

A Month in the Market

February 2020

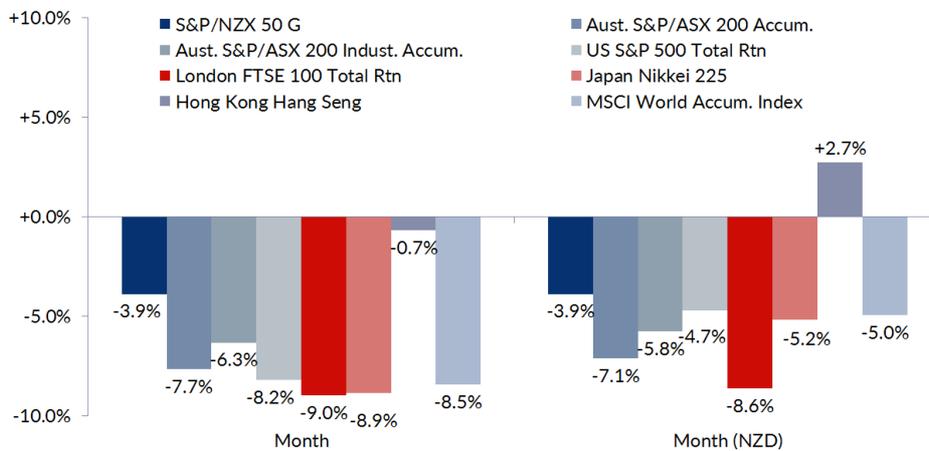
MATTHEW LEACH

 matthew.leach@forsythbarr.co.nz
 +64 4 495 1324

LIAM DONNELLY

 liam.donnelly@forsythbarr.co.nz
 +64 4 495 8194

The S&P/NZX 50 G index fell -3.9% in February 2020, closing at 11,261. Large caps outperformed mid-caps with strength in Consumer Staples, Healthcare, Communications and Property. Consumer Discretionary, Energy, Financials, IT, Materials, Industrials and Utilities stocks underperformed the benchmark. Off-shore markets, S&P/ASX200 Accum, S&P500 TR and FTSE100 TR returned -7.7%, -8.2% and -9.0% respectively (local currency).

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


Source: Forsyth Barr analysis, Bloomberg

Movers and Shakers

The month of February finished with just 10 positive returns and 40 negative returns and an overall range of 42.3%. Top performers for the month included FPH (+10.6%), ATM (+8.7%) and GTK (+5.0%), whilst SML (-31.7%), NZR (-25.2%) and SKT (-21.7%) performed the worst. The main (positive) contributors to the index were FPH, ATM and CNU with MEL, AIA and CEN providing the largest negative contributions for the month.

Figure 2. Index and Sector Movements: Feb 2020

S&P/NZX Indices	Close	1mth Return	3mth Return
50 Gross	11,261.16	-3.9%	-0.5%
50 Portfolio Gross	6,813.47	-5.7%	-1.9%
Large Caps Gross	11,300.09	-2.0%	+0.6%
Mid-Caps Gross	30,735.50	-6.7%	-2.2%
Small Caps Gross	59,515.63	-10.3%	-8.2%
All Real Estate Gross	1,820.83	-1.9%	+3.1%

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	+1.7%	+7.7%	-0.1%	+5.8%	+6.2%	+7.7%
Consensus	+3.5%	+9.1%	+1.7%	+8.7%	+6.9%	+8.3%
Difference	-1.7%	-1.4%	-1.8%	-2.9%	-0.7%	-0.7%

Source: Forsyth Barr analysis, Bloomberg

Expected 12 month forward Total Return

Our expected 12 month forward total returns are +1.7% (weighted) for the benchmark S&P/NZX 50 index or +7.7% on a median basis. Both include a cash dividend yield of 3.2%. Large cap companies are expected to deliver -0.1% versus the mid-caps at +6.2%

Figure 4. Company Headlines: February 2020

Code	Date	Total Return	Headline
AIR	27/02/2020	-19.5%	Air New Zealand's half-year profit dropped, with fewer people flying internationally and weakness in the global cargo market.
ATM	27/02/2020	+8.7%	The a2 Milk Company reported half-year profit up +20% from the same period last year on higher-than-expected margins.
FSF	27/02/2020	-3.5%	Fonterra left its milk price and earnings guidance unchanged in the wake of the coronavirus epidemic.
NZR	27/02/2020	-25.2%	Refining New Zealand's bottom line took an NZ\$26m hit as it copes with challenging low margins.
MEL	26/02/2020	-13.6%	More sales, wind and rain helped Meridian Energy post record interim earnings of NZ\$465m for the six months to December 31.
MET	26/02/2020	+0.1%	Metlifecare had a solid start to its 2020 financial year, reporting net profit after tax of NZ\$24.6m after restarting its construction development programme.
SCL	26/02/2020	-8.8%	Scales posted a record profit for the year to December 31, off the back of a series of divestments.
MCY	25/02/2020	-8.7%	Mercury's profit fell by a fifth off the back of lower electricity generation and a loss of earnings from the sale of its smart metering business.
SUM	25/02/2020	-12.3%	Summerset Group's profit growth substantially slowed in the first half of the year, with no uplift forecast for the rest of the year.
VCT	25/02/2020	-10.4%	Vector reported a net profit after tax of NZ\$80.5m in its half-year results, down on the previous year driven by devalued assets.
AIR	24/02/2020	-19.5%	Air New Zealand is expecting to take a hit of up to NZ\$75m this year, as the coronavirus continues to slam the travel and tourism industries.
CNU	24/02/2020	+2.3%	Chorus reported a flat half-year result as its growing fibre broadband connections were offset by a greater loss of customers on copper lines.
FRE	24/02/2020	-15.7%	Freightways' first-half operating revenue rose just +1%, but it said it is faring well in a tough market and things are looking up.
GTK	24/02/2020	+5.0%	Gentrack (GTK) announced the abrupt departure of its chief executive Ian Black days ahead of its annual meeting on Wednesday.
GEN	21/02/2020	-3.0%	Gas shortages and lower hydro generation damped retail gains for Genesis as they posted net profit down 82% from the same time last year.
AIA	20/02/2020	-9.0%	Auckland International Airport's first-half result was flat due to tempering passenger numbers and the impact of aeronautical price changes.
EBO	20/02/2020	-2.3%	EBOS Group posted a 1H20 result that was modestly weaker than expected, predominantly due to margin pressure in the Healthcare segment.
PCT	20/02/2020	+0.5%	Precinct Properties posted a +120% increase to its bottom line thanks mainly to damages for delays in its Commercial Bay project.
FBU	19/02/2020	-6.5%	Fletcher Building saw a sharp decline in its steel business in the latest half-year result, which saw net profit down -8% on the same period a year earlier.
SPK	19/02/2020	-2.7%	Spark reported a +9.2% increase in net profit for the first half of its financial year, driven by growth in earnings from mobile services.
VHP	19/02/2020	+2.5%	Vital Healthcare reported a solid 1H20, with net distributable income up +12.4% on the pcp, helped by lower interest expense than forecast.
AIR	18/02/2020	-19.5%	Air New Zealand announced it will be reducing capacity on its Shanghai route through April and May due to the coronavirus.
TPW	17/02/2020	-15.2%	Trustpower dropped its full-year 2020 guidance again with mostly "uncontrollable" events eating further into its expected earnings.
SKC	14/02/2020	-8.3%	Plans for a luxury hotel on Queenstown's lakeside have been put on hold by SkyCity as its international business falters.
NZX	14/02/2020	-4.3%	NZX reported improved earnings in its first half as rising equity values and fund management fees offset its secondary market business.
SKL	13/02/2020	-20.4%	Skellerup's half-year profit dropped, hit by trade tariffs and lower demand from the US.
SKC	13/02/2020	-8.3%	SkyCity estimated the Convention Centre will cost \$220m-\$250m to fix, but expects amounts not covered by insurance can be claimed from Fletcher Building.
SKT	12/02/2020	-21.7%	Revenues are down, net profit slumped more than 40% and costs are up at Sky TV's financial half year.
CEN	10/02/2020	-9.9%	The higher cost and unreliability of gas supply ate into half year profit at Contact Energy, which was reported to be down 40%.
THL	5/02/2020	-16.7%	Tourism Holdings said it expects annual net profit will be down because of the coronavirus impact and the Australian bushfires.

Source: Forsyth Barr analysis, Sharechat

Figure 5. Economic Headlines: February 2020

Date	Headline
18/02/2020	The electricity market watchdog banned power companies from trying to win back customers until six months after they switch to a competitor.
17/02/2020	Prime Minister Jacinda Ardern said Treasury thinks the spread of COVID-19 would have a temporary negative impact on GDP.
12/02/2020	The Reserve Bank left the official cash rate unchanged at 1%, saying economic growth was expected to accelerate over the second half.
7/02/2020	The game development industry more than doubled its income in two years but a survey shows skills and funding are serious roadblocks for the industry.
5/02/2020	Tonnes of lobster could be returned to the sea after Chinese distributors cancelled a huge order for live crayfish amid disruption from the coronavirus.
4/02/2020	The head of the Financial Markets Authority told the country's financial services community that he would like to "reset the tone" of their relationship.

Source: Forsyth Barr analysis, Sharechat

Figure 6. Forsyth Barr Ratings Changes: February 2020

Code	Indicator	Current Rating	Previous Rating	Date	Comment
VCT	▲	NEUTRAL	UNDERPERFORM	20/02/2020	Our rating upgrade reflects our 12-month view that VCT will perform broadly in line with the market.
VHP	▼	NEUTRAL	OUTPERFORM	26/02/2020	We have pulled our investment rating back given the strong share price performance over the last 12 months.

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	12
Downgrade ▼	13	19	19

Source: Forsyth Barr analysis

Figure 8. Forsyth Barr Target Price and Earnings Changes: February 2020

Code	Target Price Change	Earnings Changes	Comment
AIA	▲ NZ\$8.10 (from NZ\$7.90)	NPAT: ▼ FY20 -1.8%, ▼ FY21 -0.4%	Demand Outlook. Small cut to earnings forecasts due to weaker demand outlook, partly offset by lower interest costs.
ARV	▲ NZ\$2.03 (from NZ\$1.78)	n/a	Price appreciation and margins. We have taken a slightly more positive medium term view on unit price appreciation and margins. This has lifted our FY22 forecasts and medium to longer term earnings which has lifted our DCF.
ATM	▲ NZ\$18.50 (from NZ\$17.50)	EBITDA: ▲ FY20 +3.8%, ▲ FY21 +3.7%	Infant Formula. Modest upgrades to our earnings expectations due to lift in revenue growth assumptions for China IF and higher IF gross margin forecasts.
BGP	n/a	NPAT: ▼ FY20 -5.0%, FY21 nc	Weak sales. Lowered NPAT forecast following weaker than expected sales and commentary suggesting gross margin contraction.
CEN	▲ NZ\$8.00 (from NZ\$7.85)	EBITDA: ▼ FY20 -0.6%, ▼ FY21 -2.6%	Gas costs and price declines. Trimmed EBITDAF forecasts due to increase in gas costs, trimming of C&I prices and lower expected generation price.
CNU	▲ NZ\$6.90 (from NZ\$6.40)	EBITDA: ▲ FY20 +4.1%, ▲ FY21 +6.0%	Lower opex. We have upgraded our medium-term forecasts due to a sharp reduction in opex in 1H20.
DGL	n/a	EBIT: ▲ FY20 +2.3%, ▲ FY21 +2.1%	Sales, FX and interest. We have lifted our operating NPAT forecasts. Drivers of this include sales market mix changes, favourable FX movements, and lower interest rate assumptions.
EBO	n/a	EBITDA: ▲ FY20 +10.3%, ▲ FY21 +11.4%	Gross margin. Modest earnings forecasts downgrades due to lower gross margin assumptions across most segments. EBITDA/NPAT changes incorporate IFRS16 for the first-time which materially lifts EBITDA but lowers NPAT.
FBU	n/a	EBIT: ▼ FY20 -3.5%, ▼ FY21 -4.0%	Market share. Revised EBIT forecasts down due to market share pressures across the NZ businesses.
FRE	▼ NZ\$8.00 (from NZ\$8.10)	NPAT: ▼ FY20 -9.0%, ▼ FY21 -9.0%	IFRS 16. Our earnings forecasts have been adjusted to incorporate IFRS 16 for the first time. Consequently, our EBITDA and EBITA estimates increase materially. These apparent upgrades mask underlying downgrades at both lines.
GNE	n/a	EBITDA: ▲ FY20 +1.1%, ▲ FY21 -0.6%	Hedging gains. Lifted EBITDAF forecast due to increased hedging gains. Other factors include stronger Kupe and retail earnings, and normalised wholesale conditions.
KMD	▲ NZ\$3.30 (from NZ\$3.00)	NPAT: FY20 nc, ▼ FY21 -0.7%	Acquisition. The lift to our target price reflects 1) peer multiple expansion and 2) a lower seasonal risk discount for KMD following the acquisition of Rip Curl.
MCY	n/a	EBITDA: ▼ FY20 -1.9%, ▲ FY21 +0.6%	Hydro generation. We have lowered our EBITDAF forecast, primarily due to lower hydro generation.
MHJ	▼ NZ\$0.65 (from NZ\$0.70)	EBIT: ▼ FY20 -6.6%, ▼ FY21 -7.3%	Gross margin. Lowered our earnings estimates due to reduction in gross margin assumptions.
NZR	▼ NZ\$1.40 (from NZ\$1.82)	NPAT: ▼ FY20 -72.6%, ▼ FY21 -85.5%	Gross refining margin. Lowered our NPAT forecasts in light of a lower GRM base assumption caused by challenging refining conditions and uncertain demand outlook).

Source: Forsyth Barr analysis

Figure 9. Forsyth Barr Target Price and Earnings Changes: February 2020 continued

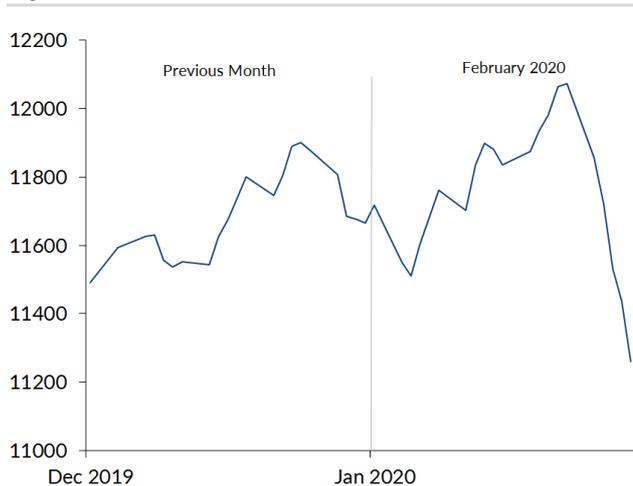
Code	Target Price Change	Earnings Changes	Comment
NZX	n/a	NPAT: ▼ FY20 -1.5%, ▼ FY21 -5.3%	Fund expenses. Forecasts adjusted to include fund expenses net of FUM as reported, with a decrease in rev fully offset by lower costs, leaving EBITDA unchanged before updating forecasts post FY19 results.
PGW	n/a	EBITDA: ▼ FY20 -4.5%, ▼ FY21 -1.5%	Livestock business. Lower commodity prices and coronavirus uncertainty has led us to lower our operating EBITDA forecasts.
SCL	▼ NZ\$4.45 (from NZ\$4.60)	EBIT: ▼ FY20 -4.2%, ▼ FY21 -5.1%	Horticulture and logistics. We have cut our EBITDA forecasts to reflect lower margin assumptions in Horticulture and lower earnings base for Logistics.
SKC	▼ NZ\$3.70 (from NZ\$4.00)	EPS: ▼ FY20 -14.8%, ▼ FY21 -18.8%	IB and Adelaide. Modest upgrades across NZ properties, outweighed by lower near-term IB and Adelaide assumptions.
SKL	n/a	EPS: ▼ FY20 -3.9%, ▼ FY21 -2.8%	Updated guidance. Lowered NPAT forecast to reflect updated guidance. Negative revisions across forecast period due to lower earnings base, subdued industrial division outlook, and lower EBIT margins in industrial division.
SKT	▼ NZ\$0.55 (from NZ\$0.80)	EBITDA: ▲ FY20 +4.1%, ▲ FY21 +6.6%	Revenue decrease. Revised down EPS forecasts as near-term rev expected to decrease, with costs likely increasing.
SML	▼ NZ\$7.20 (from NZ\$9.50)	EBIT: ▼ FY20 -13.5%, ▼ FY21 -12.3%	Volumes. Material earnings cuts underpinned by lower IFB volumes, lower expectations for IF customer volumes and a reduction to our Lactoferrin margin assumptions.
STU	▼ NZ\$0.95 (from NZ\$1.05)	EBIT: ▼ FY20 -7.0%, ▲ FY21 +9.7%	Quantified guidance. EBIT forecasts lowered after STU quantified previous guidance that 1H20 earnings will be down yoy.
SUM	▼ NZ\$8.70 (from NZ\$8.90)	EPS: ▼ FY20 -13.8%, ▼ FY21 -9.6%	Opex and lower build rate. We have materially dropped our near-term earnings forecasts due to a lift in opex and reduction in development margins, as well as a lower new build rate.
THL	▼ NZ\$3.40 (from NZ\$4.00)	NPAT: ▼ FY20 -11.5%, ▼ FY21 -5.0%	Tourists, rentals and TOGO. NPAT forecast lowered in line with guidance which reflects lower Chinese visitation, weakness in AU RV rentals and increase in the TOGO investment.
VCT	▼ NZ\$3.00 (from NZ\$3.20)	EBITDA: ▲ FY20 +1.4%, ▲ FY21 +1.9%	Technology and Gas Trading. Increased EBITDA forecast due to a better Technology and Gas Trading performance which has offset a weaker Networks forecast.

Source: Forsyth Barr analysis

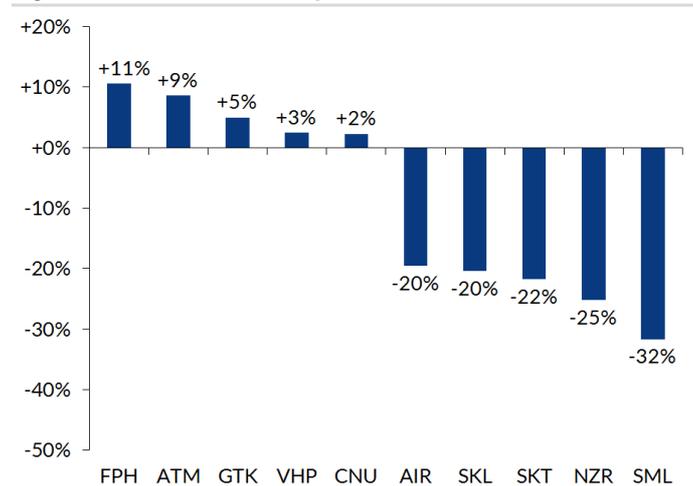
Figure 10. Changes in Substantial Security Holder Notices (SSH), Forsyth Barr Universe

Code	Name	Shareholder Name	Initial Holding	Holding after Change	Change
ABA	Abano Healthcare Group	ACC	5.18%	4.89%	-0.30%
ATM	a2 Milk Company	Morgan Stanley	4.99%	5.16%	+0.17%
CEN	Contact Energy	BlackRock Investment Management	n/a	5.00%	n/a
		BlackRock Investment Management	5.00%	5.07%	+0.07%
		BlackRock Investment Management	5.07%	5.00%	-0.01%
CNU	Chorus	Mitsubishi UFJ Financial Group	5.50%	6.71%	+1.21%
		Mitsubishi UFJ Financial Group	6.71%	5.46%	-1.25%
		Mitsubishi UFJ Financial Group	5.46%	6.86%	+1.40%
		Mitsubishi UFJ Financial Group	6.86%	5.76%	-1.11%
		Mitsubishi UFJ Financial Group	5.76%	4.55%	-1.20%
		Mitsubishi UFJ Financial Group	4.55%	5.41%	+0.86%
FBU	Fletcher Building	BlackRock Investment Management	5.15%	5.00%	-0.15%
		BlackRock Investment Management	5.00%	4.99%	-0.02%
		Schroder Investment Management Group	7.41%	8.32%	+0.91%
KMD	Kathmandu Holdings	ACC	5.01%	4.94%	-0.06%
MET	Metlifecare	UBS	8.06%	9.15%	+1.09%
		UBS	9.15%	10.16%	+1.01%
		UBS	11.18%	10.16%	-1.02%
MPG	Metro Performance Glass	Masfen	n/a	13.00%	n/a
		Schroder Investment Management Group	7.38%	6.11%	-1.27%
OCA	Oceania Group	Craigs Investment Partners	14.68%	1.56%	-13.12%
		Jarden Partners	13.74%	n/a	n/a
		Macquarie Bank	13.74%	n/a	n/a
OCA	Oceania Healthcare Holdings	Oceania Healthcare Holdings	41.22%	n/a	n/a
SCL	Scales Corp	Salt Funds Management	5.05%	n/a	n/a
SKC	SKYCITY Entertainment Group Lt	Colonial First State	n/a	5.35%	n/a
		Commonwealth Bank of Australia	7.05%	8.16%	+1.11%
		Investor Mutual	8.44%	7.14%	-1.30%
SKL	Skellerup Holdings	ACC	5.51%	4.99%	-0.52%
SUM	Summerset Group Holdings	Fisher Funds Management	6.22%	4.95%	-1.27%
ZEL	Z Energy	Investor Mutual	5.12%	4.39%	-0.73%

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

Figure 11. S&P/NZX 50 G Index


Source: Forsyth Barr analysis, Refinitiv

Figure 12. S&P/NZX 50 w/Imp: Best and Worst Performers (1m)


Source: Forsyth Barr analysis

Figure 13. Benchmark and Sector Movements: February 2020

S&P/NZX Indices	Last	Month	Year to Date	3 Months	12 Months	3 year	5 year	10 year
50 Gross	11,261.16	-3.9%	-2.0%	-0.5%	+20.8%	+16.3%	+13.9%	+13.6%
50 Portfolio Gross	6,813.47	-5.7%	-4.1%	-1.9%	+18.0%	+15.6%	+13.3%	+13.6%
Large Caps Gross	11,300.09	-2.0%	+0.8%	+0.6%	+25.4%	+16.2%	+14.0%	+13.5%
Mid-Caps Gross	30,735.50	-6.7%	-6.1%	-2.2%	+14.8%	+16.4%	+13.9%	+15.0%
Small Caps Gross	59,515.63	-10.3%	-10.6%	-8.2%	+3.1%	+6.1%	+10.0%	+11.1%
All Consumer Discretionary Gross	1,201.15	-9.1%	-15.3%	-12.4%	+1.6%	+3.8%	+4.6%	+6.4%
All Consumer Staples Gross	5,905.34	+3.7%	+3.2%	+0.6%	+7.4%	+45.9%	+41.1%	+23.7%
All Energy Gross	828.32	-11.0%	-12.0%	-23.2%	-28.6%	-13.4%	-0.3%	-2.1%
All Financials Gross	1,133.75	-5.6%	-5.0%	+1.5%	+25.6%	-2.1%	+2.6%	+6.6%
All Health Care Gross	2,656.64	+1.6%	+3.8%	+9.9%	+50.7%	+27.1%	+21.7%	+21.9%
All Index Gross	12,148.78	-4.2%	-2.4%	-0.8%	+20.3%	+16.1%	+14.0%	+14.4%
All Industrials Gross	1,846.44	-11.6%	-13.6%	-11.6%	+5.3%	+9.0%	+13.8%	+17.6%
All Information Technology Gross	1,483.01	-11.6%	-12.0%	-12.0%	-5.3%	+15.4%	+4.4%	+21.6%
All Materials Gross	761.36	-6.4%	+1.9%	-0.9%	+9.3%	-14.7%	-5.1%	+0.2%
All Real Estate Gross	1,820.83	-1.9%	+0.4%	+3.1%	+27.5%	+16.9%	+13.0%	+13.3%
All Communication Services Gross	2,112.47	-1.9%	+4.7%	+1.7%	+24.4%	+14.3%	+14.1%	+13.9%
All Utilities Gross	2,085.88	-9.6%	-5.0%	-2.5%	+23.7%	+21.3%	+12.8%	+13.5%

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

Figure 14. International Returns (local currency): February 2020

Market (local returns)	Last	Month	Year to Date	3 months	12 months	3 year	5 year	10 year
Aust. S&P/ASX 200 Accum.	70,210.11	-7.7%	-3.1%	-5.2%	+8.6%	+8.6%	+6.2%	+8.0%
Aust. S&P/ASX 200 Indust. Accum.	141,742.90	-6.3%	-0.7%	-3.7%	+12.3%	+7.8%	+6.0%	+10.0%
Aust. S&P/ASX 200 A-REIT Accum.	58,656.79	-4.9%	+1.2%	-3.3%	+11.8%	+9.9%	+8.8%	+11.8%
US S&P 500 Total Rtn	6,011.73	-8.2%	-8.3%	-5.5%	+8.2%	+9.9%	+9.2%	+12.7%
London FTSE 100 Total Rtn	6,140.13	-9.0%	-12.0%	-9.6%	-2.7%	+0.9%	+3.1%	+6.1%
German DAX 30	11,890.35	-8.4%	-10.3%	-10.2%	+3.3%	+0.2%	+0.8%	+7.8%
France CAC 40 Total Rtn	14,450.31	-8.5%	-11.0%	-9.8%	+4.7%	+6.4%	+4.8%	+7.4%
Japan Nikkei 225	21,142.96	-8.9%	-10.6%	-9.2%	-1.1%	+3.4%	+2.4%	+7.6%
Hong Kong Hang Seng	26,129.93	-0.7%	-7.3%	-0.8%	-8.7%	+3.2%	+1.0%	+2.4%
MSCI World Accum. Index	6,287.12	-8.5%	-9.0%	-6.3%	+4.6%	+7.2%	+5.9%	+8.7%
MSCI New Zealand	625.27	-5.1%	-5.8%	-0.9%	+18.3%	+8.7%	+8.8%	+11.5%
NZDAUD	0.9589	-0.8%	-0.1%	+1.0%	-0.1%	+0.7%	-0.2%	+2.1%
NZDUSD	0.6246	-3.4%	-7.3%	-2.7%	-8.2%	-4.6%	-3.8%	-1.1%

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

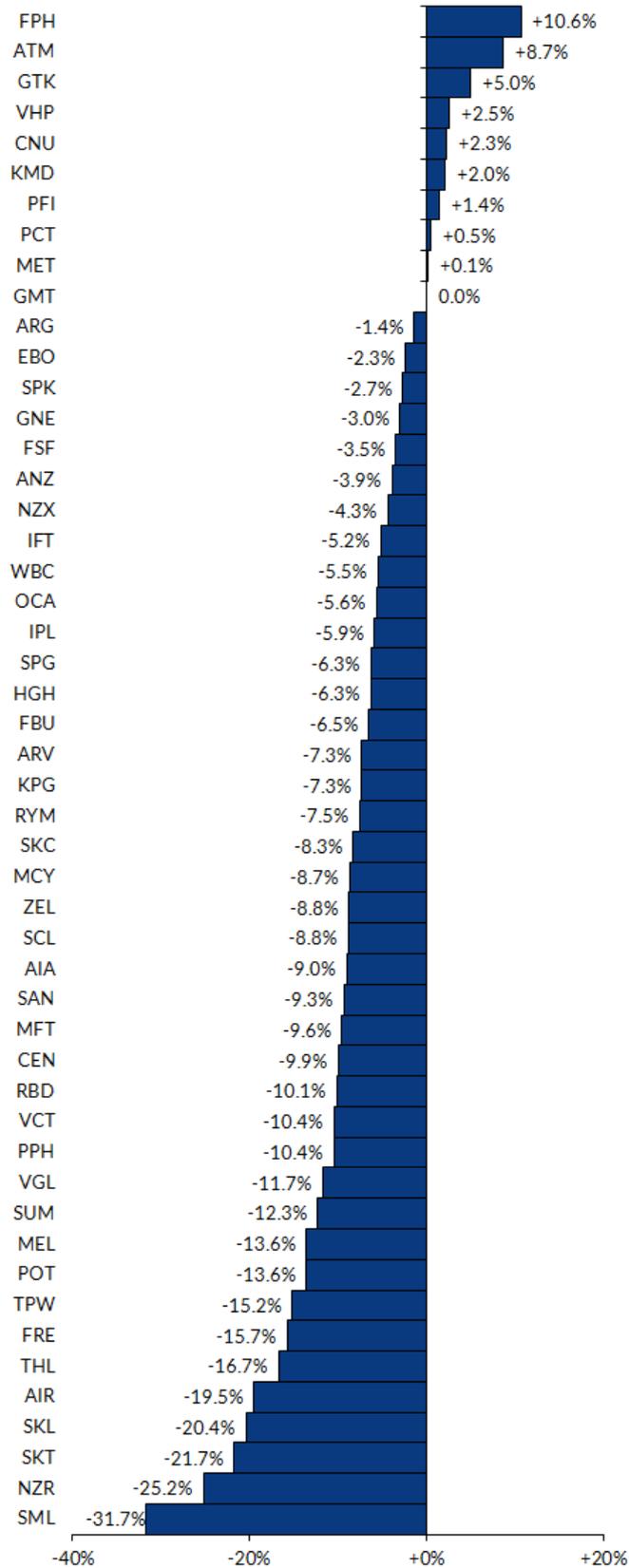
Figure 15. International Returns (NZ\$): February 2020

Market (NZ\$)	Last	Month	Year to Date	3 months	12 months	3 year	5 year	10 year
Aust. S&P/ASX 200 Accum.	70,210.11	-7.1%	-3.1%	-6.2%	+8.5%	+7.9%	+6.3%	+5.8%
Aust. S&P/ASX 200 Indust. Accum.	141,742.90	-5.8%	-0.7%	-4.8%	+12.2%	+7.1%	+6.2%	+7.7%
Aust. S&P/ASX 200 A-REIT Accum.	58,656.79	-4.3%	+1.2%	-4.3%	+11.7%	+9.1%	+8.9%	+9.6%
US S&P 500 Total Rtn	6,011.73	-4.7%	-0.7%	-2.6%	+18.2%	+15.4%	+13.5%	+14.0%
London FTSE 100 Total Rtn	6,140.13	-8.6%	-8.4%	-8.1%	+2.3%	+7.0%	+3.2%	+5.4%
German DAX 30	11,890.35	-5.6%	-4.9%	-7.5%	+9.1%	+6.5%	+4.4%	+6.8%
France CAC 40 Total Rtn	14,450.31	-5.8%	-5.7%	-7.2%	+10.6%	+13.1%	+8.6%	+6.4%
Japan Nikkei 225	21,142.96	-5.2%	-2.8%	-5.4%	+11.2%	+9.9%	+8.6%	+6.8%
Hong Kong Hang Seng	26,129.93	+2.7%	+0.3%	+2.7%	+0.4%	+8.3%	+4.9%	+3.5%
MSCI World Accum. Index	6,287.12	-5.0%	-1.5%	-3.4%	+14.3%	+12.7%	+10.0%	+10.0%
MSCI New Zealand	625.27	-1.5%	+2.0%	+2.1%	+29.3%	+14.2%	+13.1%	+12.7%
NZDAUD	0.9589	-0.8%	-0.1%	+1.0%	-0.1%	+0.7%	-0.2%	+2.1%
NZDUSD	0.6246	-3.4%	-7.3%	-2.7%	-8.2%	-4.6%	-3.8%	-1.1%

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

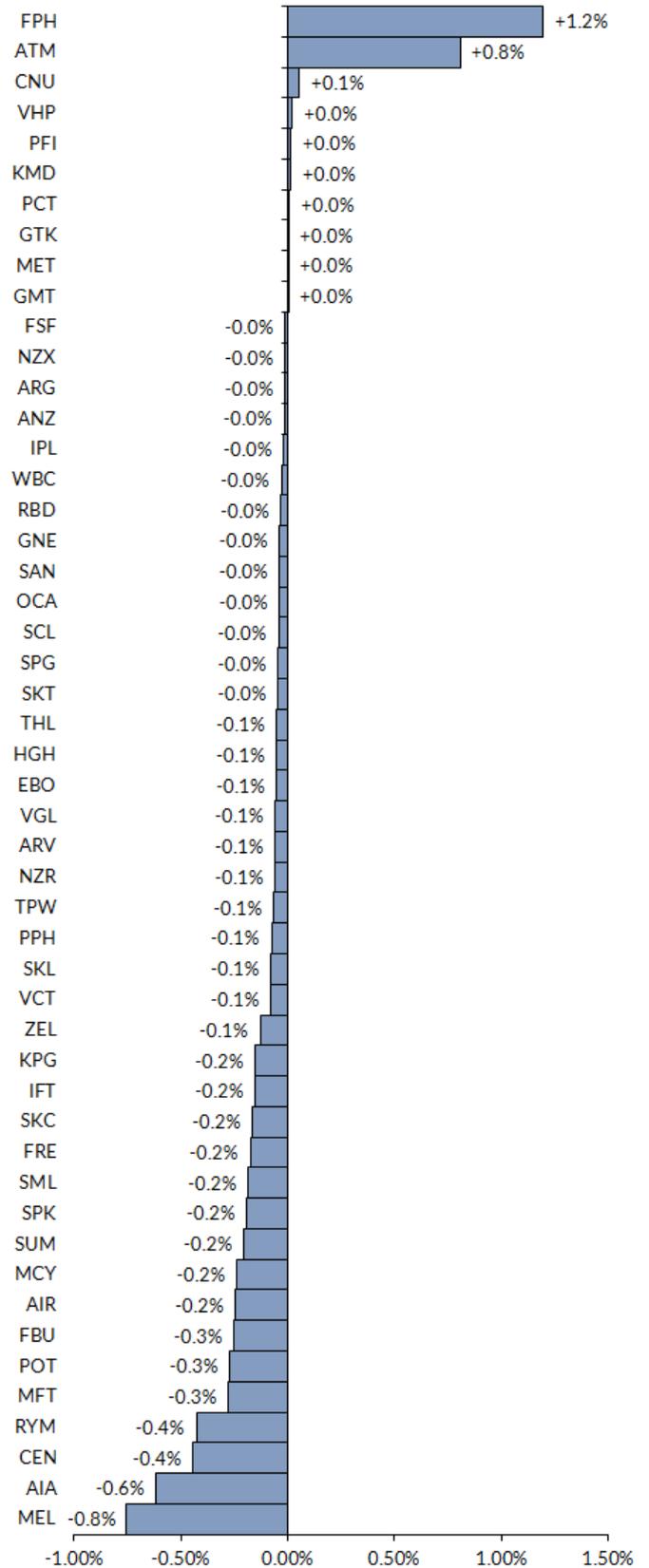
February 2020 Month

Figure 16. S&P/NZX 50 G w/Imp Index: Returns (month)



Source: Forsyth Barr analysis

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



Source: Forsyth Barr analysis

Individual returns calculated as the product of the monthly % change i.e. (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 18. S&P/NZX 50 C Index: February 2020 Month

	Company	Price \$ Feb-20	% Change February	Contribution %	No. Shares (millions)	Mkt Cap (\$mil)	S&P/NZX 50 Ind'l Wgtg %
1	F&P Healthcare	25.78	+10.6%	+1.2%	574.39	14,807.70	12.99
2	A2 Corporation	16.30	+8.7%	+0.8%	735.88	11,994.86	10.52
3	Spark NZ	4.54	-2.7%	-0.2%	1,837.05	8,331.00	7.31
4	Auckland Int. Airport	7.87	-9.0%	-0.6%	947.73	7,458.64	6.54
5	Ryman Healthcare	15.25	-7.5%	-0.4%	415.00	6,328.75	5.55
6	Meridian Energy	4.62	-13.6%	-0.8%	-	-	-
7	Contact Energy	6.70	-9.9%	-0.4%	-	-	-
8	Fletcher Building	5.19	-6.5%	-0.3%	-	-	-
9	Infratil	5.14	-5.2%	-0.2%	-	-	-
10	Mainfreight	37.50	-9.6%	-0.3%	-	-	-
11	Mercury NZ	4.79	-8.7%	-0.2%	-	-	-
12	Chorus	6.68	+2.3%	+0.1%	-	-	-
13	Ebos Group	23.29	-2.3%	-0.1%	-	-	-
14	Goodman Property Trust	2.32	0.0%	+0.0%	-	-	-
15	Kiwi Property Group	1.45	-7.3%	-0.2%	-	-	-
16	SKYCITY	3.20	-12.1%	-0.2%	-	-	-
17	Port of Tauranga	6.55	-13.6%	-0.3%	-	-	-
18	Precinct Properties NZ	1.89	+0.5%	+0.0%	-	-	-
19	Summerset Group	7.82	-12.3%	-0.2%	-	-	-
20	Z Energy	4.06	-8.8%	-0.1%	-	-	-
21	Genesis Energy	3.06	-3.0%	-0.0%	-	-	-
22	Property for Industry	2.50	+0.2%	+0.0%	-	-	-
23	Air New Zealand	2.27	-19.5%	-0.2%	-	-	-
24	Metlifecare	6.88	+0.1%	+0.0%	-	-	-
25	Argosy Property	1.41	-1.4%	-0.0%	-	-	-
26	Freightways	7.25	-15.7%	-0.2%	-	-	-
27	Vital Healthcare Property Trust	2.85	+2.5%	+0.0%	-	-	-
28	Arvida Group	1.69	-8.2%	-0.1%	-	-	-
29	Heartland Bank	1.69	-9.6%	-0.1%	-	-	-
30	Stride Property Group	2.25	-6.3%	-0.0%	-	-	-
31	Vector	3.26	-10.4%	-0.1%	-	-	-
32	Pushpay Holdings	4.03	-10.4%	-0.1%	-	-	-
33	Kathmandu	3.05	+2.0%	+0.0%	-	-	-
34	Oceania Healthcare	1.13	-7.4%	-0.0%	-	-	-
35	Westpac	24.72	-5.5%	-0.0%	-	-	-
36	Vista Group	3.16	-11.7%	-0.1%	-	-	-
37	Scales Corporation	4.33	-8.8%	-0.0%	-	-	-
38	ANZ	25.80	-3.9%	-0.0%	-	-	-
39	Sanford	7.12	-9.3%	-0.0%	-	-	-
40	Synlait Milk	6.00	-31.7%	-0.2%	-	-	-
41	TrustPower	6.36	-15.2%	-0.1%	-	-	-
42	Investore	1.76	-5.9%	-0.0%	-	-	-
43	Fonterra Shareholders Fund	3.91	-3.5%	-0.0%	-	-	-
44	Restaurant Brands	12.00	-10.1%	-0.0%	-	-	-
45	NZX	1.33	-4.3%	-0.0%	-	-	-
46	Skellerup Holdings	1.99	-20.4%	-0.1%	-	-	-
47	Tourism Holdings	2.49	-16.7%	-0.1%	-	-	-
48	NZ Refining	1.22	-25.2%	-0.1%	-	-	-
49	Sky Network Television	0.54	-21.7%	-0.0%	-	-	-
50	Gentrack Group	2.10	+5.0%	+0.0%	-	-	-
				Market Capital		\$114,035.45	100
				S&P/NZX 50 C Index		4820.59	-3.99%
				S&P/NZX 50 C Portfolio Index		2986.66	-5.82%

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 G Index: February 2020 Month

	Company	Price \$ Feb-20	Gross Div. \$	% Change February	Contribution %	No. Shares (millions)	Mkt Cap. (\$mil)	S&P/NZX 50 Ind'l Wgtg %	
1	F&P Healthcare	25.78		+10.6%	+1.2%	574.39	14,807.70	12.99	
2	A2 Corporation	16.30		+8.7%	+0.8%	735.88	11,994.86	10.52	
3	Spark NZ	4.54		-2.7%	-0.2%	1,837.05	8,331.00	7.31	
4	Auckland Int. Airport	7.87		-9.0%	-0.6%	947.73	7,458.64	6.54	
5	Ryman Healthcare	15.25		-7.5%	-0.4%	415.00	6,328.75	5.55	
6	Meridian Energy	4.62		-13.6%	-0.8%	-	-	-	
7	Contact Energy	6.70		-9.9%	-0.4%	-	-	-	
8	Fletcher Building	5.19		-6.5%	-0.3%	-	-	-	
9	Infratil	5.14		-5.2%	-0.2%	-	-	-	
10	Mainfreight	37.50		-9.6%	-0.3%	-	-	-	
11	Mercury NZ	4.79		-8.7%	-0.2%	-	-	-	
12	Chorus	6.68		+2.3%	+0.1%	-	-	-	
13	Ebos Group	23.29		-2.3%	-0.1%	-	-	-	
14	Goodman Property Trust	2.32		0.0%	+0.0%	-	-	-	
15	Kiwi Property Group	1.45		-7.3%	-0.2%	-	-	-	
16	SKYCITY	3.20	0.1000	-9.3%	-0.2%	-	-	-	
17	Port of Tauranga	6.55		-13.6%	-0.3%	-	-	-	
18	Precinct Properties NZ	1.89		+0.5%	+0.0%	-	-	-	
19	Summerset Group	7.82		-12.3%	-0.2%	-	-	-	
20	Z Energy	4.06		-8.8%	-0.1%	-	-	-	
21	Genesis Energy	3.06		-3.0%	-0.0%	-	-	-	
22	Property for Industry	2.50	0.0215	+1.1%	+0.0%	-	-	-	
23	Air New Zealand	2.27		-19.5%	-0.2%	-	-	-	
24	Metlifecare	6.88		+0.1%	+0.0%	-	-	-	
25	Argosy Property	1.41		-1.4%	-0.0%	-	-	-	
26	Freightways	7.25		-15.7%	-0.2%	-	-	-	
27	Vital Healthcare Property Trust	2.85		+2.5%	+0.0%	-	-	-	
28	Arvida Group	1.69	0.0145	-7.4%	-0.1%	-	-	-	
29	Heartland Bank	1.69	0.0450	-7.2%	-0.1%	-	-	-	
30	Stride Property Group	2.25		-6.3%	-0.0%	-	-	-	
31	Vector	3.26		-10.4%	-0.1%	-	-	-	
32	Pushpay Holdings	4.03		-10.4%	-0.1%	-	-	-	
33	Kathmandu	3.05		+2.0%	+0.0%	-	-	-	
34	Oceania Healthcare	1.13	0.0230	-5.6%	-0.0%	-	-	-	
35	Westpac	24.72		-5.5%	-0.0%	-	-	-	
36	Vista Group	3.16		-11.7%	-0.1%	-	-	-	
37	Scales Corporation	4.33		-8.8%	-0.0%	-	-	-	
38	ANZ	25.80		-3.9%	-0.0%	-	-	-	
39	Sanford	7.12		-9.3%	-0.0%	-	-	-	
40	Synlait Milk	6.00		-31.7%	-0.2%	-	-	-	
41	TrustPower	6.36		-15.2%	-0.1%	-	-	-	
42	Investore	1.76		-5.9%	-0.0%	-	-	-	
43	Fonterra Shareholders Fund	3.91		-3.5%	-0.0%	-	-	-	
44	Restaurant Brands	12.00		-10.1%	-0.0%	-	-	-	
45	NZX	1.33		-4.3%	-0.0%	-	-	-	
46	Skellerup Holdings	1.99		-20.4%	-0.1%	-	-	-	
47	Tourism Holdings	2.49		-16.7%	-0.1%	-	-	-	
48	NZ Refining	1.22		-25.2%	-0.1%	-	-	-	
49	Sky Network Television	0.54		-21.7%	-0.0%	-	-	-	
50	Gentrack Group	2.10		+5.0%	+0.0%	-	-	-	
							Market Capital	\$114,035.45	100
							Accumulated Dividend	\$117.17	
							S&P/NZX 50 G Index	11261.16	-3.89%
							S&P/NZX 50 G Portfolio Index	6813.47	-5.69%

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 w/Imp Index: February 2020 Month

Company	Price \$ Feb-20	Gross Div w/Imp (\$)	% Change February	Contribution %	No. Shares (millions)	Mkt Cap (\$mil)	S&P/NZX 50 Ind'l Wgtg %
1 F&P Healthcare	25.78		+10.6%	+1.2%	574.39	14,807.70	12.99
2 A2 Corporation	16.30		+8.7%	+0.8%	735.88	11,994.86	10.52
3 Spark NZ	4.54		-2.7%	-0.2%	1,837.05	8,331.00	7.31
4 Auckland Int. Airport	7.87		-9.0%	-0.6%	947.73	7,458.64	6.54
5 Ryman Healthcare	15.25		-7.5%	-0.4%	415.00	6,328.75	5.55
6 Meridian Energy	4.62		-13.6%	-0.8%	-	-	-
7 Contact Energy	6.70		-9.9%	-0.4%	-	-	-
8 Fletcher Building	5.19		-6.5%	-0.3%	-	-	-
9 Infratil	5.14		-5.2%	-0.2%	-	-	-
10 Mainfreight	37.50		-9.6%	-0.3%	-	-	-
11 Mercury NZ	4.79		-8.7%	-0.2%	-	-	-
12 Chorus	6.68		+2.3%	+0.1%	-	-	-
13 Ebos Group	23.29		-2.3%	-0.1%	-	-	-
14 Goodman Property Trust	2.32		0.0%	+0.0%	-	-	-
15 Kiwi Property Group	1.45		-7.3%	-0.2%	-	-	-
16 SKYCITY	3.20	0.1389	-8.3%	-0.2%	-	-	-
17 Port of Tauranga	6.55		-13.6%	-0.3%	-	-	-
18 Precinct Properties NZ	1.89		+0.5%	+0.0%	-	-	-
19 Summerset Group	7.82		-12.3%	-0.2%	-	-	-
20 Z Energy	4.06		-8.8%	-0.1%	-	-	-
21 Genesis Energy	3.06		-3.0%	-0.0%	-	-	-
22 Property for Industry	2.50	0.0295	+1.4%	+0.0%	-	-	-
23 Air New Zealand	2.27		-19.5%	-0.2%	-	-	-
24 Metlifecare	6.88		+0.1%	+0.0%	-	-	-
25 Argosy Property	1.41		-1.4%	-0.0%	-	-	-
26 Freightways	7.25		-15.7%	-0.2%	-	-	-
27 Vital Healthcare Property Trust	2.85		+2.5%	+0.0%	-	-	-
28 Arvida Group	1.69	0.0155	-7.3%	-0.1%	-	-	-
29 Heartland Bank	1.69	0.0625	-6.3%	-0.1%	-	-	-
30 Stride Property Group	2.25		-6.3%	-0.0%	-	-	-
31 Vector	3.26		-10.4%	-0.1%	-	-	-
32 Pushpay Holdings	4.03		-10.4%	-0.1%	-	-	-
33 Kathmandu	3.05		+2.0%	+0.0%	-	-	-
34 Oceania Healthcare	1.13	0.0230	-5.6%	-0.0%	-	-	-
35 Westpac	24.72		-5.5%	-0.0%	-	-	-
36 Vista Group	3.16		-11.7%	-0.1%	-	-	-
37 Scales Corporation	4.33		-8.8%	-0.0%	-	-	-
38 ANZ	25.80		-3.9%	-0.0%	-	-	-
39 Sanford	7.12		-9.3%	-0.0%	-	-	-
40 Synlait Milk	6.00		-31.7%	-0.2%	-	-	-
41 TrustPower	6.36		-15.2%	-0.1%	-	-	-
42 Investore	1.76		-5.9%	-0.0%	-	-	-
43 Fonterra Shareholders Fund	3.91		-3.5%	-0.0%	-	-	-
44 Restaurant Brands	12.00		-10.1%	-0.0%	-	-	-
45 NZX	1.33		-4.3%	-0.0%	-	-	-
46 Skellerup Holdings	1.99		-20.4%	-0.1%	-	-	-
47 Tourism Holdings	2.49		-16.7%	-0.1%	-	-	-
48 NZ Refining	1.22		-25.2%	-0.1%	-	-	-
49 Sky Network Television	0.54		-21.7%	-0.0%	-	-	-
50 Gentrack Group	2.10		+5.0%	+0.0%	-	-	-
Market Capital						\$114,035.45	100
Accumulated Dividend						\$156.89	
S&P/NZX 50 G w/Imp Index						13702.62	-3.86%
S&P/NZX 50 G w/Imp Portfolio						8143.99	-5.65%
Index							

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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