGW	25-Mar-26	26-Mar-26	6.25cps	8-Apr-26
Tourism Holdings Ltd	THL	26-Mar-26	27-Mar-26	4.17cps	10-Apr-26
FCIT TRUST	FCIT	09-Apr-26	10-Apr-26	11.85cps	06-May-26
BANK INV	BIT	23-Apr-26	24-Apr-26	1.61cps	29-May-26

Source: LSEG

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