

# A Month in the Market

## November 2020

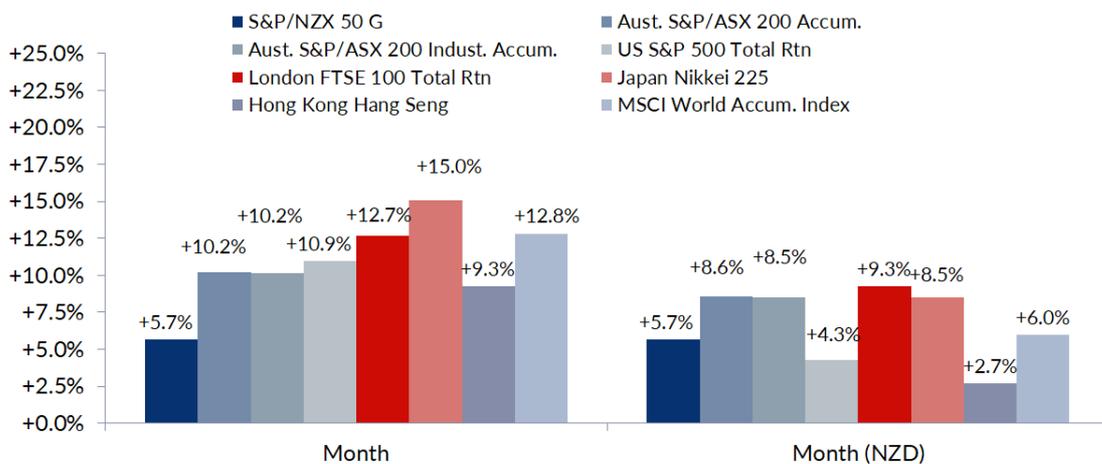
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The S&P/NZX 50 G rose +5.7% in November 2020, bringing the three month return to +7.0% (YTD: +11.1%), driven by investors chasing Value and Cyclical stocks. On an equally-weighted basis the benchmark index was up +5.3% for the month, +9.2% (quarter) and +1.8% year to date. At a sector level, the benchmark return was dominated by Materials (+35.4%) while Information Technology lagged the most (-8.7%). Despite the positive return, the New Zealand market was one of the worst-performers globally, with most global markets seeing substantial upside due to positive COVID-19 vaccine news. Off-shore markets, S&P/ASX200 Accum, S&P500 TR and FTSE100 TR returned +10.2%, +10.9% and +12.7% respectively (local currency) for the month.

**Figure 1. International Returns, November 2020 (Local and NZD)**


Source: Forsyth Barr analysis, Bloomberg

### Movers and shakers

The month of November finished with 37 positive returns and 13 negative returns and an overall range of 58.8%. Top performers for the month included FBU (+36.6%), AIR (+28.2%) and MEL (+21.3%), whilst PPH (-22.2%), SAN (-8.1%) and FSF (-4.6%) performed the worst. The main (positive) contributors to the index were MEL (+112bp), FBU (+99bp) and AIA with PPH, EBO and CNU providing the largest negative contributions for the month.

**Figure 2. Index and Sector Movements**

S&P/NZX Indices	Close	1mth Return	3mth Return
50 Gross	12,768.52	+5.7%	+7.0%
50 Portfolio Gross	7,723.86	+6.2%	+11.2%
Large Caps Gross	13,234.89	+7.9%	+6.2%
Mid-Caps Gross	33,206.58	+1.7%	+8.2%
Small Caps Gross	77,129.09	+6.9%	+16.1%
All Real Estate Gross	1,837.36	-0.6%	+8.0%

Source: Forsyth Barr analysis, Refinitiv

**Figure 3. Expected 12 month forward total return**

	S&P/NZX 50		Large Cap		Mid Cap	
	Weighted	Median	Weighted	Median	Weighted	Median
Forsyth Barr	+7.7%	+9.4%	+6.4%	+2.2%	+9.8%	+10.2%
Consensus	+5.0%	+6.4%	-0.9%	+1.0%	+15.1%	+8.7%
Difference	+2.6%	+3.0%	+7.3%	+1.1%	-5.4%	+1.5%

Source: Forsyth Barr analysis, Bloomberg

**Figure 4. Company headlines**

Code	Date	Total Return	Headline
AIR	10/11/2020	+28.2%	Dame Therese Walsh, the chair of Air New Zealand fired back at union criticism that giving its top executives share options worth millions was 'tone deaf'.
AIR	12/11/2020	+28.2%	Air New Zealand appointed Richard Thomson, the former chief financial officer of Metlifecare, as its next CFO, replacing Jeff McDowall.
AIR	27/11/2020	+28.2%	Air New Zealand was awarded four months of additional cargo flights under the government's International Air Freight Capacity scheme.
ARV	24/11/2020	-1.1%	Arvida said demand was "absolutely astounding" for its new care suite facilities opening in Auckland and Tauranga in the next half year.
ATM	18/11/2020	+0.8%	A2 Milk chair David Hearn and CEO Geoff Babidge acknowledged mis-steps in the appointment of previous chief executive Jayne Hrdlicka.
CEN	11/11/2020	+5.7%	Contact Energy told shareholders that the government's proposed Lake Onslow pumped hydro scheme could dissuade companies from investing in renewable energy.
FBU	10/11/2020	+36.6%	Trading was better than expected for Fletcher Building in the first four months of its financial year, with a significant improvement in earnings reported.
FPH	25/11/2020	+2.6%	Fisher & Paykel Healthcare reported a +59% increase in sales from last year in its first half report, while net profit rose +86%.
FSF	3/11/2020	-4.6%	Fonterra shareholders elected incumbent director Brent Goldsack and new director Cathy Quinn to the co-op's board.
FSF	5/11/2020	-4.6%	A shareholder's proposed shakeup of the Fonterra's Shareholders' Council garnered significant support but ultimately failed to fly at the co-op's AGM.
GMT	25/11/2020	-3.2%	Goodman Property Trust secured the first tenant and announced the redevelopment of its Roma Road property in Mt Roskill.
GNE	27/11/2020	+4.2%	Genesis Energy is undertaking a strategic review of its 46% interest in the Kupe oil and gas field to determine whether it retains or sells its stake in the field.
IFT	12/11/2020	+11.3%	Portfolio changes marked Infratil's half-year profit, with continuing operations delivering almost NZ\$29m less to the listed parent investor.
KMD	25/11/2020	+4.3%	Kathmandu announced mixed first quarter trading with ongoing COVID-19 disruption, offset by wage subsidies and strong sales in key categories.
KPG	23/11/2020	-3.3%	First-half operating profit fell but reported profit surged at Kiwi Property as the company navigated COVID-19.
MFT	11/11/2020	+15.6%	Mainfreight continued to see growth in its operations, despite ongoing disruption in its American and European operations from the pandemic.
PEB	26/11/2020	-1.4%	Success in the US for Pacific Edge led to record revenues in the current half year, and a reduced loss margin.
RYM	20/11/2020	+5.2%	Ryman reported a soft 1H21 result, driven by weaker than expected resales gains.
SAN	12/11/2020	-8.1%	Sanford cancelled its final dividend to preserve liquidity after a profit plunge caused by the COVID-19 pandemic.
SKC	16/11/2020	+8.9%	SkyCity announced the resignation of three executives, CEO Graeme Stephens, CFO Rob Hamilton and Chief Marketing Officer Liza McNally.
SPK	6/11/2020	+1.6%	A NZ\$25m hit thanks to COVID-19 caused Spark to forecast minimal growth in pre-tax earnings in its current financial year.
SUM	9/11/2020	+1.9%	Summerset chief executive Julian Cook resigned and his deputy will take his place.
SUM	17/11/2020	+1.9%	Summerset director James Ogden sold down his stake in the company, which he said was to free up capital to use elsewhere.
TPW	5/11/2020	+6.9%	Trustpower anticipates a second half much in line with its "sound" first-half performance this financial year.
VHP	17/11/2020	+2.2%	Institutional shareholder ANZ vented its frustration about perceived favouritism in a recent Vital Healthcare capital raise at its annual meeting in Auckland.
WBC	2/11/2020	+13.5%	A subdued second half and a big jump in impairment charges dragged down profits at Westpac's New Zealand business.
WBC	3/11/2020	+13.5%	Westpac reported strong growth in mortgage lending for the year to September but warned soaring house prices can only be remedied by the Reserve Bank.
ZEL	4/11/2020	+12.7%	Z Energy expects to earn NZ\$235m to NZ\$265m by the end of the financial year, off the back of a second half anticipated to be "materially different" to its first six months.

Source: Forsyth Barr analysis, NBR

**Figure 5. Economic headlines**

Date	Headline
3/11/2020	A raft of radical changes to the country's financial system has been proposed in a new Roadmap for Action from the Sustainable Finance Forum.
4/11/2020	The supply of funding to promising New Zealand start-up businesses was as high as it has ever been, despite the COVID-19 pandemic.
9/11/2020	South Island iwi Ngai Tahu took a severe hit from COVID-19 as the lockdowns and border closures forced the shutdown of its tourism businesses.
13/11/2020	ASB Bank appointed receivers to pandemic-hit campervan rental and tourism company JUCY Group and subsidiaries.
17/11/2020	The Earthquake Commission and Suncorp broke ground in reaching an agreement over their share of the burden of paying out Canterbury earthquake related claims.
19/11/2020	Alliance Group made no profit distribution to members despite a record NZ\$1.8bn turnover in the year to September 30, 2020.
27/11/2020	New Zealand's high level of immigration did not result in improved productivity or a significant boost to gross domestic product based on a recent migration report.
27/11/2020	A net 45% of respondents to the latest ASB Housing Confidence Survey expected house prices to rise over the coming 12 months.

Source: Forsyth Barr analysis, NBR

**Figure 6. Forsyth Barr ratings changes**

Code	Indicator	Rating	Previous Rating	Date	Comment
AIR	▲	NEUTRAL	UNDERPERFORM	11/11/2020	We upgrade our rating to NEUTRAL after applying a value to Airpoints as part of our revised net asset value (NAV) approach. AIR's asset value continues to be an appropriate valuation benchmark while the business is loss-making or generating sub-WACC returns, in our opinion.
ARG	▲	OUTPERFORM	NEUTRAL	27/11/2020	We upgrade our rating to OUTPERFORM with ARG trading at a +3.5% premium to its NTA backing versus the sector average of +13.8%, and on a gross yield of 6.3% versus the sector average of 5.4%.
MEL	▼	UNDERPERFORM	NEUTRAL	19/11/2020	We are downgrading our Meridian Energy (MEL) rating to UNDERPERFORM from NEUTRAL following its recent share price surge and increase in interest rates (which should be a negative for yield stocks). MEL is now trading on a record low cash dividend yield of 2.8% (gross dividend yield of 3.6%) and the spread between MEL's gross dividend yield and the 10-year swap rate is below 3.0% for the first time.

Source: Forsyth Barr analysis

**Figure 7. Forsyth Barr target price and earnings changes**

	Target Price Changes	Forecast Year 1	Forecast Year 2
Upgrade ▲	10	12	10
Downgrade ▼	5	11	13

Source: Forsyth Barr analysis

**Figure 8. Forsyth Barr target price and earnings changes**

Code	Target Price Change	Earnings Changes	Comment
ABA	▲ NZ\$5.07 (from NZ\$4.49)	EBITDA: ▲ FY21 +5.5%, ▲ FY22 +1.6%	<b>Upgraded guidance.</b> ABA provided upgraded FY21 guidance for EBITDA (pre IFRS-16 and wage subsidies) of NZ\$34–35m, versus prior expectations of ~NZ\$32m. Accordingly, we make meaningful upgrades to near-term earnings with the strength in dentistry since re-opening continuing to positively surprise both us and ABA.
AFT	n/a	EBIT: ▼ FY21 -13.7%, ▼ FY22 -8.8%	<b>Conservative view on revenue.</b> We make material downgrades to near-term earnings expectations – which reflects a more conservative view on revenue across all markets following the COVID-19 related disruptions in 1H21.
APL	▲ NZ\$0.38 (from NZ\$0.36)	EPS: ▲ FY21 +9.6%, ▲ FY22 +0.2%	<b>Portfolio re-mix.</b> APL has medium-term plans to re-mix its portfolio away from retail, undertake large office developments, and build scale. In the short-term, leasing at 35 Graham St would be a significant positive catalyst, but expectations are tempered by the looming Auckland Council vacancy.
ARG	▲ NZ\$1.55 (from NZ\$1.43)	EPS: ▲ FY21 +6.5%, ▲ FY22 +5.7%	<b>Higher rent growth.</b> FY21 is impacted by higher maintenance capex at 7 Waterloo Quay, while higher rent growth in outer years flows to a marginal lift in earnings.
ARV	n/a	NPAT: ▼ FY21 -8.2%, ▼ FY22 -6.6%	<b>Weaker DMF.</b> DMF was substantially weaker than our estimates as a result of a change in valuer assumptions around expected tenure in existing villages in 1Q21. The absolute shortfall was small (~\$1.5m) and we do not believe this adjustment alone to be material to the investment case.

Source: Forsyth Barr analysis

**Figure 9. Forsyth Barr target price and earnings changes**

Code	Target Price Change	Earnings Changes	Comment
BGP	n/a	NPAT: ▲ FY21 +1.7%, ▲ FY22 +0.3%	<b>Lift sales and gross margin.</b> We lift our sales and gross margin assumptions on the back of recent sales momentum, combined with lower promotional activity and good cost control, driving a +10% lift to our FY21E group gross profit forecast (implied year on year growth of +6%).
FBU	▲ NZ\$5.85 (from NZ\$3.60)	EBIT: ▲ FY21 +36.7%, ▲ FY22 +42.1%	<b>Higher resi demand and sales.</b> We lift our estimates to reflect 1) slightly better NZ residential demand, 2) higher sales and margins in the residential business, and 3) fixed cost out. Given the strong bounce out of lockdown in NZ we still expect some easing of activity in FY22 largely driven by nonresidential.
FPH	n/a	NPAT: ▲ FY21 +8.0%, ▲ FY22 +1.6%	<b>Uncertain pathway.</b> The path beyond FY21 remains an area of debate and there was little in the way of new information to help better understand the path forward.
GMT	▲ NZ\$2.30 (from NZ\$2.25)	EPS: ▲ FY21 +2.2%, ▲ FY22 +1.8%	<b>Lower rental abatements.</b> GMT's slightly lower rental abatements (NZ\$2.2m) and solid underlying rent growth (+3.7% like-for-like) in 1H21 has seen us revise up rental forecasts.
GTK	n/a	EBITDA: ▼ FY21 -55.7%, ▼ FY22 -28.1%	<b>Recruitment and increased competition.</b> Management continues to suggest that FY21 earnings will be "well below" that achieved in 2H20 given the upward pressure on costs as new skills are recruited and increased competitive intensity. We expect revenue to remain under short term pressure given diminishing non-recurring services in a COVID-19 dominated world.
KPG	▲ NZ\$1.25 (from NZ\$1.10)	EPS: ▼ FY21 -10.2%, ▼ FY22 -3.4%	<b>Sylvia Park timing.</b> The large revision to our FY21 estimates reflects Sylvia Park Galleria timing. We also make some additional IRFS16 adjustments to lease/net interest expense for all years.
NPH	▼ NZ\$3.45 (from NZ\$3.80)	EBITDA: ▼ FY21 -8.6%, ▼ FY22 -13.3%	<b>Guidance below forecast.</b> The first time FY21 EBITDA guidance range is materially below our previous forecast albeit we recognise that (1) the company is typically conservative in its guidance and (2) NPH's earnings are highly leveraged to trade activity.
PEB	n/a	Revenue: ▼ FY21 -23.7%, ▼ FY22 -10.9%	<b>COVID-19 impact.</b> We have lowered our near-term revenue path for the US to take into account a larger impact on test volumes from COVID-19. Our medium-term changes are more modest in USD, albeit a stronger NZ dollar has amplified the change. Despite costs being lower than we anticipated in 1H21, messaging was clear that PEB is planning to lift investment (primarily in personnel) in the near-term.
PFI	▲ NZ\$2.73 (from NZ\$2.64)	EPS: FY20 nc, ▲ FY21 +1.7%	<b>Acquisitions.</b> We have adjusted our earnings for the acquisition of two industrial properties as well as greater spend on the Stats NZ development (NZ\$6.8m for an 11th floor with a yield on cost of 7.2%) and façade maintenance at 7 Waterloo Quay (NZ\$10m).
POT	▼ NZ\$6.30 (from NZ\$6.75)	NPAT: ▼ FY21 -7.1%, ▼ FY22 -6.6%	<b>Log exports, funding cost and container volumes.</b> Our revised FY21 NPAT estimate is above management's guidance range as (1) we expect higher margin log exports to contribute more relative to the prior year (2) the funding cost benefit of the recent wholesale bond issue will begin in 2H21, and (3) we expect overall container volumes to sequentially improve.
PPH	▼ NZ\$9.25 (from NZ\$13.86)	EBITDA: ▼ FY21 -0.3%, ▼ FY22 -7.4%	<b>Increase weight to medium churches.</b> We lower our forecasts to increase the weighting of medium and smaller churches on PPH's processing platform following the 1H21 result. Additionally, we increase amortisation charges driving a greater decrease in NPAT forecasts for years FY21E to FY23E.
SAN	▼ NZ\$7.00 (from NZ\$7.45)	EBIT: ▼ FY21 -21.8%, ▼ FY22 -10.8%	<b>Foodservice pressure.</b> Pressure on the foodservice channel is unlikely to alleviate in the next six months. We make more limited changes to earnings beyond our explicit forecast period, underpinned by our view food supply channels will likely normalise over the coming years.
SKC	▲ NZ\$3.40 (from NZ\$3.25)	EPS: ▲ FY21 +15.5%, ▼ FY22 -0.6%	<b>IB and JobKeeper extension.</b> We make upgrades to our recovery path in FY21 – reflecting slightly stronger gaming assumptions, better than expected cost-out in International Business and incorporating the extension of JobKeeper for Adelaide (~\$5m). Our changes are small thereafter.
SML	▲ NZ\$6.30 (from NZ\$6.00)	EBIT: ▼ FY21 -7.3%, ▼ FY22 -0.7%	<b>Pokeno capex.</b> We have incorporated the additional NZ\$70m in capex (split evenly between FY21E/22E) that SML is spending at Pokeno, with the new customer contract to contribute from FY23E.

Source: Forsyth Barr analysis

**Figure 10. Forsyth Barr target price and earnings changes cont.**

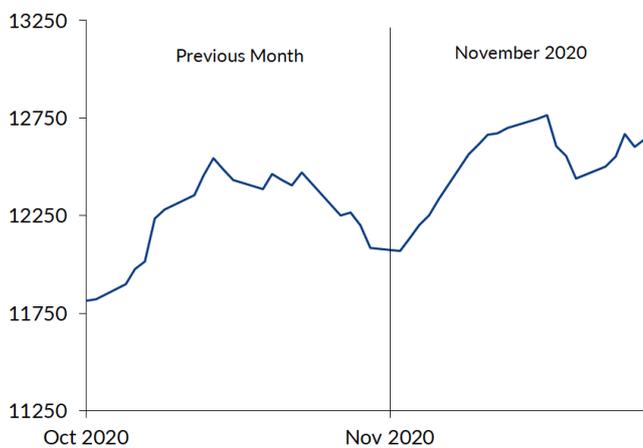
Code	Target Price Change	Earnings Changes	Comment
SPG	▲ NZ\$2.30 (from NZ\$2.15)	EPS: ▲ FY21 +2.7%, ▲ FY22 +4.9%	<b>Acquisitions and cap raise.</b> We revise earnings upwards, accounting for recent acquisitions, adjustments to our Industrire assumptions, and tax adjustments, partially offset by the dilution of the capital raise.
TLT	n/a	EBITDA: ▲ FY21 +4.5%, ▼ FY22 -0.1%	<b>Volumes, depreciation and fx.</b> These changes are based on: 1) increased commissioning volumes at Dundonnell and Waipipi, 2) lower FY21 depreciation costs following lower 1H21 result, but increased in later years due to a lift in leased assets and 3) inclusion of fair value and fx movements.
TPW	▼ NZ\$7.50 (from NZ\$7.78)	EBITDA: ▼ FY21 -1.0%, ▼ FY22 -2.0%	<b>ACOT reduced.</b> We have trimmed our FY21 EBITDAF forecast -NZ\$2m to NZ\$192m, slightly below the mid-point of the range. Medium-term forecast changes are greater, with avoided cost of transmission (ACOT) revenue reduced ~NZ\$5m following a lower than expected 1H21 contribution.
WHS	n/a	NPAT: ▲ FY21 +5.4%, FY22 nc	<b>Increased gross margins.</b> We lift our FY21 EBIT estimate +2% based on increased gross margin assumptions at Red Sheds, with limited other changes to our earnings assumptions. However, continued sales performance provides more confidence in the FY21 outlook.
ZEL	n/a	EBITDA: ▲ FY21 +2.0%, ▲ FY22 +2.2%	<b>Better opex.</b> We make minor forecast changes with our FY21/FY22 EBITDAF estimates increasing +2%/+2%. This is largely due to a better than expected opex outcome at the 1H21 result.

Source: Forsyth Barr analysis

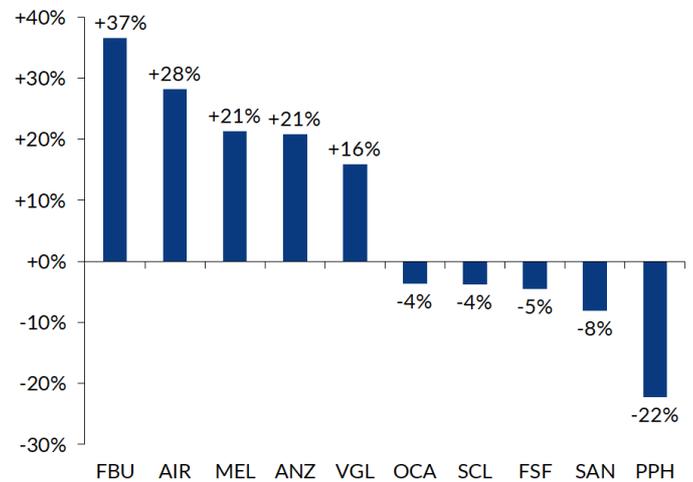
**Figure 11. Changes in Substantial Product Holder notices (SPH), Forsyth Barr universe**

Code	Name	Shareholder Name	Initial Holding	Holding after Change	Change
ARG	Argosy Property	ACC	6.26%	7.28%	+1.03%
ATM	a2 Milk Company	Mitsubishi UFJ Financial Group	6.39%	7.45%	+1.07%
		UBS	4.95%	5.74%	+0.79%
CEN	Contact Energy	ACC	5.05%	4.99%	-0.06%
		BlackRock Investment Management	8.98%	10.03%	+1.05%
		The Vanguard Group	5.00%	4.97%	-0.03%
FBU	Fletcher Building	Allan Gray Group	5.07%	4.95%	-0.12%
IPL	Investore Property	ANZ NZ Investments	9.20%	8.14%	-1.06%
		Forsyth Barr Investment Management	n/a	5.02%	n/a
OCA	Oceania Healthcare	ANZ NZ Investments	8.47%	7.38%	-1.08%
SAN	Sanford NZ	Harbour Asset Management & Jarden Securities Limited	6.96%	5.16%	-1.81%
		Harbour Asset Management & Jarden Securities Limited	5.16%	4.99%	-0.17%
		Tasman, Arden and Past	7.11%	9.01%	+1.90%
SML	Synlait Milk	FIL Investment Management	5.39%	6.72%	+1.34%
VGL	Vista Group International	Harbour Asset Management & Jarden Securities Limited	6.07%	5.61%	-0.46%
VHP	Vital Healthcare Property Trus	Forsyth Barr Investment Management	8.07%	9.15%	+1.08%
ZEL	Z Energy	L1 Capital Partners Pty	n/a	5.02%	n/a

Source: Forsyth Barr analysis, NZX. Note: based on SPH notices only.

**Figure 12. S&P/NZX 50 G Index**


Source: Forsyth Barr analysis, Refinitiv

**Figure 13. S&P/NZX 50 w/Imp: best and worst performers (1m)**


Source: Forsyth Barr analysis

**Figure 14. Benchmark and sector movements**

S&P/NZX Indices	Last	Month	Year to Date	3 Months	12 Months	3 year	5 year	10 year
50 Gross	12,768.52	+5.7%	+11.1%	+7.0%	+12.8%	+16.0%	+15.9%	+14.6%
50 Portfolio Gross	7,723.86	+6.2%	+8.7%	+11.2%	+11.2%	+14.7%	+15.4%	+14.6%
Large Caps Gross	13,234.89	+7.9%	+18.0%	+6.2%	+17.9%	+20.2%	+16.9%	+14.8%
Mid-Caps Gross	33,206.58	+1.7%	+1.4%	+8.2%	+5.7%	+10.8%	+14.7%	+15.4%
Small Caps Gross	77,129.09	+6.9%	+15.9%	+16.1%	+18.9%	+11.1%	+14.7%	+13.9%
All Consumer Discretionary Gross	1,158.77	+9.3%	-18.3%	+16.8%	-15.5%	+3.9%	+4.2%	+5.4%
All Consumer Staples Gross	5,508.89	+0.3%	-3.7%	-17.2%	-6.1%	+12.8%	+32.4%	+23.8%
All Energy Gross	630.37	+12.0%	-33.0%	+16.1%	-41.6%	-23.5%	-12.1%	-2.0%
All Financials Gross	1,144.55	+7.2%	-4.1%	+15.8%	+2.5%	-5.0%	+1.5%	+6.3%
All Health Care Gross	3,317.72	+2.1%	+29.7%	+2.8%	+37.3%	+28.1%	+24.9%	+24.7%
All Index Gross	13,870.75	+5.6%	+11.4%	+7.2%	+13.3%	+16.0%	+16.2%	+15.4%
All Industrials Gross	2,142.05	+11.2%	+0.3%	+18.9%	+2.5%	+12.6%	+14.7%	+17.7%
All Information Technology Gross	1,938.85	-8.7%	+15.0%	-6.2%	+15.0%	+7.8%	+13.9%	+23.4%
All Materials Gross	813.28	+35.4%	+8.8%	+53.9%	+5.8%	-4.7%	-2.3%	+0.5%
All Real Estate Gross	1,837.36	-0.6%	+1.3%	+8.0%	+4.0%	+14.6%	+11.4%	+12.7%
All Communication Services Gross	2,345.94	+0.6%	+16.2%	-1.8%	+13.0%	+15.9%	+14.7%	+14.8%
All Utilities Gross	2,703.22	+11.8%	+23.1%	+21.4%	+26.4%	+26.2%	+20.8%	+15.4%

Source: Forsyth Barr analysis, Iress, 3, 5 & 10 year returns annualised

**Figure 15. International returns (local currency)**

Market (local returns)	Last	Month	Year to Date	3 months	12 months	3 year	5 year	10 year
Aust. S&P/ASX 200 Accum.	72,581.26	+10.2%	+0.2%	+8.2%	-2.0%	+6.9%	+9.1%	+8.1%
Aust. S&P/ASX 200 Indust. Accum.	143,053.40	+10.2%	+0.3%	+9.5%	-2.8%	+5.8%	+7.4%	+10.3%
Aust. S&P/ASX 200 A-REIT Accum.	55,061.64	+13.2%	-5.0%	+11.1%	-9.2%	+5.4%	+7.7%	+11.2%
US S&P 500 Total Rtn	7,472.06	+10.9%	+14.0%	+3.9%	+17.5%	+13.2%	+14.0%	+14.2%
London FTSE 100 Total Rtn	5,978.52	+12.7%	-14.4%	+5.7%	-12.0%	-1.2%	+3.7%	+5.2%
German DAX 30	13,291.16	+15.0%	+0.3%	+2.7%	+0.4%	+0.7%	+3.1%	+7.1%
France CAC 40 Total Rtn	15,320.71	+20.1%	-5.7%	+11.8%	-4.4%	+3.9%	+5.4%	+7.9%
Japan Nikkei 225	26,433.62	+15.0%	+11.7%	+14.2%	+13.5%	+5.2%	+6.0%	+10.3%
Hong Kong Hang Seng	26,341.49	+9.3%	-6.6%	+4.6%	-0.0%	-3.4%	+3.7%	+1.4%
MSCI World Accum. Index	7,682.75	+12.8%	+11.2%	+5.6%	+14.5%	+9.5%	+10.9%	+10.2%
MSCI New Zealand	797.08	+12.8%	+20.1%	+5.2%	+26.3%	+19.8%	+17.4%	+13.0%
NZDAUD	0.9551	+1.5%	-0.5%	+4.6%	+0.6%	+1.9%	+0.9%	+2.1%
NZDUSD	0.7017	+6.1%	+4.1%	+4.2%	+9.3%	+0.9%	+1.3%	-0.6%

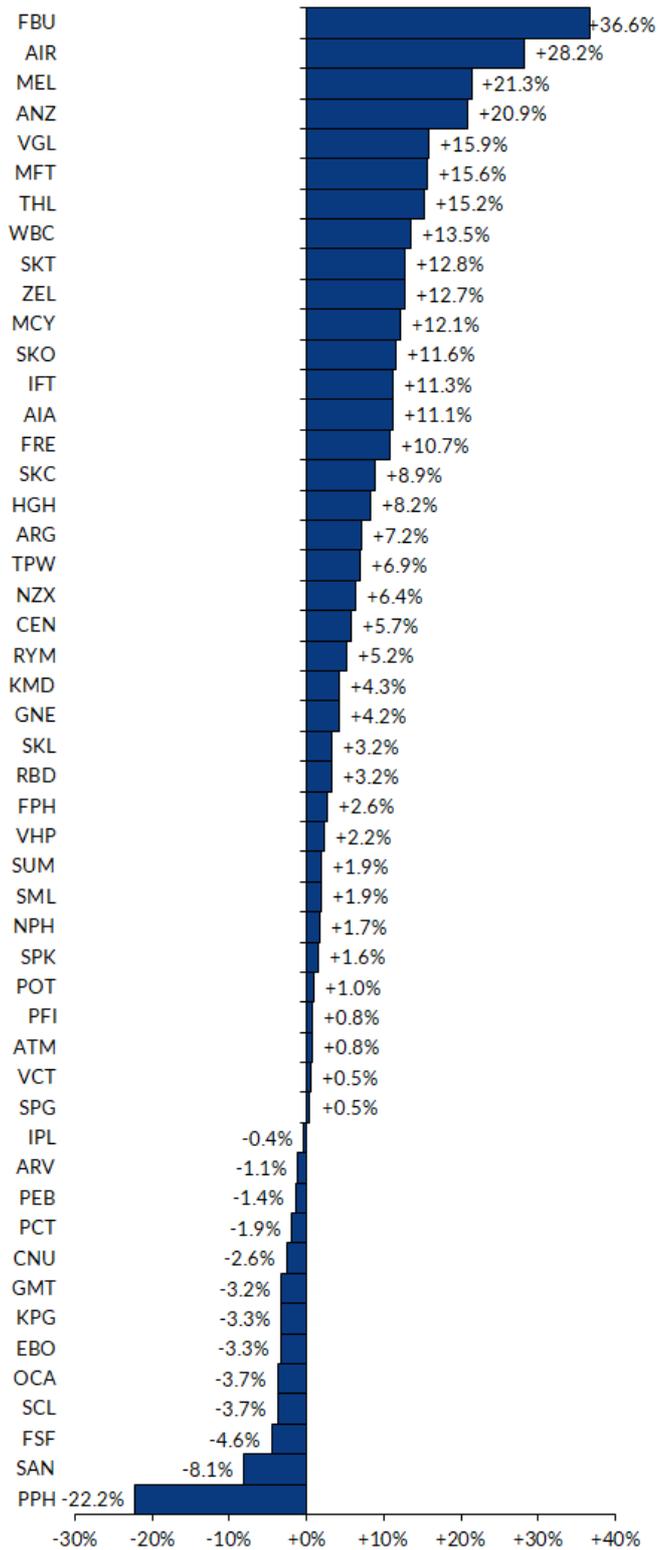
Source: Forsyth Barr analysis, Bloomberg, 3, 5 & 10 year returns annualised

**Figure 16. International returns (NZ\$)**

Market (NZ\$)	Last	Month	Year to Date	3 months	12 months	3 year	5 year	10 year
Aust. S&P/ASX 200 Accum.	72,581.26	+8.6%	+0.7%	+3.5%	-2.6%	+5.0%	+8.0%	+5.9%
Aust. S&P/ASX 200 Indust. Accum.	143,053.40	+8.5%	+0.8%	+4.8%	-3.4%	+3.9%	+6.3%	+8.0%
Aust. S&P/ASX 200 A-REIT Accum.	55,061.64	+11.6%	-4.5%	+6.3%	-9.8%	+3.5%	+6.7%	+8.9%
US S&P 500 Total Rtn	7,472.06	+4.3%	+9.4%	-0.2%	+7.3%	+12.2%	+12.5%	+14.9%
London FTSE 100 Total Rtn	5,978.52	+9.3%	-17.3%	+1.4%	-16.9%	-2.5%	-0.0%	+4.2%
German DAX 30	13,291.16	+10.9%	+2.4%	-1.3%	-0.4%	-0.0%	+4.3%	+6.8%
France CAC 40 Total Rtn	15,320.71	+15.9%	-3.6%	+7.5%	-5.2%	+3.2%	+6.7%	+7.6%
Japan Nikkei 225	26,433.62	+8.5%	+11.7%	+11.3%	+8.8%	+6.9%	+8.1%	+8.5%
Hong Kong Hang Seng	26,341.49	+2.7%	-9.9%	+0.5%	-7.7%	-4.0%	+2.3%	+2.0%
MSCI World Accum. Index	7,682.75	+6.0%	+6.7%	+1.4%	+4.6%	+8.5%	+9.4%	+10.8%
MSCI New Zealand	797.08	+6.0%	+15.2%	+1.1%	+15.4%	+18.8%	+15.9%	+13.7%
NZDAUD	0.9551	+1.5%	-0.5%	+4.6%	+0.6%	+1.9%	+0.9%	+2.1%
NZDUSD	0.7017	+6.1%	+4.1%	+4.2%	+9.3%	+0.9%	+1.3%	-0.6%

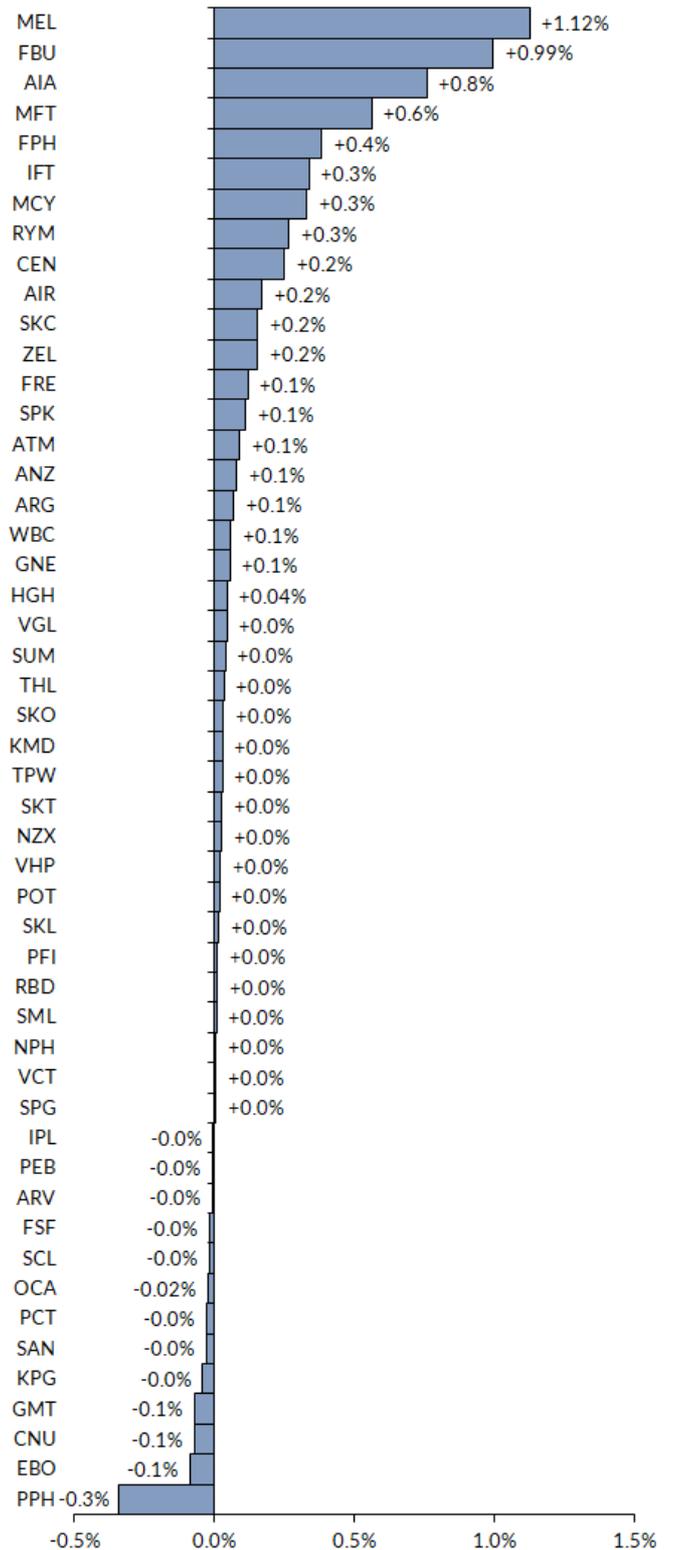
Source: Forsyth Barr analysis, Bloomberg, 3, 5 & 10 year returns annualised

Figure 17. S&P/NZX 50 G w/Imp Index: returns (month)



Source: Forsyth Barr analysis

Figure 18. S&P/NZX 50 G w/Imp Index: contribution (month)



Source: Forsyth Barr analysis

Source: Forsyth Barr analysis, IRESS, S&P DJI. S&P DJI limit the publication of index weights to 10% of the constituents of any S&P/NZX index. Individual returns calculated as the product of the monthly % change ie. (last price + gross div)/base price. Price returns, dividend and contribution reflects the time period that the stock was a member of the index.

**Figure 19. S&P/NZX 50 C Index month**

Company	Price \$ Month-end	% Change Month	Contribution %	No. Shares (millions)	Mkt Cap (\$mil)	S&P/NZX 50 Ind'l Wgtg %
1 F&P Healthcare	35.92	+2.63%	+0.4%	574.94	20,651.77	15.70
2 A2 Corporation	14.75	+0.75%	+0.1%	742.26	10,948.35	8.32
3 Auckland Int. Airport	7.78	+11.14%	+0.8%	1,207.49	9,394.29	7.14
4 Spark NZ	4.56	+1.56%	+0.1%	1,837.05	8,376.93	6.37
5 Meridian Energy	6.43	+21.32%	+1.1%	1,255.67	8,073.95	6.14
6 Ryman Healthcare	14.73	+5.21%	+0.3%	-	-	-
7 Contact Energy	7.80	+5.69%	+0.2%	-	-	-
8 Mainfreight	62.39	+15.64%	+0.6%	-	-	-
9 Fletcher Building	5.60	+36.59%	+1.0%	-	-	-
10 Infratil	5.95	+9.78%	+0.3%	-	-	-
11 Mercury NZ	6.00	+12.15%	+0.3%	-	-	-
12 Chorus	8.20	-2.61%	-0.1%	-	-	-
13 Ebos Group	24.90	-3.30%	-0.1%	-	-	-
14 Goodman Property Trust	2.40	-3.23%	-0.1%	-	-	-
15 Summerset Group	10.60	+1.92%	+0.0%	-	-	-
16 SKYCITY	3.05	+8.93%	+0.2%	-	-	-
17 Port of Tauranga	7.31	+0.97%	+0.0%	-	-	-
18 Kiwi Property Group	1.19	-3.25%	-0.0%	-	-	-
19 Precinct Properties NZ	1.72	-2.82%	-0.0%	-	-	-
20 Z Energy	3.19	+12.72%	+0.2%	-	-	-
21 Genesis Energy	3.23	+4.19%	+0.1%	-	-	-
22 Freightways	9.30	+10.71%	+0.1%	-	-	-
23 Pushpay Holdings	1.77	-22.20%	-0.3%	-	-	-
24 Property for Industry	2.90	0.00%	+0.0%	-	-	-
25 Argosy Property	1.49	+7.19%	+0.1%	-	-	-
26 Vector	4.22	+0.48%	+0.0%	-	-	-
27 Vital Healthcare Property Trust	2.98	+2.23%	+0.0%	-	-	-
28 Air New Zealand	1.82	+28.17%	+0.2%	-	-	-
29 Arvida Group	1.73	-1.14%	-0.0%	-	-	-
30 Stride Property Group	2.22	+0.45%	+0.0%	-	-	-
31 Oceania Healthcare	1.30	-3.70%	-0.0%	-	-	-
32 Kathmandu	1.22	+4.27%	+0.0%	-	-	-
33 Heartland Bank	1.45	+8.21%	+0.0%	-	-	-
34 Investore	2.20	-1.35%	-0.0%	-	-	-
35 Scales Corporation	4.88	-3.75%	-0.0%	-	-	-
36 Westpac	21.26	+11.31%	+0.0%	-	-	-
37 Skellerup Holdings	3.18	+3.25%	+0.0%	-	-	-
38 ANZ	23.89	+18.74%	+0.1%	-	-	-
39 Pacific Edge	0.71	-1.39%	-0.0%	-	-	-
40 NZX	1.83	+6.40%	+0.0%	-	-	-
41 TrustPower	7.33	+3.53%	+0.0%	-	-	-
42 Fonterra Shareholders Fund	4.40	-4.56%	-0.0%	-	-	-
43 Sanford	5.10	-8.11%	-0.0%	-	-	-
44 Vista Group	1.75	+15.89%	+0.0%	-	-	-
45 Synlait Milk	5.43	+1.88%	+0.0%	-	-	-
46 Restaurant Brands	12.25	+3.20%	+0.0%	-	-	-
47 Serko	5.48	+11.61%	+0.0%	-	-	-
48 Napier Port	3.63	+1.68%	+0.0%	-	-	-
49 Tourism Holdings	2.58	+15.18%	+0.0%	-	-	-
50 Sky Network Television	0.17	+12.75%	+0.0%	-	-	-
Market Capital					\$131,514.96	100
S&P/NZX 50 C Index					5361.13	+5.57%
S&P/NZX 50 C Portfolio Index					3312.08	+6.07%

Source: Forsyth Barr analysis, IRESS, S&P DJI. S&P DJI limit the publication of index weights to 10% of the constituents of any S&P/NZX index. Individual returns calculated as the product of the monthly % change ie. (last price + gross div)/base price. Price returns, dividend and contribution reflects the time period that the stock was a member of the index.

**Figure 20. S&P/NZX 50 G Index: month**

Company	Price \$ Month end	Gross Div. \$	% Change Month	Contribution %	No. Shares (millions)	Mkt Cap. (\$mil)	S&P/NZX 50 Ind'l Wgtg %
1 F&P Healthcare	35.92		+2.63%	+0.4%	574.94	20,651.77	15.70
2 A2 Corporation	14.75		+0.75%	+0.1%	742.26	10,948.35	8.32
3 Auckland Int. Airport	7.78		+11.14%	+0.8%	1,207.49	9,394.29	7.14
4 Spark NZ	4.56		+1.56%	+0.1%	1,837.05	8,376.93	6.37
5 Meridian Energy	6.43		+21.32%	+1.1%	1,255.67	8,073.95	6.14
6 Ryman Healthcare	14.73		+5.21%	+0.3%	-	-	-
7 Contact Energy	7.80		+5.69%	+0.2%	-	-	-
8 Mainfreight	62.39		+15.64%	+0.6%	-	-	-
9 Fletcher Building	5.60		+36.59%	+1.0%	-	-	-
10 Infratil	5.95	0.0625	+10.93%	+0.3%	-	-	-
11 Mercury NZ	6.00		+12.15%	+0.3%	-	-	-
12 Chorus	8.20		-2.61%	-0.1%	-	-	-
13 Ebos Group	24.90		-3.30%	-0.1%	-	-	-
14 Goodman Property Trust	2.40		-3.23%	-0.1%	-	-	-
15 Summerset Group	10.60		+1.92%	+0.0%	-	-	-
16 SKYCITY	3.05		+8.93%	+0.2%	-	-	-
17 Port of Tauranga	7.31		+0.97%	+0.0%	-	-	-
18 Kiwi Property Group	1.19		-3.25%	-0.0%	-	-	-
19 Precinct Properties NZ	1.72	0.0163	-1.91%	-0.0%	-	-	-
20 Z Energy	3.19		+12.72%	+0.2%	-	-	-
21 Genesis Energy	3.23		+4.19%	+0.1%	-	-	-
22 Freightways	9.30		+10.71%	+0.1%	-	-	-
23 Pushpay Holdings	1.77		-22.20%	-0.3%	-	-	-
24 Property for Industry	2.90	0.0185	+0.63%	+0.0%	-	-	-
25 Argosy Property	1.49		+7.19%	+0.1%	-	-	-
26 Vector	4.22		+0.48%	+0.0%	-	-	-
27 Vital Healthcare Property Trust	2.98		+2.23%	+0.0%	-	-	-
28 Air New Zealand	1.82		+28.17%	+0.2%	-	-	-
29 Arvida Group	1.73		-1.14%	-0.0%	-	-	-
30 Stride Property Group	2.22		+0.45%	+0.0%	-	-	-
31 Oceania Healthcare	1.30		-3.70%	-0.0%	-	-	-
32 Kathmandu	1.22		+4.27%	+0.0%	-	-	-
33 Heartland Bank	1.45		+8.21%	+0.0%	-	-	-
34 Investore	2.20	0.0190	-0.49%	-0.0%	-	-	-
35 Scales Corporation	4.88		-3.75%	-0.0%	-	-	-
36 Westpac	21.26	0.3316	+13.13%	+0.1%	-	-	-
37 Skellerup Holdings	3.18		+3.25%	+0.0%	-	-	-
38 ANZ	23.89	0.3714	+20.65%	+0.1%	-	-	-
39 Pacific Edge	0.71		-1.39%	-0.0%	-	-	-
40 NZX	1.83		+6.40%	+0.0%	-	-	-
41 TrustPower	7.33	0.1700	+5.93%	+0.0%	-	-	-
42 Fonterra Shareholders Fund	4.40		-4.56%	-0.0%	-	-	-
43 Sanford	5.10		-8.11%	-0.0%	-	-	-
44 Vista Group	1.75		+15.89%	+0.0%	-	-	-
45 Synlait Milk	5.43		+1.88%	+0.0%	-	-	-
46 Restaurant Brands	12.25		+3.20%	+0.0%	-	-	-
47 Serko	5.48		+11.61%	+0.0%	-	-	-
48 Napier Port	3.63		+1.68%	+0.0%	-	-	-
49 Tourism Holdings	2.58		+15.18%	+0.0%	-	-	-
50 Sky Network Television	0.17		+12.75%	+0.0%	-	-	-
				Market Capital		\$131,514.96	100
				Accumulated Dividend		\$107.15	
				S&P/NZX 50 G Index		12768.52	+5.66%
				S&P/NZX 50 G Portfolio Index		7723.86	+6.19%

Source: Forsyth Barr analysis, IRESS, S&P DJI. S&P DJI limit the publication of index weights to 10% of the constituents of any S&P/NZX index. Individual returns calculated as the product of the monthly % change ie. (last price + gross div)/base price. Price returns, dividend and contribution reflects the time period that the stock was a member of the index.

**Figure 21. S&P/NZX 50 G w/Imp Index: month**

Company	Price \$ Month-end	Gross Div w/Imp (\$)	% Change Month	Contribution %	No. Shares (millions)	Mkt Cap (\$mil)	S&P/NZX 50 Ind'l Wgtg %
1 F&P Healthcare	35.92		+2.6%	+0.4%	574.94	20,651.77	15.70
2 A2 Corporation	14.75		+0.8%	+0.1%	742.26	10,948.35	8.32
3 Auckland Int. Airport	7.78		+11.1%	+0.8%	1,207.49	9,394.29	7.14
4 Spark NZ	4.56		+1.6%	+0.1%	1,837.05	8,376.93	6.37
5 Meridian Energy	6.43		+21.3%	+1.1%	1,255.67	8,073.95	6.14
6 Ryman Healthcare	14.73		+5.2%	+0.3%	-	-	-
7 Contact Energy	7.80		+5.7%	+0.2%	-	-	-
8 Mainfreight	62.39		+15.6%	+0.6%	-	-	-
9 Fletcher Building	5.60		+36.6%	+1.0%	-	-	-
10 Infratil	5.95	0.0800	+11.3%	+0.3%	-	-	-
11 Mercury NZ	6.00		+12.1%	+0.3%	-	-	-
12 Chorus	8.20		-2.6%	-0.1%	-	-	-
13 Ebos Group	24.90		-3.3%	-0.1%	-	-	-
14 Goodman Property Trust	2.40		-3.2%	-0.1%	-	-	-
15 Summerset Group	10.60		+1.9%	+0.0%	-	-	-
16 SKYCITY	3.05		+8.9%	+0.2%	-	-	-
17 Port of Tauranga	7.31		+1.0%	+0.0%	-	-	-
18 Kiwi Property Group	1.19		-3.3%	-0.0%	-	-	-
19 Precinct Properties NZ	1.72	0.0163	-1.9%	-0.0%	-	-	-
20 Z Energy	3.19		+12.7%	+0.2%	-	-	-
21 Genesis Energy	3.23		+4.2%	+0.1%	-	-	-
22 Freightways	9.30		+10.7%	+0.1%	-	-	-
23 Pushpay Holdings	1.77		-22.2%	-0.3%	-	-	-
24 Property for Industry	2.90	0.0239	+0.8%	+0.0%	-	-	-
25 Argosy Property	1.49		+7.2%	+0.1%	-	-	-
26 Vector	4.22		+0.5%	+0.0%	-	-	-
27 Vital Healthcare Property Trust	2.98		+2.2%	+0.0%	-	-	-
28 Air New Zealand	1.82		+28.2%	+0.2%	-	-	-
29 Arvida Group	1.73		-1.1%	-0.0%	-	-	-
30 Stride Property Group	2.22		+0.5%	+0.0%	-	-	-
31 Oceania Healthcare	1.30		-3.7%	-0.0%	-	-	-
32 Kathmandu	1.22		+4.3%	+0.0%	-	-	-
33 Heartland Bank	1.45		+8.2%	+0.0%	-	-	-
34 Investore	2.20	0.0219	-0.4%	-0.0%	-	-	-
35 Scales Corporation	4.88		-3.7%	-0.0%	-	-	-
36 Westpac	21.26	0.4016	+13.5%	+0.1%	-	-	-
37 Skellerup Holdings	3.18		+3.2%	+0.0%	-	-	-
38 ANZ	23.89	0.4114	+20.9%	+0.1%	-	-	-
39 Pacific Edge	0.71		-1.4%	-0.0%	-	-	-
40 NZX	1.83		+6.4%	+0.0%	-	-	-
41 TrustPower	7.33	0.2361	+6.9%	+0.0%	-	-	-
42 Fonterra Shareholders Fund	4.40		-4.6%	-0.0%	-	-	-
43 Sanford	5.10		-8.1%	-0.0%	-	-	-
44 Vista Group	1.75		+15.9%	+0.0%	-	-	-
45 Synlait Milk	5.43		+1.9%	+0.0%	-	-	-
46 Restaurant Brands	12.25		+3.2%	+0.0%	-	-	-
47 Serko	5.48		+11.6%	+0.0%	-	-	-
48 Napier Port	3.63		+1.7%	+0.0%	-	-	-
49 Tourism Holdings	2.58		+15.2%	+0.0%	-	-	-
50 Sky Network Television	0.17		+12.8%	+0.0%	-	-	-
				Market Capital		\$131,514.96	100
				Accumulated Dividend		\$130.81	
				S&P/NZX 50 G w/Imp Index		15617.69	+5.68%
				S&P/NZX 50 G w/Imp Portfolio Index		9284.61	6.21%

Source: Forsyth Barr analysis, IRESS, S&P DJI. S&P DJI limit the publication of index weights to 10% of the constituents of any S&P/NZX index. Individual returns calculated as the product of the monthly % change ie. (last price + gross div)/base price. Price returns, dividend and contribution reflects the time period that the stock was a member of the index.

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