

# Quantitative Screening

## Australian Ownership — February 2021

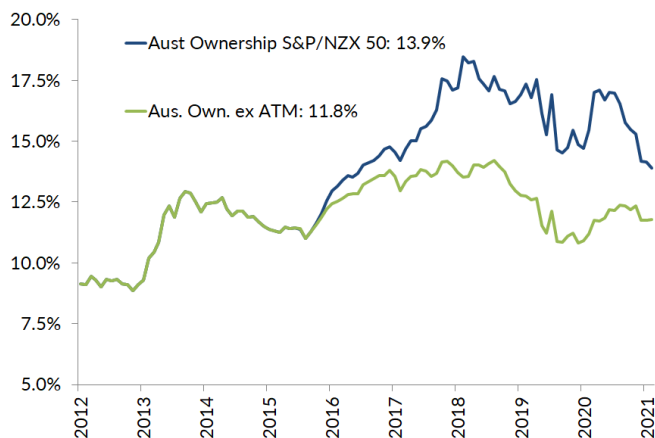
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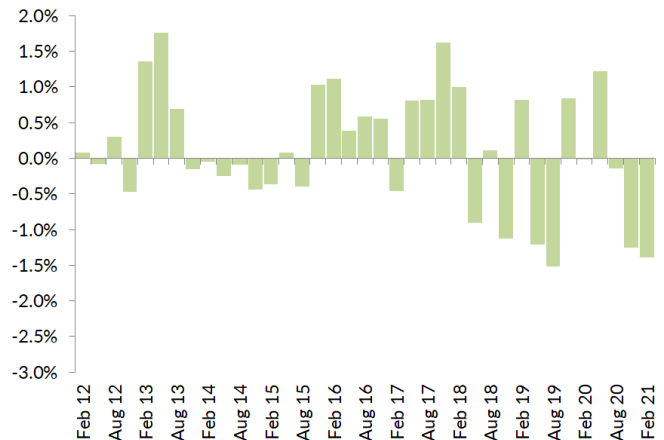
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Our proxy of Australian ownership of the New Zealand equity market (by free float market cap) sits at 13.9% as at February 2021. This is down -1.4% over the last three months and is once again dominated by The a2 Milk Company's (ATM) relative reduction in market value. Excluding ATM, Australian ownership of the New Zealand equity market has remained relatively stable, down -0.6% over the same period. At a company level, buying and selling was reasonably balanced with Serko (SKO), Pushpay (PPH) and Auckland International Airport (AIA) seeing increases in ownership while Kathmandu (KMD), Air New Zealand (AIR) and Chorus (CNU) saw some selling.

**Figure 1. Australian ownership S&P/NZX 50 (% of free float)**


Source: Forsyth Barr analysis, ASX, NZX

**Figure 2. Quarterly change in Australian ownership**


Source: Forsyth Barr analysis, ASX, NZX, Refinitiv, % of free float

### Still a relative market value story

Australian ownership of the New Zealand market by free-float market cap has continued the downward trend that has been apparent since July 2020, and now sits at a level (13.9%) last seen in July 2016. As mentioned in prior notes, this decrease appears to be entirely driven by the relative decrease in market value of ATM and to a lesser extent the relative decrease in value of some other large cap names. We have seen no evidence of Australian investors retreating from the New Zealand market to any significant extent.

### Buying and selling largely balanced

SKO, PPH and AIA have all seen buying over the quarter, with increases of +459bp, +164bp, and +159bp respectively. These companies have also all outperformed the S&P/NZX 50 over that period. Australian interest in SKO appears to have increased subsequent to its inclusion in the S&P/NZX 50 in September 2020. On the other side of the ledger KMD, AIR and CNU have seen selling, with ownership reducing -321bp, -271bp and -223bp respectively.

## Australian ownership activity

We present the changes in Australian ownership of companies in the benchmark S&P/NZX 50 Index with an ASX listing. Figure 3 contains the five largest increases and five largest decreases in Australian ownership over the quarter. We also present the return of these companies over the quarter on an absolute as well as a relative basis (relative to the S&P/NZX 50 G Index and S&P/ASX Accum Index in NZD terms).

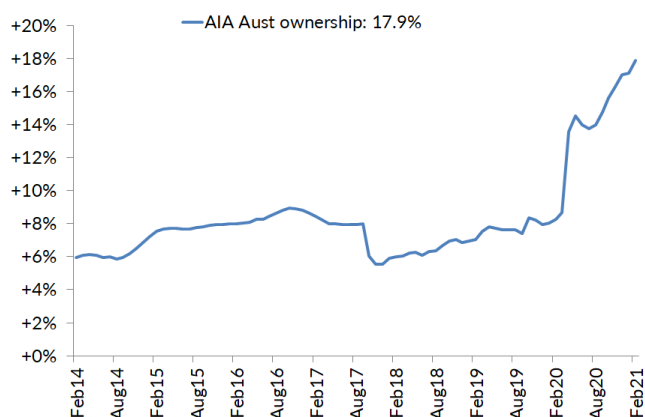
**Figure 3. Changes in Australian ownership and relative performance 3 months to February 2021**

Increases	% free float	Change	3mth TR	Relative		Decreases	% free float	Change	3mth TR	Relative	
				S&P/NZX 50	S&P/ASX 200 (NZD)					S&P/NZX 50	S&P/ASX 200 (NZD)
SKO	19.5%	+459bp	+4.6%	+8.8%	-0.3%	KMD	37.5%	-321bp	+4.9%	+9.2%	+0.1%
PPH	24.7%	+164bp	-3.4%	+0.8%	-8.2%	AIR	27.8%	-271bp	-12.6%	-8.4%	-17.5%
AIA	17.9%	+159bp	-3.0%	+1.3%	-7.8%	CNU	47.5%	-223bp	-3.8%	+0.5%	-8.6%
ATM	49.1%	+147bp	-34.3%	-30.1%	-39.1%	FBU	42.3%	-173bp	+17.5%	+21.8%	+12.7%
VGL	22.1%	+117bp	-2.9%	+1.4%	-7.7%	ZEL	24.3%	-123bp	-14.4%	-10.2%	-19.2%

Source: Forsyth Barr analysis, ASX, Bloomberg, SPDJI, TR= total return of NZX listing.

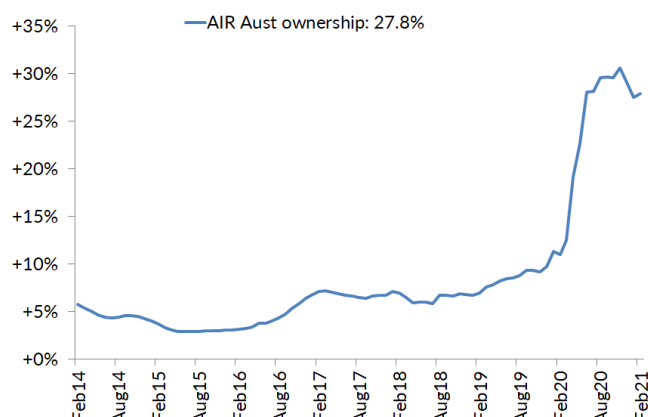
Below we present the breakdown by company of trends in Australian ownership. Prior to October 2017 this data was presented as a rolling 6 month average; from October 2017 onwards the data is as at end of month.

**Figure 4. Australian free float ownership AIA**



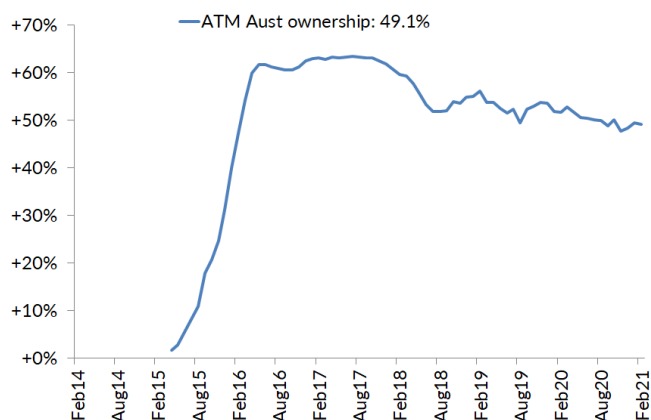
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 5. Australian free float ownership AIR**



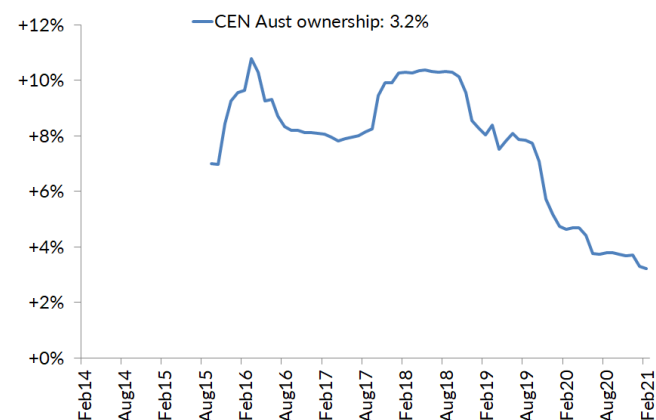
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 6. Australian free float ownership ATM**

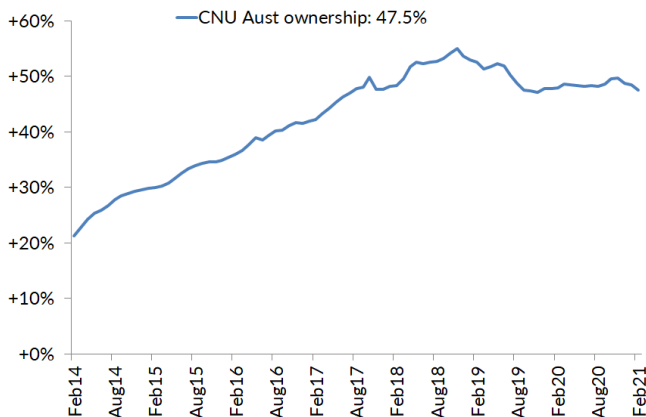


Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

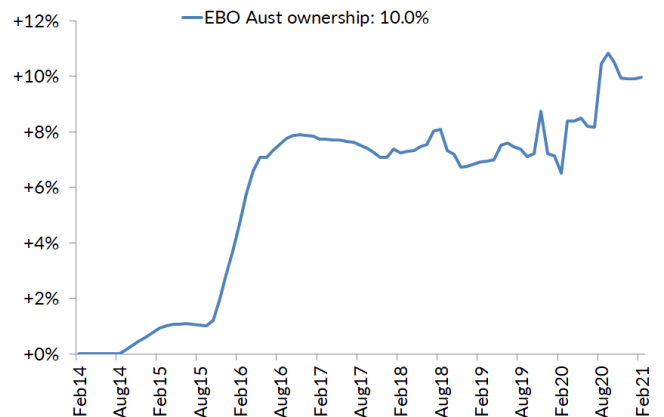
**Figure 7. Australian free float ownership CEN**



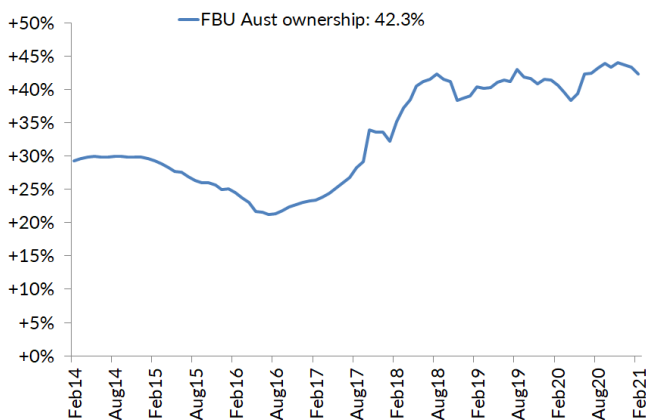
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 8. Australian free float ownership CNU**


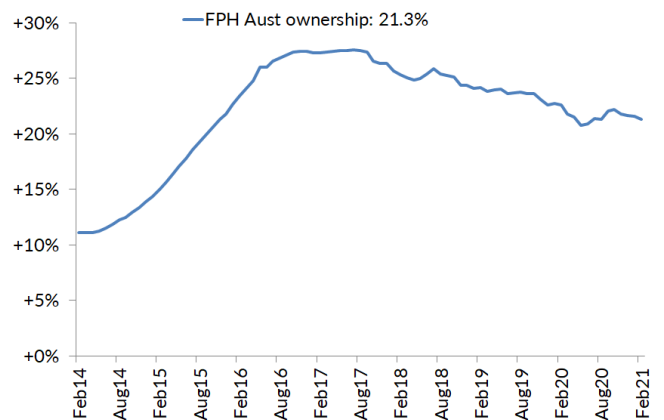
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 9. Australian free float ownership EBO**


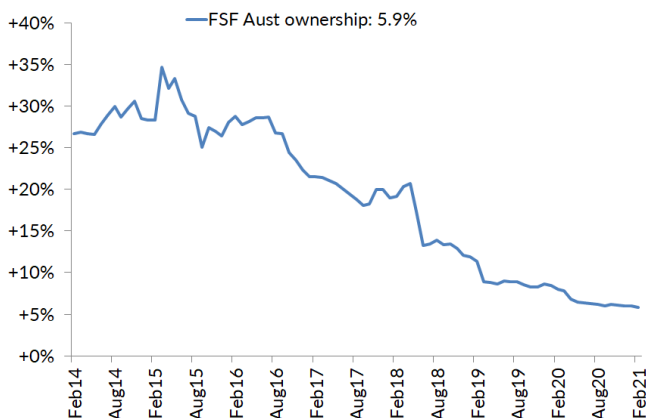
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 10. Australian free float ownership FBU**


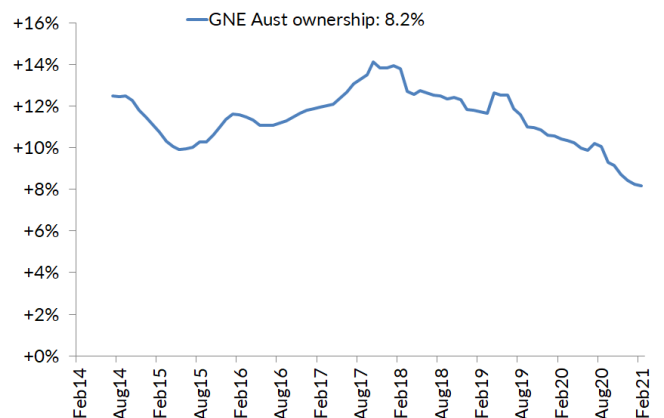
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 11. Australian free float ownership FPH**


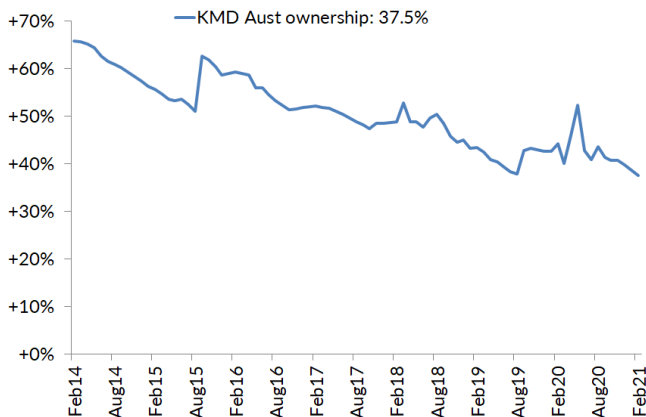
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 12. Australian free float ownership FSF**


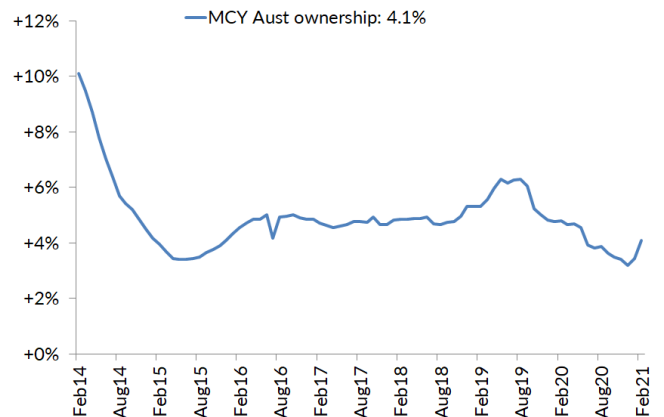
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 13. Australian free float ownership GNE**


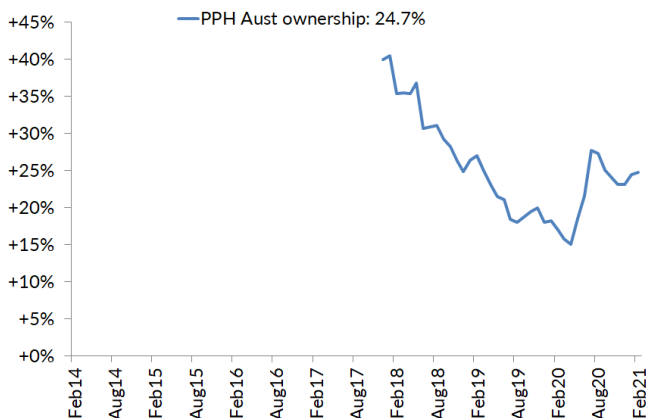
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 14. Australian free float ownership KMD**


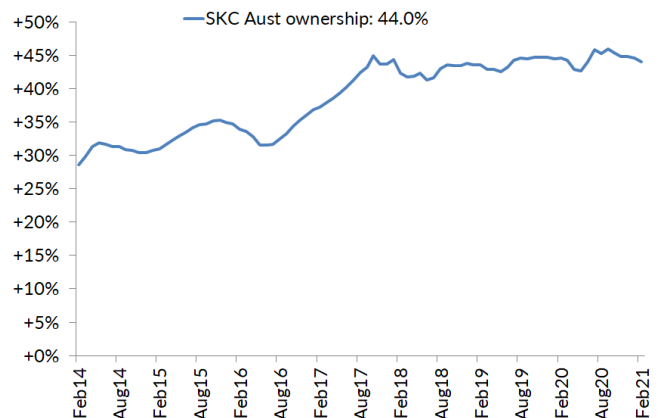
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 15. Australian free float ownership MCY**


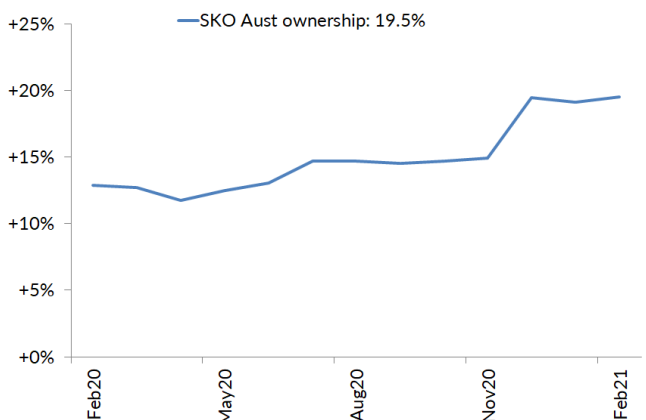
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 16. Australian free float ownership PPH**


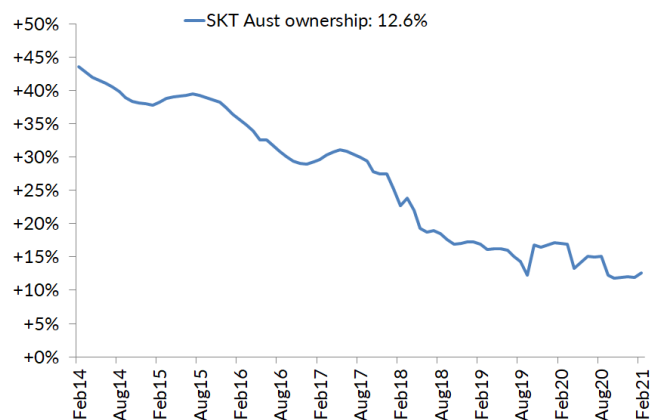
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 17. Australian free float ownership SKC**


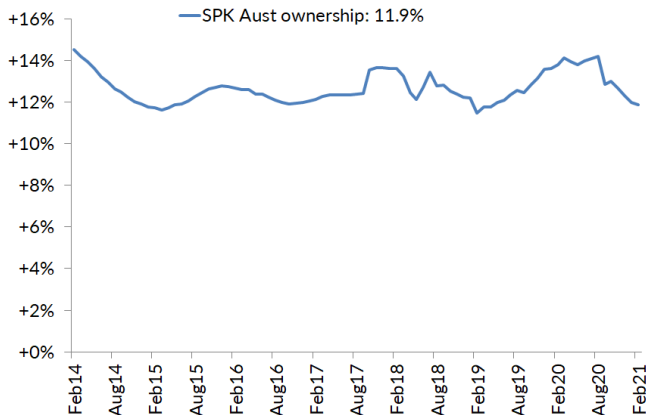
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 18. Australian free float ownership SKO**


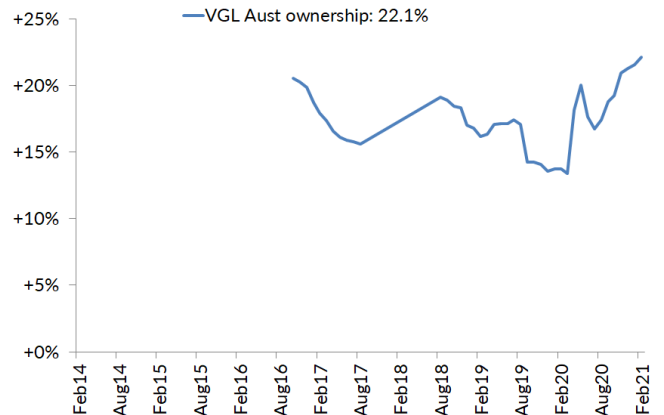
Source: Forsyth Barr analysis, ASX, NZX.

**Figure 19. Australian free float ownership SKT**


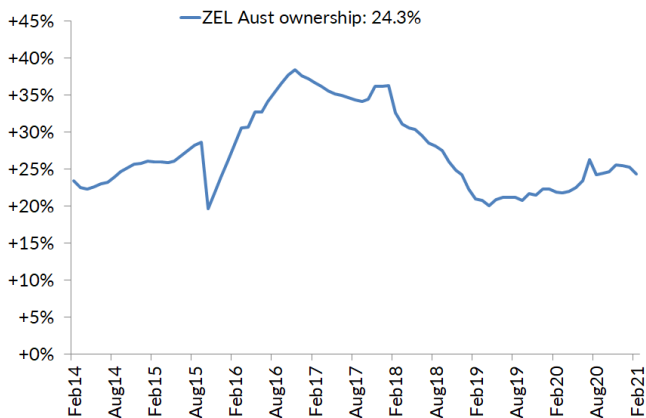
Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 20. Australian free float ownership SPK**


Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 21. Australian free float ownership VGL**


Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

**Figure 22. Australian free float ownership ZEL**


Source: Forsyth Barr analysis, ASX, NZX. Prior to Oct 2017 the data reported is a monthly 6-month rolling average. Subsequent data is as at the end of the respective month.

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