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INVESTMENT STRATEGIES

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WHERE TO FOR CHRISTOPHER LUXON

Christopher Luxon, like recent past Prime Ministers (Sir Bill English & Dame Jacinda Ardern) before him, is struggling to get momentum in his drive to "Get New Zealand Back on Track". It is not that he hasn't made a great start in his first year in office, but more that the insidious undermining by his coalition partner (David Seymour & ACT) has seen Luxon loss the media narrative on the issue of race relationships within our country.

The answer for Luxon is highlighted when you compare the first days of both the Argentinian President Javier Milei and also Donald Trump's raft day-one executive orders. I know that neither of these two recently elected Presidents have to work in Coalition with partners, but Luxon still needs to retake the initiative to show that he too has a real sense of direction and a determination to return New Zealand to a "first-world country".

Luxon's recent "State of the Nation" address has signalled his continued intentions – but New Zealanders are looking for "Action not Words". His pro-growth rhetoric was a great start and Beehive strategists say they didn't want that message to be overshadowed by too much new detail.

Luxon definitely made the right decision to avoiding Waitangi this year. Doing so snuffed out a Seymour grandstand and Luxon was actually the winner there.

However, there is still much to do and Luxon needs to realise that he has strong support to stand up for anti-wokeness within New Zealand society – driven by the left. New Zealanders deserve better.

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STATISTICS NZ DATA

Estimated NZ population	as at 7-Feb-25	**5,458,916**
Population: 1950: 1,911,608 2000: 3,855,266 Growth 1.8% this year		
Births / Deaths:	Births: **58,047** Deaths: **37,941** Sept-24 year	
Deaths per 1000 live births**:**	Pasifika: **7.3** Māori: **5.7** European: **3.8**	
Māori population	Estimate Dec-23 (**17.8% of NZ pop**)	**887,493**
Net Migration	Nov-24yr (**NZ: -48,000; Non NZ: 78,500**) ↓	**30,600**
NZer Migration	Oct-24yr (**Depart: 72,900; Arriv: 25,000**)	**- 48,000**
Non NZ Migration	Sept-24yr (**Depart: 53,200; Arriv: 144,900**)	**+ 91,700**
Net migration by country	Oct-24yr India: 28,500; China: 16,000; Philippines: 15,8000; Fiji: 5,500; Sri Lanka5,900; UK:5,500;	
Annual GDP Growth	Sept-24 year (**Qtly Sep-24 -1.0%**)	**0.1%**
Annual GDP Per Capita	Sept-24 year	**-1.2%**
Real Gross Disposable Income	Sept-24 year	**-0.8%**
Inflation Rate (CPI)	Dec-24 year (↓ from 3.3% to Jun-24)	**2.2%**
Non-Tradable Inflation (Domestic)	Sept-24 year	**4.9%**
Food Price Inflation	Sept-24 year	**1.2%**
Household Cost of Living	Sept-24qutr ↓	**5.4%**
NZ Core tax Revenue	at 2023/24 year ↑	**$167.3 bn**
NZ Core Govt Debt	at Sept-24 Treasury Data ↑	**$174.6 bn**
Debt per person (public+private)	Jun-23 ↑	**$151,080**
Minimum Wage (up from $23.15 currently)	from 1st April 25	**$23.50**
Living wage	from 1-June-24	**$27.80**
NZ Median Wage	from 30-Feb-24	**$33.56**
Annual Wage Inflation	Sept-24 year	**3.8%**
Wages average per hour	Dec-24 qtr	**$42.57**
Labour force participation rate	Sept-24 qtr	**67.8%**
Unemployment	Sec-24 qtr ↑	**5.1%**
Youth Unemployment	Dec-24 Highest in last decade	**23%**
Beneficiaries (Job seeker/Solo/Supported living)	Mar-24 ↑ (**11.6% of working-age population as at 31-Mar-24)**	**370,251**
Jobseeker Support numbers	Mar-24 ↑	**187,986**
Size of Māori Economy 2024	(2013: $43bn 2020: $69bn)	**$70 bn**
Size of NZ Economy	(NZ GDP) Sept-24 year	**$420 bn**

New Zealand now is a multicultural society, and we all need to be One-New Zealand

LOCAL ISSUES

Please note: All comments regarding Local Government are my personal views, and do not purport to represent the views of our Regional Council – of which I am an elected representative.

PUBLIC TRANSPORT OPERATING MODEL (PTOM)

PTOM was a new 'partnering' model for procurement of public transport services. It had been under development since 2010 and was introduced under a National Government in 2013. The PTOM was implemented as a result of legislative changes to the Land Transport Management Act.

In August 2022, the Public Transport Operating Model (PTOM) was replaced by the Labour Government (under pressure from the Green Party) to the "Sustainable Public Transport Framework" (SPTF), which aimed to prioritize mode-shift, fair treatment of employees, and improved environmental and health outcomes, aiming to making public transport a more attractive career option by addressing issues like driver shortages and unsustainable routes.

The reality however was that it has been incredible restrictive on Regional Councils in terms of public transport procurement. Both the PTOM and its 2022 replacement (SPTF) rev

quire 9-year contracts for large bus operators (like BOPRC) and also mandate large buses only for most routes. The inability to vary contracts without severe penalties has proven extremely expensive for our Regional Council.

Furthermore, the requirement to replace our buses to ensure they are emission-free from 2025 is also no longer aligned with sensible and affordable public transport. Ratepayers can not afford a "rolls Royce" service. We need to be able to be pragmatic to ensure "value for money" for our ratepayers.

National has signalled that it will make the appropriate changes but it will take a legislative change to the Land Transport Management Act and this needs urgent attention.

Bay of Plenty Regional Council, like other Councils that fund public transport within their regions, is needing to renew its operating contracts within the next 3 years. Our biggest contract is the Tauranga BayHopper service which is due to be renewed in 2027. The current contracts are no longer "fit for purpose" and will require legislative change to improve flexibility and better value for our ratepayers..

Bay of Plenty Regional Council developed its "Long Term Plan 2024-2034 to include an increase in Transportation Costs from $50,320 in the 2023/24 year to grow to $101,064 per annum by 2034. This doubling of the Transportation Budget impacts heavily on Tauranga City ratepayers, as this is where most of the Transport funding is spent (on public transport).

The challenge now for Minister Bishop is enact a legislative amendment to the Land Transport Management Act, with urgency, to ensure that ratepayers are not disadvantaged as we go into the renewal of contracts for future bus operations.

BAY OF PLENTY REGIONAL COUNCIL LONG-TERM-PLAN 2024 TO 2034

Annual Plan 2023/24		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
$000		$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
	Expenditure by group of activities										
34,703	Healthy Catchment	30,452	32,439	31,591	33,792	34,235	34,298	34,292	35,866	31,912	32,079
19,893	Flood Protection & Control	20,172	19,465	20,310	22,546	22,129	22,558	22,486	22,875	25,344	23,398
22,669	Regulatory Services	24,610	25,282	26,137	26,515	26,998	27,484	27,840	28,364	28,891	29,305
50,320	Transportation	64,723	64,936	62,733	73,986	74,905	83,826	86,041	88,713	99,258	101,064

TAXPAYERS' UNION - CURIA Jan-25 POLL				
Party	Vote	Change*	Seats	Change**
National	29.6%	(4.6%)	38	(11)
ACT	10.8%	(2.2%)	14	3
NZ First	8.1%	2.7%	10	2
Labour	30.9%	4.0%	39	5
Green	9.5%	1.2%	12	(3)
Māori	5.3%	(0.2%)	7	1
Other	5.8%	2.5%	-	nc

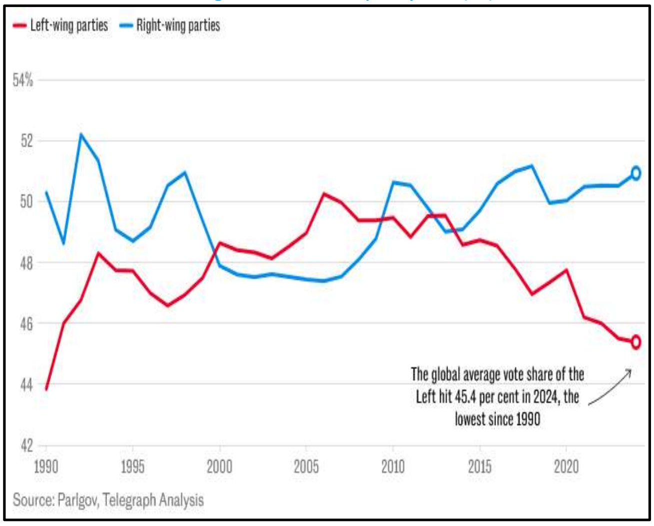
* Change from Dec-24 ** Change since election

Polling Period: 9th to 13th January 2025

The latest Curia Poll is a wakeup call for Christopher Luxon and his Coalition partners. If there was an election in January, the Coalition would remain in power, but the margins would be very tight. Luxon is constantly being undermined by Coalition partner, David Seymour. This is a direct result of his perceived weakness in effectively addressing the increasing divisiveness associated with Māori radicalisation. Fortunately for Luxon, the largest issues facing the electorates is still both the Cost of Living and the Economy – both areas where National well outcompetes with Labour.

GLOBAL DEMISE OF THE POLITICAL LEFT

Average vote share per year (%)



SOURCE: Bryce Edwards, Facebook, 19-Jan-2025

Right-wing groups emerged as global winners after more than 1.5bn voted in 73 countries last year. In Western Europe and the US, Left-wing parties secured just 42.3% of the vote while the Right won 55.7%, which represents the widest gap in vote share since 1990.

As in NZ, the global Political Left (including the dominant liberal and centrist left) is the most unpopular since the Cold War, according to last year's elections, and it's expected to get worse. According to The Telegraph's analysis, the left has suffered from culture wars, the decline of organised class politics, and the left's fragmentation; now the Populist Right is increasingly appealing to traditional left voters – see The Telegraph's "The Left is more unpopular than any time since the Cold War"
https://www.telegraph.co.uk/.../left-unpopular-right.../

NATIONAL CABINET - LUXON'S 2ND RESHUFFLE

- Nicola Willis gains Economic Growth (formerly Economic Development) and loses Public Services
- Simeon Brown gains Health and SOEs and loses Transport, Local Government, Energy and Deputy Leader of the House
- Chris Bishop gains Transport and loses Sport
- Shane Reti loses Health but gains Science, Stats and Universities
- Louise Upston gains Tourism and Hospitality, Deputy Leader of the House
- Paul Goldsmith loses SOEs
- Judith Collins gains Public Services and loses Science
- Mark Mitchell gains Sport and Ethnic Communities
- Simon Watts gains Energy and Local Government
- Chris Penk gains Small Business and Manufacturing
- Andrew Bayly gains ACC and loses Stats and Small Business
- Matt Doocey loses Tourism and Hospitality
- Penny Simmonds goes from Tertiary Education to Vocational Education
- James Meager becomes a Minister outside Cabinet and gains Hunting/Fishing and Youth
- Melissa Lee leaves Cabinet.

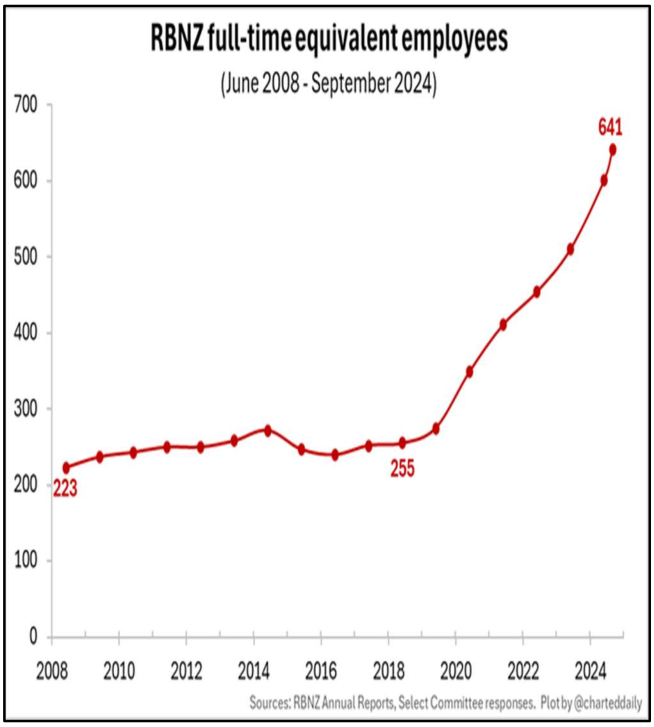
POLITICIAN OF THE YEAR 2024

Minister Simeon Brown is the big winner in Luxon's Cabinet reshuffle. He replaces Shane Reti as Minister of Health. He also replaces Paul Goldsmith as Minister of State-Owned Enterprises. He retains as Minister for Auckland, but drops both the Energy and Local Government portfolios, Both are given to Simon Watts to go beside his Climate Change Ministry. Simeon also gives over being Deputy Leader of the House. This has gone to Louise Upston.

RESERVE BANK'S EMPLOYEE EXPLOSION

The Reserve Bank of New Zealand seems to think it is exempt from Luxon's Coalition Governments drive to lower the number of non-front line (essential) workers. RBNZ's empire keeps expanding. It added 40 employees (+7%) in the 3 months to September 2024, bringing total staff to 641 (+155% since June 2018), alongside 72 contractors.

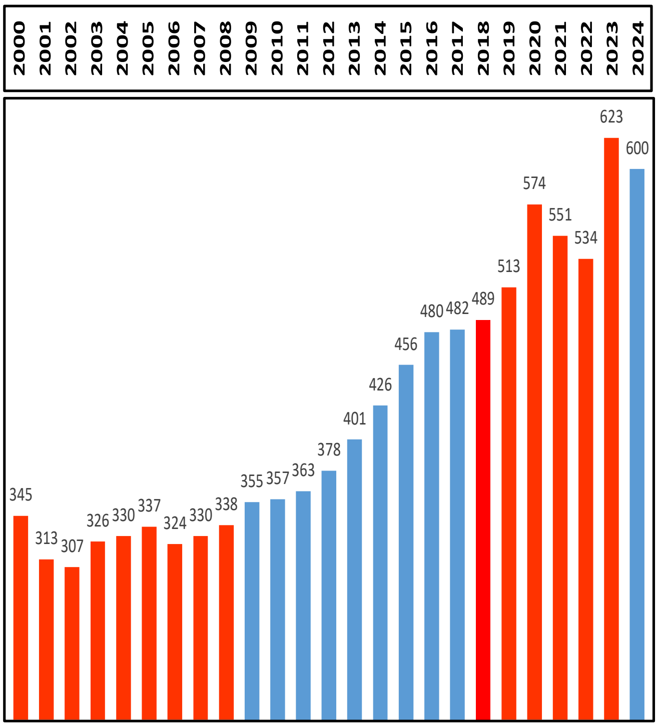
RESERVE BANK FULL-TIME EQUIVALENT EMPLOYEES



TREASURY FTE'S ALSO OUT OF CONTROL

Treasury has grown since 2018 too but at a much slower rate (+23% since 2018 as it went from 489 to 600). This has happened under both Labour and National Governments.

TREASURY FULL-TIME EQUIVALENT EMPLOYEES



THE TREATY OF WAITANGI

Under the last six years of a Labour Government, we have seen a conserted push to separate New Zealand into Māori and non-Māori groups, giving superiority to Māori, which encouraged increased racial division and this just encouraged a less civil and more racially divided community. This radicalisation has increased the risk of violence. All citizens should have equal rights.

The Treaty Principles Bill allows public input on New Zealand's constitutional changes. Misinterpretations of Treaty principles harm efforts for a peaceful society. This Bill offers a way for public involvement in these crucial changes.

I have always supported the 1840 Treaty, but not Te Tiriti o Waitangi. The Māori version was a representation of the English version, as proposed by the Crown in 1840. Te Tiriti has had differing translations of this has led to version distortion. The English version of the Treaty advocates for better local leadership for both Māori and non-Māori. It is explicit about local autonomy for Māori, but that does not negate the similar need for non-Māori regardless of their race, gender, religion or any other leadership purpose. A divided country is no path for prosperity for most Māori.

Māoridom needs to get out of its grievance mode. The Treaty Settlement process now needs to conclude, as Iwi now control more than 20% of the New Zealand economy. The Iwi elite need to more fairly distribute their wealth throughout their iwi community. No longer can they argue that there is huge inequity. They have the wealth – they have the assets. It is now time for them to mobilise their tamariki to become ambitious and focused, so that they are all productive participators within the New Zealand economy.

Further, it is time for Māoridom to start paying their fair share of taxation. The time for "Free lunches" has to stop, and this includes separate Māori representation in both local and central government.

A HIGH COURT JUDGE GRANTS MĀORI SIX MORE CUSTOMARY MARINE TITLES

New Zealand Courts continue to rial against the current coalition government. A temporary impasse between the executive branch and the judiciary over the Marine and Coastal Areas Act has resulted in six additional Māori groups being granted customary rights by the High Court. The judge emphasized that the courts cannot wait for potential legislative changes from Parliament but must adjudicate based on existing laws. Consequently, an interim judgment has been issued in favour of the Wairarapa coastline applicants.

The Marine and Coastal Areas (Takutai Moana) Act is currently subject to amending legislation introduced by the coalition Government but has not been passed as initially planned before the end of 2024. This amendment arose from concerns that a Court of Appeal judgment could designate excessive portions of the coastline and inner waters as subject to customary title, potentially posing risks to seafood industry rights and coastal infrastructure development. Opponents of the proposed law change argue that it seeks to limit the areas subject to customary marine titles to as little as 5 percent of the country's coastline, contrary to the original intent of the MACA law to make such titles more widely accessible. These political moves stem from National's coalition agreement with New Zealand First, which specified that the Government would overturn the Court of Appeal finding and restore the interpretation of MACA rights criteria to its original intent in 2010/11.

Goldsmith's office stated that no decisions have yet been made regarding the MACA amendment. "The Government is currently assessing the implications of the decision on the pending legislation."

The Supreme Court's decision has tightened the criteria for customary title and introduced additional factors for courts to consider when evaluating applications.

KĀINGA ORA'S $1.2M APARTMENTS A SCANDAL

Source: NZ Herald, 19-Jan-25

Nine Kāinga Ora Meadowbank apartments, each costing $1.2 million to build, have remained vacant since they were opened for public viewing last October. Neighbours have expressed surprise at the delay in placing tenants into the complex, while Kāinga Ora has stated it is moving as quickly as possible, awaiting final building approvals.

The agency previously faced criticism for spending $11 million on constructing three three-bedroom and six two-bedroom apartments in Auckland's Meadowbank suburb. This expenditure translates to $1.2 million per apartment or $1.7 million if including the estimated $4 million land value already owned by Kāinga Ora.

In response, the Government emphasized the expectation for the state-run agency to achieve "better value for money" in future projects. Kāinga Ora's accumulation of significant debt is a scandal.

A nearby resident expressed astonishment that the units had not been occupied "four months after completion" given the high demand for Kāinga Ora housing. As of November, over 25,000 families and individuals were on the waiting list for a state house or to be moved into a new one. Auckland Council only issued the final Code Compliance Certificates for the apartments in mid-December.

KĀINGA ORA'S TURNAROUND PLAN

Source: Minister Bishop speech, 4-Feb-25

Kāinga Ora's turnaround plan will focus on its primary mission of building and managing government-owned social housing in a financially sustainable manner, Housing Minister Chris Bishop said.

Kāinga Ora is a significant Crown entity with assets worth $47 billion and over $2.5 billion in annual expenditure. It currently owns approximately 75,000 homes, making it the country's largest landlord. Debt on its balance sheet increased from $2.3 billion in 2017/18 to $16.5 billion in 2023/24, while operating deficits grew from a surplus of $76 million in 2017/18 to a deficit of $568 million in 2023/24. The 2023 Board-approved budget forecasted debt to grow to $24.8 billion by 2026/27, exceeding the previous government's debt limit for the organization.

Staff numbers

Staff numbers increased from around 2,000 in 2020 to about 3,477 by the end of 2023, during which the social housing waitlist grew to over 20,000 applicants.

Review

In December 2023, the Government commissioned a Sir Bill English led independent review. Released in May 2024, the report indicated that Kāinga Ora was underperforming and not financially viable without significant savings and funding changes. It also found that the wider social housing system was not delivering the required results for New Zealand. As a result, Government replaced the Board, with a mandate to develop a Turnaround Plan.

There are five major components to the turnaround plan:

- Refocusing Kāinga Ora on its core mission: building, maintaining, and managing quality social housing, and being a supportive, but firm landlord.
- Improving tenant and community management.
- Better management of the existing Kāinga Ora assets and building or renewing homes as efficiently as the market allows, including

simplifying social housing building specifications and utilizing all available building delivery channels.

- Enhancing organizational performance with a focus on cost-effectiveness, reducing high overheads, and leveraging buying power more effectively.
- Adopting a more persistent and sustainable approach to funding and associated settings.

Renewal of Kāinga Ora stock

The previous government's funding for new social houses ended in June 2025, creating a "fiscal cliff" that the coalition government addressed. Kāinga Ora is funded to deliver around 2,650 additional houses nationwide through to 2026, with the Government also providing funding for 1,500 further social houses to be delivered by Community Housing Providers from June 2025 onwards.

From 2026/7 onwards, Kāinga Ora will engage in approximately 1,900-2,000 construction events each year, made up of about 1,500 new build homes and 400 retrofits of existing homes. This will be offset by demolitions associated with redevelopment activities and sales of around 900 homes per year. Consequently, the number of Kāinga Ora social houses will not reduce over time, and older or unsuitable housing stock will be refreshed. Kāinga Ora will focus its property sales on older properties in high-value areas, using the proceeds to provide multiple other units in different regions. The sales program will also target houses that are not fit for purpose, where the typology is ill-suited to the area, or are uneconomic to maintain or redevelop.

Construction costs

Advice from the Board indicates that Kāinga Ora has been building houses at approximately 12% above market comparisons. The plan commits to delivering new builds at fully allocated costs that align with, or are better than, market rates.

Ministers emphasize that Kāinga Ora should construct or acquire simple, functional, warm, and dry houses as quickly and efficiently as possible.

Narrowed scope

Reflecting a back-to-basics approach, Cabinet has agreed to transfer residual KiwiBuild underwrite activity to the Ministry of Housing and Urban Development, administration of the Infrastructure Acceleration Fund to the new National Infrastructure Funding and Financing Agency, and wind down the Kāinga Ora Land Programme.

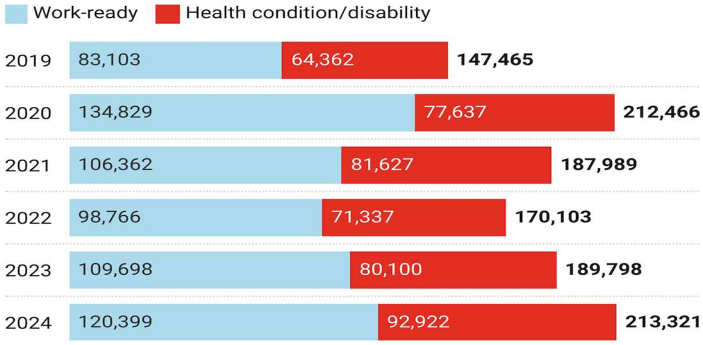
Financial performance

The impact of the Kāinga Ora plan is a net reduction in deficits of around $190 million in this financial year, with a reduction in the deficit in 2027/28 of $354 million compared to the 2023 Pre-Election Update. Debt is forecast to be $1.8 billion lower in 2027/8 compared to the forecast included in the 2023 Pre-Election Update.

CARDIAC & MENTAL HEALTH FUEL BENEFIT COSTS

Jobseeker beneficiary numbers continue to rise in spite of a system overhaul aimed at shifting more people into employment. Jobseeker beneficiaries out of work due to a health condition or disability increased 16% year on year, a higher rate of growth than in numbers of beneficiaries who were simply unable to find work.

JOBSEEKER BENEFIT CLAIMANTS SURPASS PANDEMIC HEIGHTS

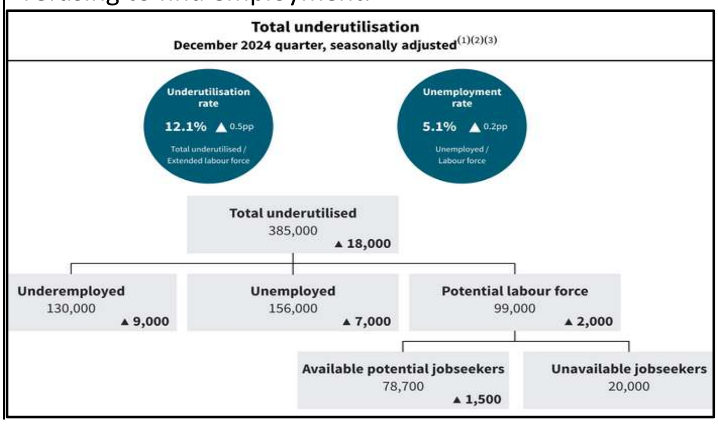


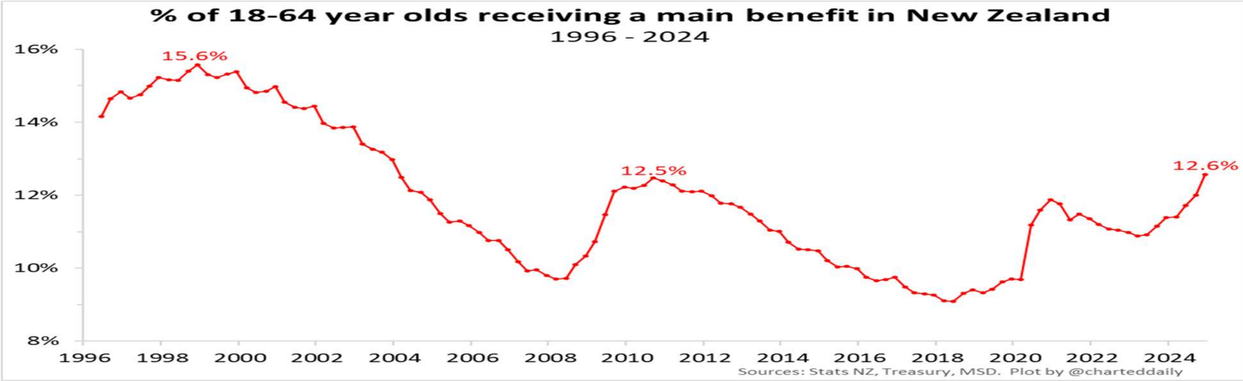
The rise in beneficiary numbers poses challenges to Finance Minister Nicola Willis' plans to stimulate the economy, as high unemployment can impede economic growth.

The Ministry of Social Development's combined expenditure on Jobseeker Support and Emergency Benefits (assistance provided to individuals who cannot support themselves and do not qualify for other payments) exceeded four billion dollars, reaching $4,062,221,000 in 2024, up from $3,472,612,000 in 2023. In comparison, the Ministry spent less than half of this amount on these benefits in 2019. In terms of Jobseeker numbers, there was a 12.4% increase from 2023 and a 44.6% increase since 2019.

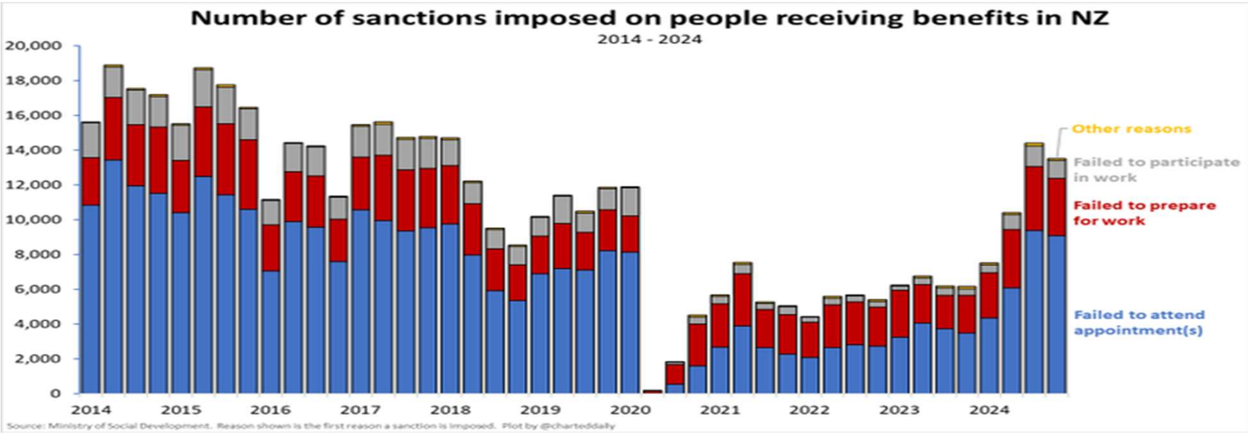
In 2024, claimants classified under 'health condition or disability' comprised 43.5% of total Jobseeker Support claimants. The 'work ready' claimant numbers rose by 9.8% year on year and increased by 44.8% over the past five years.

The largest age group represented among health-related benefit claimants in 2024 were individuals aged 25-39 years. However, the 18-24 year-old group experienced the largest proportional increase over five years, at 58%. Unfortunately, New Zealand youth are finding mental health issues a "soft option" for refusing to find employment.





MSD data also shows 12.6% of 18-64 year olds are on a benefit - the highest percentage in 21 years.



Despite accusations of a 'war on the poor', new data shows the % of beneficiaries being sanctioned (e.g., for missed appointments) is back to pre-Covid 2018-20 levels. Even with population growth and more beneficiaries, the number of sanctions is still well below 2014-15 levels.

YOUTH NOT IN EMPLOYMENT, EDUCATION, OR TRAINING (NEET)

In the December 2024 quarter, the seasonally adjusted proportion of people aged 15 to 24 who were not in employment, education, or training (NEET) rose to 13.5%, up from 12.3% in the September 2024 quarter. The number of young people who were NEET rose by 8,000 over the quarter, to 91,000.

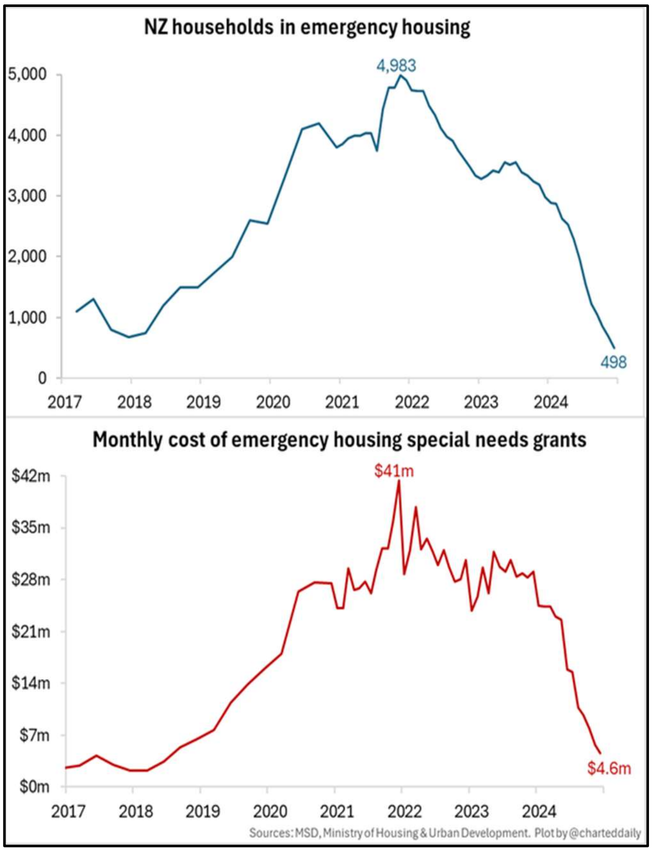
The unemployment rate for youth (15-19 yr olds) is currently 23% - the highest in the last decade.

THE MĀORI ECONOMY

Māori economy is growing significantly faster than the overall economy. It is currently worth around $70 billion and is projected to be worth over $100bn by 2030. The question now is – is it time that all Māori entities started paying taxation? - like every other New Zealand business.

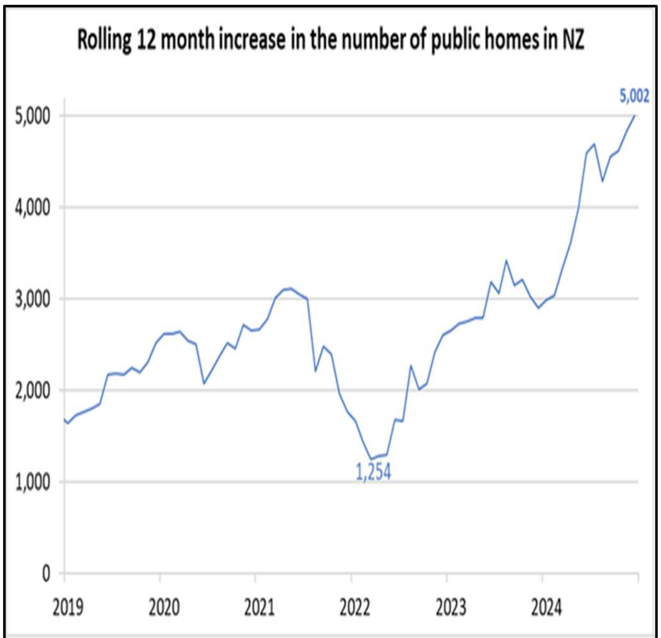
NEW ZEALAND PUBLIC HOUSING STOCK

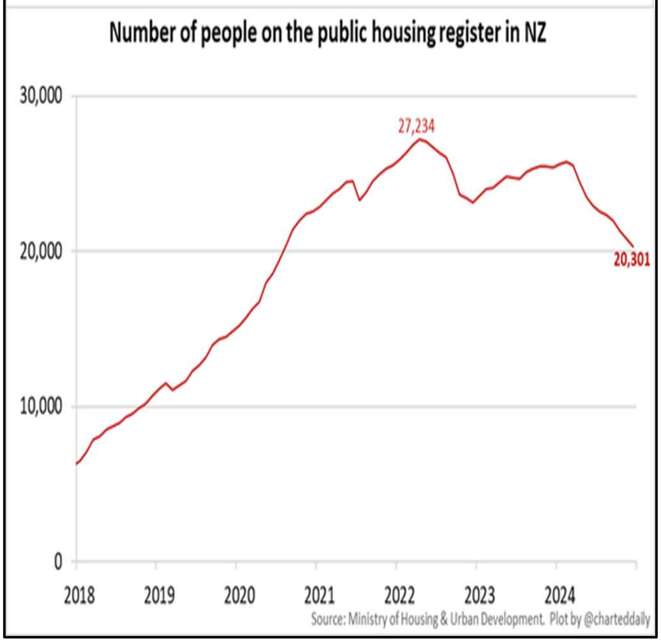
New Zealand added a record 5,002 public homes in 2024 – up 73% from the 2,898 added in 2023. The 85,607 public homes are helping drive down the public housing register, which is set to drop below 20,000 this month for the first time since mid-2020.



CHRISTOPHER BISHOP, ON X, 25-JAN-25

On a more positive note, in December there were 498 households in emergency housing — the fewest since records began in 2017. The number of kids in emergency housing fell from 4,791 in 2022 to 303, and the monthly cost of emergency housing special needs grants is down 89% ($36m).





FEDERATED FARMERS NOT HAPPY WITH MORE PINES

SOURCE: Friday Flash, Federated Farmers, 31-Jan-25

Federated Farmers highlighted concern at more pines on productive farmland, despite the known weakness of this policy. Toby Williams said *"This week the Government essentially signed New Zealand up for a decade more of planting pines on productive land in the name of climate change – as if we needed more pines! Their new climate target of a 51-55% all-gases reduction by just 2035 is completely unachievable without more forestry.*

We've had some great decisions by this Government so far, but this certainly isn't one of them, and Federated Farmers have been very loud in expressing our disappointment. Basically, our options for achieving such a lofty emissions targets are pretty simple. We either send billions of dollars overseas to buy offshore credits, or we plant pine trees, destroying our iconic and world-famous landscapes.

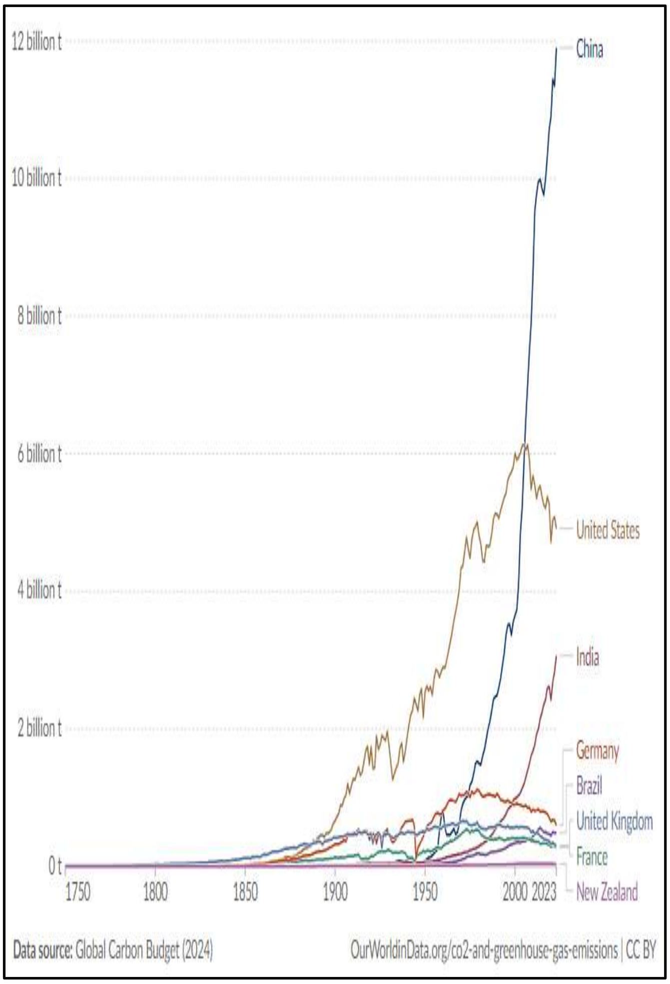
Last year, the Climate Commission suggested keeping an all-gases target and at least a 50% reduction, which would mean another 850,000 hectares of land converted to forestry.

We're calling on the Government to start setting climate targets that are realistic and achievable, and don't require huge levels of forestry. Otherwise, I think there's a very real risk we could become the great pine plantation of the South Pacific.

ANNUAL CO_2 EMISSIONS

CO2 emissions from fossil fuels and industry. Land-use change not included.

Unless China, United States of America and India commit to serious CO_2 emissions reduction, the rest of the world will struggle to make any meaningful difference. New Zealand in particular, has such a low emissions profile, that any reduction is just tokenism. Yes, as an exporter to the world, we need to protect our trade position, but the cost of "tokenism" could well be far too high.



NEW ZEALAND CONTINUES TO LOSE PRODUCTIVITY

World Bank Data shows that New Zealand has deteriorated its economic world ranking from 57th in the world in 1990 to 67th in 2023. Compare this with similar populated economies –Singapore that has improved from 52nd in 1990 to 34th in 2023; Ireland has gone from 59th to 41st – New Zealand is increasingly suffering from poor productivity which makes us less competitive as a First World Country. See Table on next page.

WORLD DEVELOPMENT INDICATORS - GDP, PPP (CURRENT INTERNATIONAL $)

Last Updated Date: 28/1/25	1990		1995	2000		2005	2010		2015	2020	2023	Rank
China	1,114,194,524,197	5	2,241,858,406,504	3,683,895,772,379	3	6,592,895,776,896	12,381,936,443,546	2	18,216,461,648,412	25,246,667,832,982	34,660,138,175,164	1
United States	5,963,144,000,000	1	7,639,749,000,000	10,250,952,000,000	1	13,039,197,000,000	15,048,971,000,000	1	18,295,019,000,000	21,354,105,000,000	27,720,709,000,000	2
India	1,048,331,217,252	7	1,515,999,643,858	2,211,966,282,617	6	3,391,057,140,606	5,230,655,285,591	3	7,204,580,698,461	9,771,021,183,359	14,619,765,554,295	3
Russian Federation	1,187,867,177,263	4	832,874,933,680	1,000,581,025,238	13	1,696,729,209,915	2,927,003,701,123	6	3,526,235,948,514	4,651,428,694,918	6,454,737,767,947	4
Japan	2,458,757,725,394	2	2,993,644,735,915	3,461,199,212,871	4	4,110,440,479,266	4,525,401,285,475	4	5,200,905,340,129	5,358,320,688,497	6,211,537,728,476	5
Germany	1,550,613,715,630	3	1,928,823,780,228	2,258,167,813,957	5	2,664,895,195,601	3,249,037,482,302	5	3,966,574,668,376	4,880,368,289,108	5,748,576,435,719	6
Brazil	997,458,383,691	9	1,309,554,571,189	1,582,133,937,142	8	2,046,574,552,629	2,799,325,235,404	7	2,989,121,457,827	3,359,777,233,100	4,456,606,930,516	7
Indonesia	558,566,694,655	13	889,701,784,221	1,002,393,386,980	12	1,416,205,194,339	2,057,500,878,575	11	2,625,201,734,355	3,223,404,542,895	4,334,715,225,911	8
United Kingdom	976,325,796,620	10	1,194,092,093,588	1,562,409,690,542	9	1,976,697,912,295	2,290,198,529,537	9	2,767,977,872,943	3,219,066,303,872	3,982,991,927,206	9
France	1,017,918,131,666	8	1,231,773,982,403	1,583,999,694,706	7	1,922,671,524,500	2,335,191,628,255	8	2,722,896,108,490	3,345,024,904,336	3,972,088,120,556	10
Turkiye	459,622,869,909	16	607,831,667,114	609,012,301,398	19	815,102,819,831	1,268,553,834,187	18	2,022,939,852,651	2,391,489,351,775	3,602,187,361,409	11
Italy	1,058,827,882,085	6	1,275,087,213,868	1,545,768,752,662	10	1,753,016,877,958	2,092,362,873,127	10	2,252,253,163,529	2,641,203,589,481	3,401,090,969,534	12
Mexico	710,444,763,555	11	811,682,208,991	1,154,351,047,159	11	1,403,085,812,802	1,807,626,674,735	12	2,309,495,216,310	2,454,084,724,491	3,213,213,798,553	13
Korea, Rep.	358,187,125,247	19	608,871,842,065	871,475,638,525	16	1,213,618,156,672	1,572,680,440,074	13	1,933,849,119,227	2,340,031,075,343	2,674,227,154,208	14
Spain	531,181,732,618	14	646,116,288,831	875,357,033,268	15	1,206,123,912,942	1,481,528,092,978	14	1,635,832,322,643	1,862,544,224,980	2,566,902,343,462	15
Canada	560,184,961,452	12	688,183,583,810	900,996,986,801	14	1,171,326,187,910	1,363,577,286,343	17	1,594,900,336,858	1,847,837,502,049	2,542,963,182,454	16
Egypt, Arab Rep.	208,244,358,282	27	278,020,042,616	398,414,667,936	25	531,546,430,151	788,293,878,683	22	1,085,943,366,513	1,665,073,256,894	2,121,724,462,117	17
Saudi Arabia	492,212,126,896	15	639,178,494,218	787,680,307,756	17	1,101,976,489,116	1,411,945,613,752	15	1,552,528,373,388	1,433,571,620,929	2,032,545,218,997	18
Australia	296,612,834,072	20	378,798,712,907	505,056,094,141	21	666,573,991,109	867,452,812,307	20	1,101,816,795,436	1,384,652,202,440	1,875,196,191,636	19
Poland	235,562,198,119	24	297,547,759,293	410,090,821,650	24	531,856,746,243	798,641,868,411	21	1,025,456,140,420	1,391,432,848,266	1,704,131,464,619	20
Thailand	243,614,094,294	23	407,821,471,836	459,270,578,999	22	671,334,138,599	886,887,468,612	19	1,113,921,789,914	1,372,918,881,144	1,682,502,164,238	21
Iran, Islamic Rep.	423,630,030,139	17	552,185,989,263	712,629,570,944	18	1,034,480,975,472	1,383,196,224,835	16	1,131,039,620,719	1,237,805,777,178	1,600,138,342,500	22
Bangladesh	105,008,754,988	43	147,900,975,210	203,418,206,732	40	292,288,029,435	431,294,060,076	35	671,359,529,456	1,104,316,059,487	1,568,541,874,256	23
Viet Nam	79,239,968,617	48	132,669,176,361	201,689,720,072	42	315,730,733,874	471,315,016,646	33	712,101,202,508	1,138,632,490,789	1,502,662,078,212	24
Pakistan	220,145,327,059	26	311,545,532,158	397,295,872,794	26	577,697,637,558	754,259,486,418	23	973,520,332,592	1,186,293,820,825	1,494,098,200,132	25
Nigeria	195,857,383,426	28	223,123,860,696	281,714,892,287	32	481,749,373,472	745,661,432,646	25	989,482,934,627	1,145,672,541,683	1,414,565,464,577	26
Netherlands	286,922,888,490	21	362,741,886,910	507,830,424,836	20	616,539,911,875	752,782,154,873	24	863,433,778,609	1,091,779,125,681	1,396,255,113,678	27
Argentina	234,476,844,268	25	346,874,927,357	427,960,175,930	23	528,046,724,341	736,904,550,744	26	865,155,580,189	1,011,999,397,130	1,369,900,046,451	28
Malaysia	122,810,506,131	40	217,949,174,451	299,208,017,025	29	422,973,326,616	578,657,813,415	28	766,027,917,953	931,106,663,877	1,279,178,242,678	29
Philippines	163,922,815,838	35	206,415,565,504	267,983,918,155	33	377,505,058,701	528,817,160,240	30	726,055,887,763	923,366,701,021	1,262,496,880,801	30
Colombia	165,749,937,381	33	232,929,565,323	264,870,681,670	34	355,245,575,260	485,436,645,881	32	626,205,847,138	785,737,564,322	1,081,779,073,455	31
South Africa	260,029,373,172	22	306,231,574,762	381,771,803,877	27	516,707,000,238	661,487,016,251	27	759,954,918,902	767,391,152,774	960,461,552,893	32
Romania	122,430,497,519	41	123,071,919,985	131,265,368,639	53	204,714,602,990	351,418,032,858	41	428,619,856,919	662,458,304,012	870,230,298,917	33
Singapore	72,567,935,285	52	123,675,157,840	176,346,004,852	45	250,919,344,756	382,788,414,436	39	482,409,671,479	577,746,734,469	837,663,626,377	34
Belgium	186,143,914,589	31	227,383,463,991	284,862,666,667	30	347,658,412,089	434,128,146,076	34	519,562,781,951	647,547,562,363	812,087,331,439	35
United Arab Emirates	165,048,348,649	34	224,249,304,380	319,024,983,529	28	464,504,006,622	574,805,592,736	29	609,998,221,073	614,384,479,785	797,922,323,236	36
Switzerland	191,005,018,296	30	217,004,091,175	263,627,541,288	35	308,825,076,428	425,928,053,025	36	540,696,214,191	630,567,393,920	793,839,165,496	37
Kazakhstan	135,074,235,235	37	93,614,609,793	114,990,222,142	55	211,196,657,905	313,868,548,163	44	406,611,059,018	565,757,228,614	783,017,688,187	38
Algeria	192,911,659,406	29	220,550,508,018	283,908,375,689	31	405,464,777,064	513,922,383,986	31	552,563,707,135	558,300,141,594	776,689,344,131	39
Sweden	174,444,541,108	32	203,627,407,961	262,879,690,462	36	308,796,792,803	393,469,864,283	37	478,054,809,711	595,211,778,251	706,211,024,995	40
Ireland	48,260,029,860	59	68,320,921,081	114,952,273,134	56	168,336,054,806	197,076,149,003	57	336,695,182,892	492,886,866,397	661,211,123,919	41
Chile	59,203,042,078	54	104,524,492,338	145,355,726,571	50	205,184,272,361	307,855,669,992	46	405,311,397,639	491,062,045,095	646,646,472,949	42
Austria	148,819,509,148	36	187,487,608,256	234,055,806,855	38	286,136,493,567	349,089,444,117	42	428,354,580,960	521,841,933,098	641,932,305,196	43
Iraq		67	95,749,417,690	259,577,403,502	37	268,650,501,074	378,324,820,660	40	350,607,538,727	445,338,053,116	635,873,038,012	44
Ukraine	395,118,912,146	18	213,083,947,550	209,531,326,340	39	339,861,133,730	392,706,515,344	38	431,227,247,239	656,105,592,903	621,635,756,377	45
Czechia	132,329,237,176	39	144,045,164,989	167,452,851,419	46	225,819,370,351	294,927,810,203	47	359,643,570,545	479,686,413,476	576,662,193,534	46
Peru	74,116,182,038	50	107,979,480,316	133,309,382,895	52	184,330,906,995	282,522,933,753	50	353,319,959,253	412,561,044,537	574,503,693,698	47
Norway	78,249,037,932	49	106,121,285,089	166,105,124,891	47	221,764,770,681	284,650,365,882	49	315,229,572,405	361,019,819,522	555,643,890,632	48
Hong Kong SAR, China	104,117,379,811	44	152,137,227,027	188,116,566,696	44	259,443,740,718	345,574,097,104	43	408,626,637,207	435,300,511,003	539,200,149,142	49
Israel	73,016,098,641	51	114,075,943,885	161,809,149,904	48	177,607,392,323	223,841,336,440	54	299,845,903,697	378,289,277,687	528,107,993,573	50
Portugal	117,521,606,947	42	144,345,275,019	194,263,583,306	43	238,691,088,867	288,593,859,410	48	306,764,323,945	370,352,154,970	499,383,358,018	51
Denmark	93,706,039,467	46	118,596,384,122	152,935,674,479	49	185,552,256,869	238,785,561,007	52	277,981,042,931	365,525,756,329	437,379,817,643	52
Hungary	94,747,098,939	45	94,882,260,469	121,047,828,578	54	172,572,943,493	217,389,465,938	55	263,852,647,468	341,546,873,384	430,736,662,121	53
Greece	133,756,985,628	38	160,626,689,071	203,320,308,860	41	274,724,928,629	309,638,809,529	45	287,996,160,333	315,962,662,965	427,415,091,833	54
Uzbekistan	54,532,249,433	55	49,922,013,961	65,543,503,197	61	95,355,710,317	156,258,133,783	60	209,082,432,928	283,862,781,607	395,989,161,091	55
Ethiopia	19,854,533,228	65	23,549,705,164	31,946,530,375	68	48,941,322,952	90,145,031,680	67	169,575,372,913	286,209,793,459	393,555,672,319	56
Morocco	68,185,140,640	53	83,884,051,838	112,779,237,887	57	161,917,911,221	225,161,798,969	53	273,699,865,546	286,108,585,852	376,906,204,044	57
Kenya	39,587,653,482	61	48,351,578,865	58,432,863,846	62	78,347,607,390	109,607,761,068	66	173,206,956,149	250,255,393,335	349,035,957,918	58
Finland	90,427,763,363	47	99,882,215,804	138,603,940,252	51	168,125,347,143	208,905,524,121	56	231,615,508,031	294,705,726,881	343,828,583,865	59
Qatar	24,499,628,594	64	31,024,629,773	57,306,387,097	64	95,128,524,484	245,186,456,994	51	240,424,800,592	229,537,462,601	342,411,792,303	60
Myanmar	17,563,520,317	66	26,325,672,249	42,969,607,733	67	88,256,902,158	164,139,949,931	59	227,790,290,911	304,367,346,942	322,277,844,297	61
Sri Lanka	41,329,904,727	60	60,671,121,191	84,268,270,520	58	114,804,514,457	171,910,623,368	58	256,403,786,038	283,651,685,862	318,671,358,646	62
Angola	38,839,000,563	62	36,931,943,525	53,876,764,896	66	94,069,250,792	153,909,425,849	61	200,475,818,990	215,784,887,951	295,495,059,201	63
Dominican Republic	26,141,952,370	63	38,567,506,949	57,209,180,903	65	76,062,548,573	110,652,669,873	65	154,909,321,368	209,932,477,119	290,352,445,094	64
Ecuador	48,509,374,308	58	63,390,241,506	72,686,975,974	60	103,257,283,378	135,221,979,009	64	176,939,941,131	202,250,002,758	288,796,387,387	65
Belarus	53,193,233,759	56	39,202,485,361	57,838,349,069	63	93,130,096,687	145,473,507,863	62	171,563,080,410	233,301,354,384	282,352,163,303	66
New Zealand	**49,518,971,203**	**57**	**65,700,058,302**	**82,942,977,611**	**59**	**106,147,882,736**	**135,802,972,088**	**63**	**173,095,587,298**	**230,501,909,066**	**279,335,419,359**	**67**

Source: World Bank

THE HISTORY OF NORWAY’S STATIOL & LESSONS FOR NEW ZEALAND

FIVE DECADES OF PROGRESS

Statoil, the Norwegian State petroleum company, was formed by a decision of the Norwegian parliament to be the government’s commercial instrument in the development of the oil and gas industry in Norway. Five decades later, this company has become the largest supplier of energy to Europe, a world-leading offshore operator, the largest oil and gas operator in Norway, and an international pioneer in renewables and low-carbon solutions. In 2018, they changed their name to Equinor.

statoil 1972 | STATOIL 1986 | StatoilHydro 2007 | Statoil 2009 | equinor 2018

Equinor ASA was listed in 2001, with a 67% majority stake owned by the Norwegian State. Today, it is a diverse company with a long-term strategy and development as a broad energy company in addition to reflecting their evolution and identity as a company for the generations to come. They have an ambition to be a leading company in the energy transition and to become a net-zero company by 2050, including emissions from production to final energy consumption. Today, they are evolving into a broad energy major, with a significant and growing renewables business.

There is an excellent lesson here for an opportunity that has long been available for New Zealand. Several Asian countries have used this model to grow their natural wealth, and New Zealand can’t afford to miss this opportunity any longer. This is a no-brainer and could easily be funded by the same of 100% government owned Pāmu (Landcorp Farming Limited).

Pāmu has huge assets (149,000 hectares of valuable land – including 84 individual farms) that continues to provide a very sub-optimal revenue stream to central government. Some say that this land is being held for “Treaty settlements”. I say sell it to fund a “Statiol” type wealth fund, so that all New Zealanders benefit.
Pāmu reported a $26 million Net Loss after Tax in 2024. There is no case to retain Pāmu’s farming enterprise. The Net Equity of $1.6 billion available needs addressing – and Oil & Gas seems a much better bet to me.

THE WORLD AT A GLANCE – GLOBAL HEAT MAP JUNE-24

UNITED STATES
Biden has long since left The Office. It’s all about Trump

EUROPE
Will Europe step up to fund NATO & defend Ukraine

INDIA
Is the Indian economy losing steam?

AUSTRALIA
Albanese hasn’t learnt from NZ The wheels are coming off fast

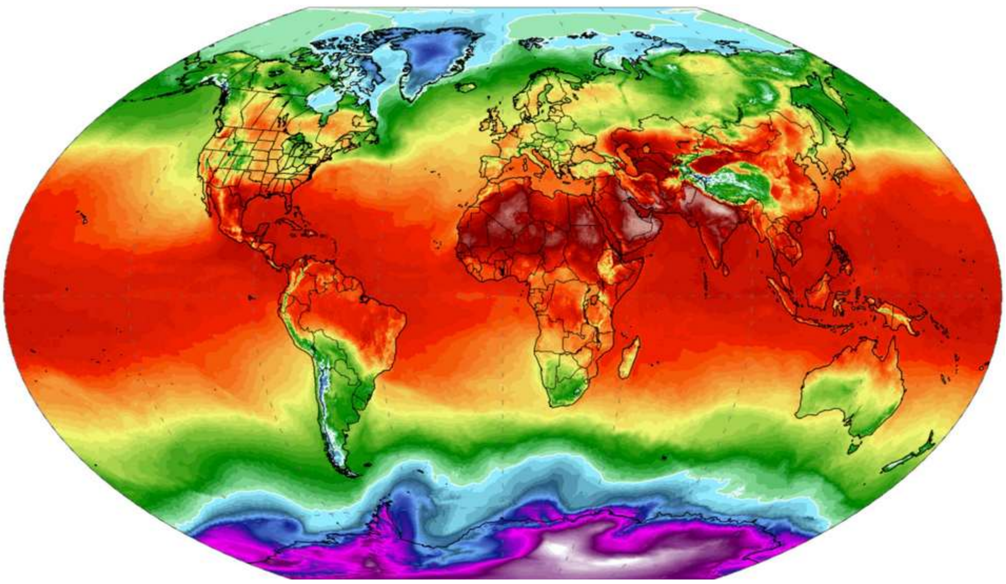
NEW ZEALAND
Māoridom has become radicalised. They are doing themselves no favours

UNITED KINGDOM
UK will see slowest growth in the G7 next year

RUSSIA
Putin economic gamble The hidden cost of war

CHINA
Economy slowdown deepens Trump is a big risk to any Chinese recovery

JAPAN
Deflation finally looks beaten. Crushing debt still not addressed - US$250bn stimulation adds to their problem



WORLD HEAT MAP (ABOVE)

New Zealand is very well placed to have an improving economy as a result of global warning. In 2006 NIWA produced a report that stated that New Zealand’s economy would achieve a net 25% increased economic benefit from a warming climate. Countries closer to the equator will be the ones that are most adversely affected. This is not to say that “Storm effect” will not be a huge risk for parts of New Zealand going forward. Warming oceans means that climate change does remain a global risk – albeit cyclical. New Zealand is well positioned to be a net benefiter, positioned within the cooler zones.

"Blackrock said it now believes this 'economic transformation' has seen the global economy break away from 'historical trends' that have seen markets go through cycles of boom and bust for centuries."

January marks the start of the second quarter of the 21st century—a good time to review the performance of emerging and developing economies since 2000 and assess their prospects. The next 25 years could prove decisive in determining whether the world's 26 poorest countries progress to middle-income status, a new World Bank analysis shows. Home to more than 40% of people struggling on less than $2.15 a day, these countries are the central focus of global efforts to end extreme poverty. Yet their progress has stalled amid heightened conflict, frequent economic crises, and persistently feeble growth.

Peace & Stability

For LICs (Low Income Countries) in fragile and conflict situations, greater peace and stability are necessary conditions for delivering broader reforms. Conflicts can also have significant adverse spillovers to neighboring countries, which compounds aggregate human and economic costs. In LICs, conflicts are widespread—battle-related deaths since 2000 dwarf those recorded in better off countries.

TRADING PARTNER REAL GDP (calendar years)

	Annual average % change			
	2023	2024	2025	2026
Australia	2.0	1.3	2.2	2.4
China	5.2	5.0	4.8	4.5
United States	2.9	2.7	2.4	2.0
Japan	1.9	-0.1	1.2	1.0
East Asia ex China	3.3	4.3	4.1	4.1
India	7.8	6.8	6.8	6.5
Euro Zone	0.4	0.8	1.3	1.5
United Kingdom	0.1	1.0	1.4	1.5
NZ trading partners	3.3	3.3	3.4	3.3
World	3.2	3.3	3.3	3.3

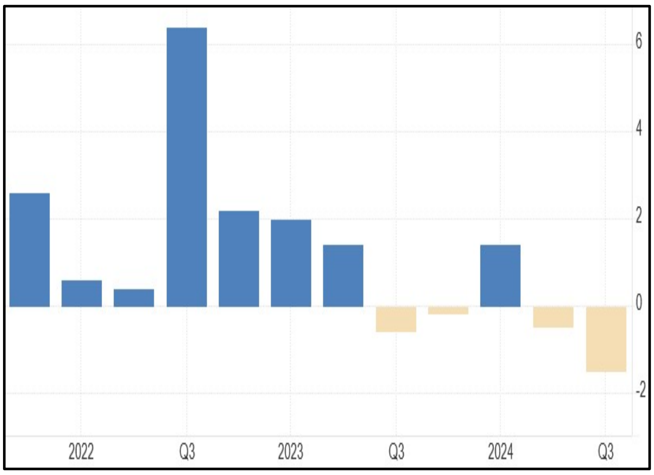
NEW ZEALAND'S ECONOMIC OUTLOOK

Population: 5.41 million

NZ Economy

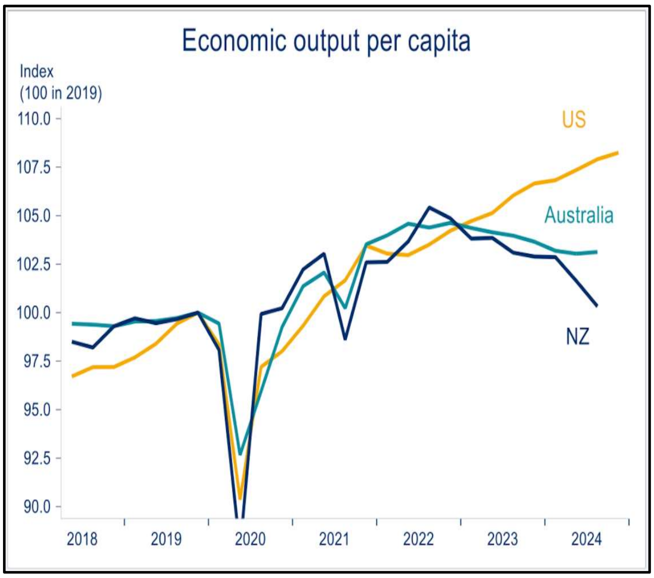
After some astonishingly weak updates on the New Zealand economy at the end of last year, we're hopeful of some better results over 2025, spurred on by lower interest rates in particular. Yet, as the new year's first batch of data shows, this recovery is likely to be a drawn-out process. Underlying productivity and economic crises are even more severe than the fiscal crisis. Financial markets have downgraded New Zealand for months, with the kiwi dollar dropping 11% against the US dollar since the beginning of October, and 6% against the trade-weighted index. That can partly be explained by the US dollar's general strengthening, but our dollar was also down 6% against the trade-weighted index. The bottom line is that New Zealanders standard of living continues to deteriorate markedly.

NEW ZEALAND - ANNUAL GDP GROWTH RATE



The next Monetary Policy Statement and OCR updates are on Wednesday 19th February & then on 9th April.

NZ lags both the US & Australia in Productivity



Improving our per capita productivity needs to be the top priority for Christopher Luxon, if he is to bring New Zealand out of its current malaise.

	Last 3 months	Next 3 months	Next year
Global economy	→	→	↗
NZ economy	→	↗	↑
Inflation	↘	→	→
2 year swap	→	→	↗
10 year swap	→	→	↗
NZD/USD	↘	→	→
NZD/AUD	→	↘	↘

INFLATION

New Zealand inflation remained at 2.2% for the December 2024 year. Economists had expected it to reduce a little lower, but are happy with the 2.2% rate. Prices for international air transport, up 6.6%, were the largest contributor to the quarterly rise. Almost a quarter of the 0.5% quarterly rise in the CPI was due to international air transport.

Other significant contributors to CPI this quarter were:

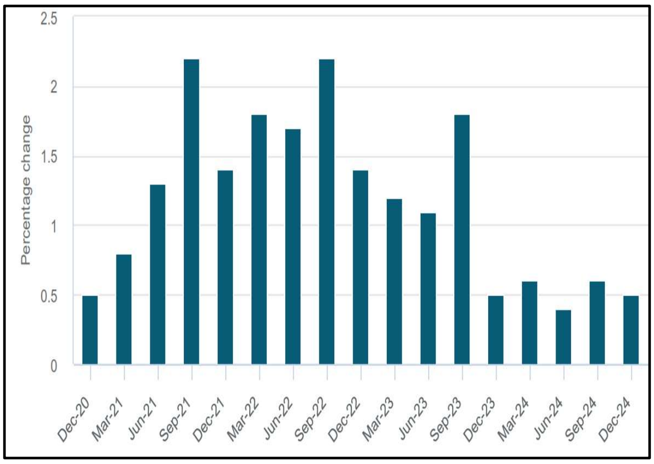
- second-hand cars – up 4.7% (19% contribution to the 0.5% rise)
- rent – up 0.8% (15% contribution)
- games, toys, and hobbies – up 8.5% (13% contribution)
- domestic air transport – up 9.3% (12% contribution)
- overseas accommodation – up 2.4% (11% contribution).

Lower prices for vegetables, down 11.5%, helped offset the quarterly rise.

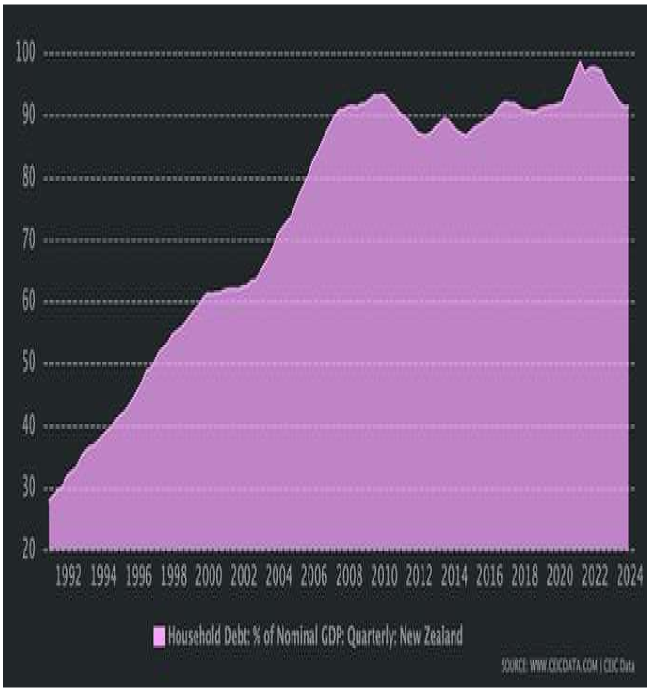
Globally, inflation concerns are resurfacing, even with recentv positive news from London and Washington. Domestically, non-tradeable inflation remains persistently high. The declining dollar is increasing local prices of both imports and exports, including food. Interest-rate cuts both locally and internationally may occur more slowly than anticipated before Christmas.

Finance Minister, Nicola Willis faces higher debt-servicing costs than anticipated, with 10-year bond yields having increased from 4.4% to 4.8% this year. She urgently needs to address our poor productivity, if New Zealand is to recover from the current malaise. She can't sugar-coat NZ's lack of productivity, as previous Finance Ministers have for more than the past decade.

NEW ZEALAND'S QUATERLY INFLATION



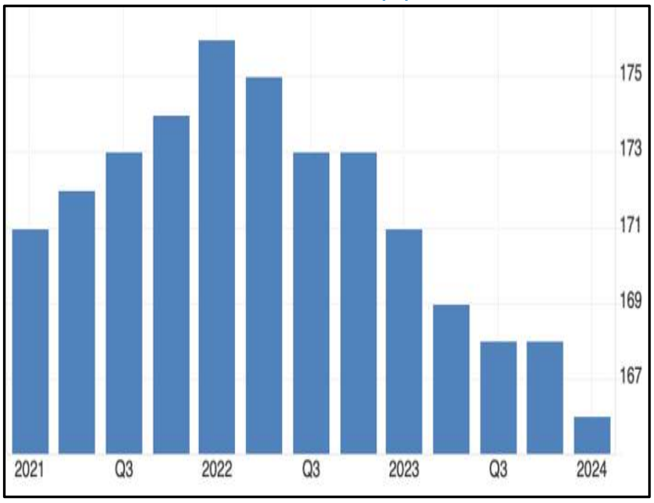
NZ'S HOUSEHOLD DEBT AS A % OF GDP



SOURCE: CEICData.com

- As of August 2024, New Zealand's total household debt was approximately $393.8 billion (converted from USD, where it was first reported).
- As New Zealand has around 1.8 million households, the **average household debt** is approximately **$218,770**. This figure includes all forms of household debt, such as mortgages, consumer loans, and student loans.
- Additionally, as of June 2024, household debt was 167% of disposable income, indicating that, on average, households owe 1.67 times their annual disposable income.
- Overall, New Zealand households have experienced significant financial changes in recent years, and household debt levels are a key component of their financial health. As house prices have, for the last 20+ years risen, so has household debt levels.
- With higher interest rates compared to the 2020-2022 period, many New Zealanders face tight budgets and struggle after paying off all their credit card and mortgage interest payments.

NZ HOUSEHOLD DEBT TO INCOME (%) OVER LAST 3 YEARS



AUSTRALIAN ECONOMIC OUTLOOK

Population: 27.2 million

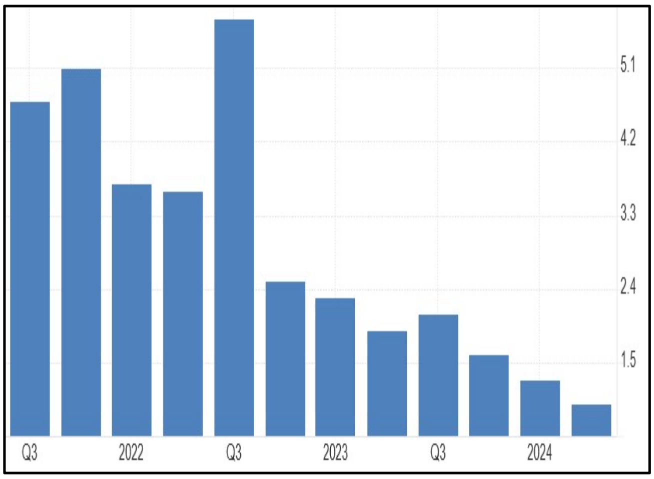
Australian Economy

Australia's public sector employment has risen by 20% in the last year. Their Labour Government is mirroring the failed policies of the last New Zealand Labour Government, which didn't work out too well for them. Australia has an election within the next 4 months. There are a series of requirements in the Constitution that set out when an election has to be held. Terms in the House of Representatives run for three years, and an election for that house must be held no later than 68 days after they expire. This time around, those terms expire on July 25, 2025, and the last Saturday in the following 68-day period is September 27.

GDP Growth

Economic growth in Australia is expected to remain subdued in the near term as inflation and higher interest rates continue to weigh on demand. In 2024 Australian GDP grew just 0.8% year-on-year. The forecast for GDP growth is softer than three months ago, largely reflecting a weaker outlook for household consumption in the near term.

AUSTRALIA – ANNUALISED GDP GROWTH RATE



Australia's December labour market update was stronger than expected, with employment levels rising by a robust 56k and measures of labour market slack remaining tight. But despite the healthy labour market, consumer sentiment dipped in January and remains weak, highlighting the ongoing impact of cost-of-living pressures.

Inflation Falls to 3.2% YOY

Australia's underlying inflation rate has fallen to a three-year low of 3.2%, bolstering the case for a rate cut next month that would provide a dopamine hit to the government ahead of a cost-of-living election.

UNITED STATES ECONOMIC OUTLOOK

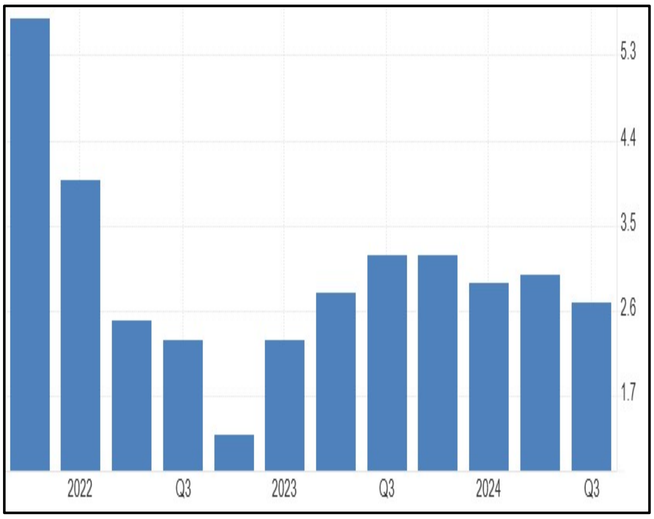
Population: 345.7 million

It is predicted that there are at least a further 11.7m undocumented (illegal) migrants in the US currently.

US Economy

Trump's decision to withdraw from the Paris climate deal and WHO indicates that he won't tolerate highly bureaucratic and woke UN organisations. It is unlikely to deeply concern New Zealand's relationship with the US.

UNITED STATES – ANNUAL GDP GROWTH RATE



What are executive orders that Trump has already signed?

Government Spending - Halt to Federal Aid

A two-page memo from the Office of Management and Budget and sent to government agencies ordered a pause to all grants and loans until mid-February, to ensure all programmes match the administration's agenda. The action is now on hold.

Doge and Elon Musk

Trump has signed a directive creating the Department of Government Efficiency (Doge) - a new advisory body on cutting government costs. It is expected to be led by Elon Musk - who Trump separately said would get an office for about 20 employees.

Freeze on Federal Hiring

Another order halts any new federal hiring - except within the US military and several other categories - until the Trump administration has full control over the government.

Federal Employees Returning to the Office

Trump has also signed a memorandum mandating that federal workers must work in the office and are not allowed to work from home.

Defence

Trump signed an order mandating a process to build a missile defence shield called an Iron Dome to protect the US.

He also enacted moves to reshape the US military by eliminating DEI programmes and barring transgender recruits from enlisting.

Immigration - 'National emergency'

Trump has proclaimed that "America's sovereignty is under attack", declaring this to be a national emergency that allows him to free up more funding to reinforce the border with Mexico.

Border wall

The same directive tells officials to relaunch efforts to build a border wall with Mexico that was started under his first presidency. This is not an executive order and it is unclear how such an effort might be funded.

Birthright citizenship

Trump has ordered that officials deny the right to citizenship to the children of migrants either in the US illegally or on temporary visas. This faces legal challenges.

Terrorism designation for gangs and cartels

Trump has designated drug cartels and international gangs as foreign terrorist organisations - adding the likes of Salvadoran gang MS-13 to a list that includes the so-called Islamic State.

Shutting down legal routes

The order also shut down a major Biden-era immigration pipeline: a sponsorship initiative that allowed up to 30,000 migrants from Cuba, Haiti, Nicaragua and Venezuela to fly to the US. It had been designed to cut illegal crossings.

Refugee resettlement

Trump has suspended the US refugee resettlement programme, although details remain unclear.

Further Trump actions

Trump has used Tarrifs as a weapon to bring Mexico, Canada and China into line on – exspecially with regards to the illegal fentinal drug trade. Already we are seeing nations making concessions to avoid damaging tarrifs.

Trump has said that the US will pull out of the Paris Climate Accord and the World Health Organisation.

He has declared that the US will only recognise "two sexes, male and female. These sexes are not changeable and are grounded in fundamental and incontrovertible reality". It will affect official documents like passports and visas. An executive order called "Protecting Children From Chemical and Surgical Mutilation" will restrict access to gender-affirming medical care such as hormone therapy and surgery for minors.

Trump on Gaza

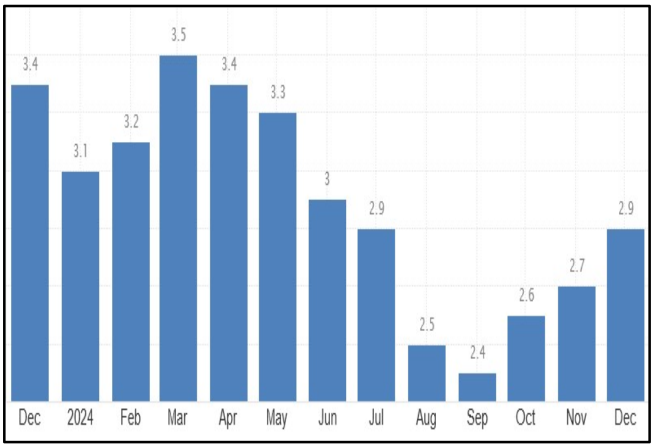
Trump has restated a vision in which the US would take over Gaza, after officials in his administration appeared to contradict his earlier comments. "The Gaza Strip would be turned over to the United States by Israel at the conclusion of fighting," Trump said on 6th February. He reiterated that the idea would mean resettling Palestinians, and that no US soldiers would be needed. Trump's resettlement idea has prompted accusations that he is planning ethnic cleansing, and has drawn condemnation from the UN, human rights groups and Arab leaders.

US Inflation

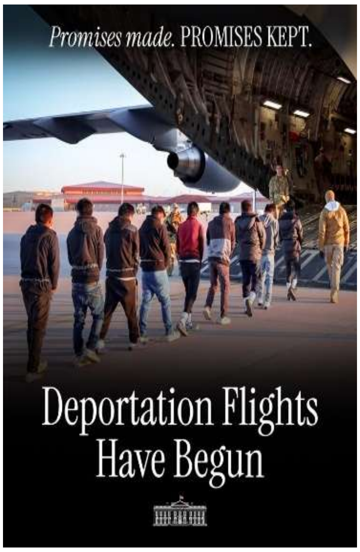
Entering 2025, models from forecasting companies like Trading Economics anticipate inflation rates of between 2.4% and 2.9% in the period from the end of 2024 and the start of 2026.

The annual inflation rate in the US rose for a 3rd consecutive month to 2.9% in December 2024 from 2.7% in November, in line with market expectations.

US ANNUAL INFLATION RATE



Trump Deportations have begun



Shackled immigrants have been marched onto a US military plane as Trump's deportation crackdown gets underway. Just as he promised, President Trump is sending a strong message to the world: those who enter the United States illegally will face serious consequences.

Trump's billionaire oligarchs are rewiring America for a new superpower era

When Donald Trump took the oath at his inauguration on 20th January, standing alongside him in an ostentatious display of support were not just the usual roster of political hangers-on, but a star-studded array of tech oligarchs, business leaders and financiers that includes the three richest men in the world – Tesla's Elon Musk, Amazon's Jeff Bezos and Meta's Mark Zuckerberg.

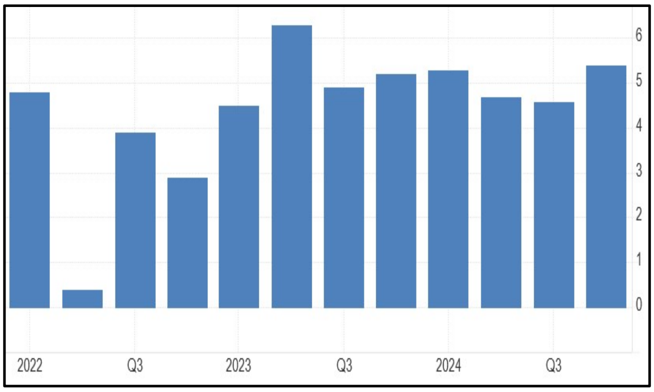
CHINESE ECONOMIC OUTLOOK

Population: 1.419 billion ↓

Chinese Economy

The Chinese economy expanded by 5.4% yoy in Q4 2024, accelerating from 4.6% in Q3 and surpassing market estimates of 5.0%. It was the strongest annual growth rate in 1-1/2 years, boosted by a series of stimulus measures launched since September to boost recovery and regain confidence. In December, industrial output growth quickened to an 8-month high, while retail sales emerged from a 3-month low. However, the jobless rate hit a 3-month top. On the trade front, exports logged a double-digit rise in December, marking the ninth straight monthly gain and reaching the largest amount in 3 years, as firms rushed to complete shipments ahead of potential tariff hikes under the US Trump administration. Imports saw an unexpected rise to notch their highest value in 27 months. For the full year, the GDP grew by 5.0%, aligning with Beijing's 2024 target of around 5% but falling short of a 5.2% rise in 2023. Last year, fixed investment rose by 3.2% yoy, faster than the 2023 pace of 3.0%.

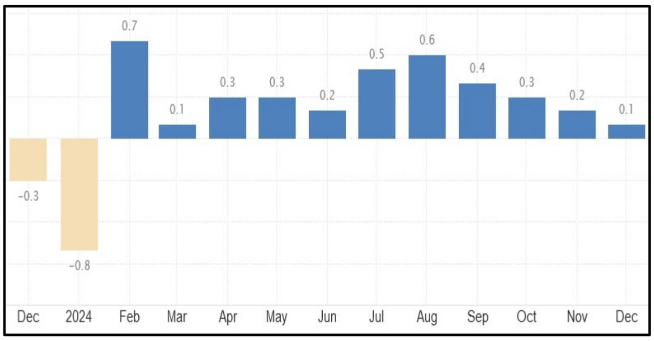
CHINA – ANNUAL GDP GROWTH RATE



Inflation Rate

China's annual inflation rate edged down to 0.1% in December 2024 from 0.2% in the previous month, aligning with market estimates and marking the lowest print since March. The latest result underscored mounting deflation risks in the country, despite government stimulus measures and the central bank's supportive monetary policy stance. Food prices fell following rises in the prior four months (-0.5% vs 1.0% in November).

CHINA – ANNUALISED INFLATION RATE



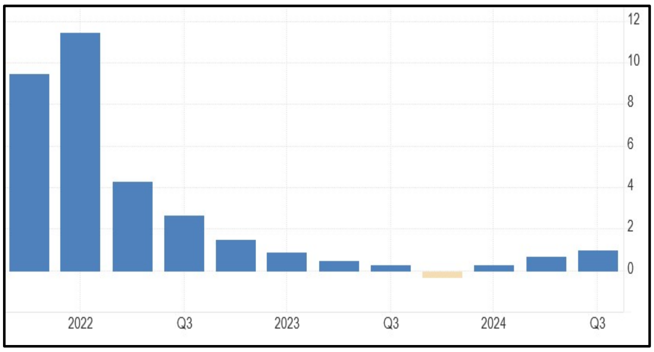
UNITED KINGDOM ECONOMIC OUTLOOK

Population: 69.2 million

UK Economy

The British economy expanded 1% year-on-year in November 2024, slightly below 1.1% in October and forecasts of 1.3%. Global headwinds coming from the USA are threatening to fuel inflation via increased tariffs imposed by the USA. These headwinds are affecting bond markets across Europe, but in the UK, they have hit harder. There were already concerns that inflation was not dropping as fast as had been envisaged and growth was stagnant and below forecast in the UK.

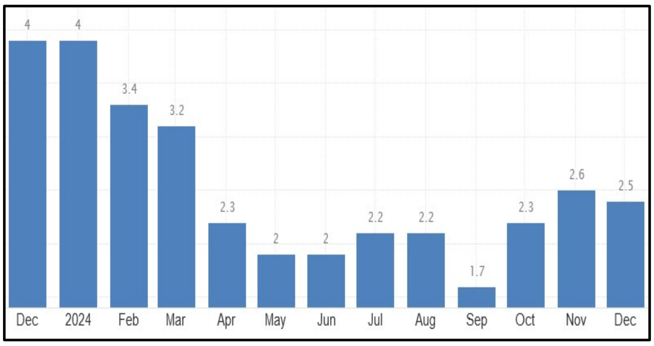
UNITED KINGDOM – ANNUAL GDP GROWTH RATE



Inflation Rate

Annual inflation rate in the UK unexpectedly edged lower to 2.5% in December 2024 from 2.6% in November, below forecasts of 2.6%. However, it matched the BoE's forecast from early November. Prices slowed for restaurants and hotels (3.4%, the lowest since July 2021 vs 4%), mainly due to a 1.9% fall in prices of hotels. Inflation also slowed for recreation and communication (3.4% vs 3.6%) and services (4.4%, the lowest since March 2022 vs 5) and steadied for food and non-alcoholic beverages (at 2%). Meanwhile, prices decreased less for transport (-0.6% vs -0.9%) as upward effects from motor fuels and second-hand cars (1%) partially offset a downward effect from air fare (-26%). Also, prices rose slightly more for housing and utilities (3.1% vs 3%). Compared to November, the CPI rose 0.3%, above 0.1% in the previous period but below forecasts of 0.4%. The annual core inflation rate also declined to 3.2% from 3.5% and the monthly rate went up to 0.3%, below forecasts of 0.5%.

UNITED KINGDOM – ANNUAL INFLATION



EUROZONE ECONOMIC OUTLOOK

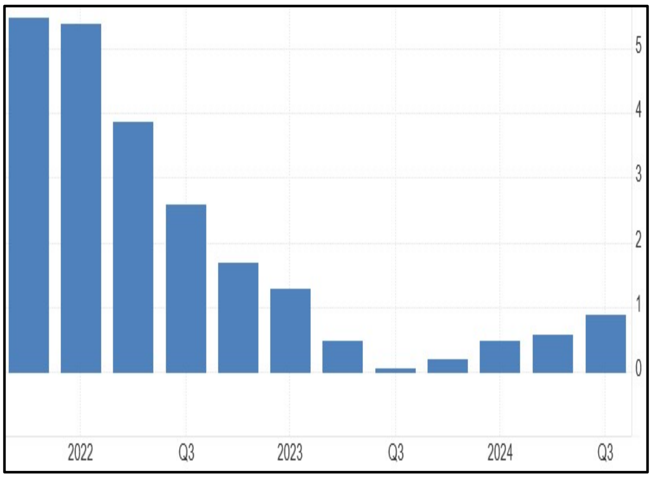
POPULATION: 449.2 million

EU ECONOMY

Growth is projected to be just above 1% in 2025 and to move slightly up to modest levels in 2026 and 2027. Nevertheless, the risks to economic growth remain tilted to the downside.

Of great concern is the risk of Trump's threat to use tariffs as a weapon to get European states to pay a fairer share of the cost of maintaining a military deterrent to both Russia and in the Middle East.

EUROZONE – ANNUAL GDP GROWTH RATE



EUROPE'S BIG ECONOMIC PROBLEM

Europe in twenty years has gone from 35% of Global GDP and 30% of market capitalization to 25% and 15%. Asia is now 45% of Global GDP and 30% of market capitalization.

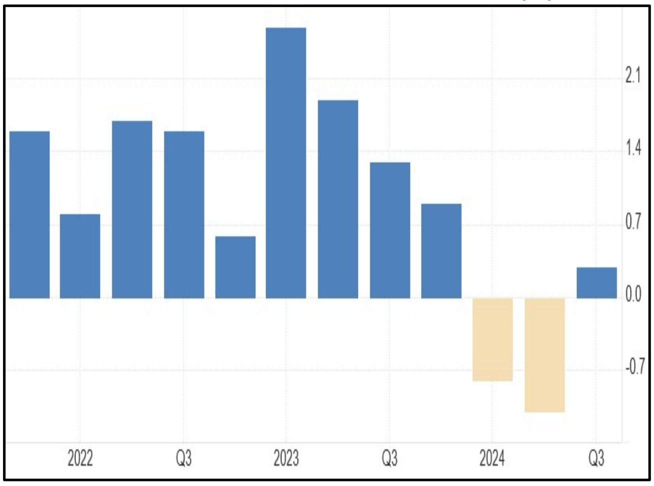
JAPAN'S ECONOMIC OUTLOOK

Population: 123.7 million

JAPANESE ECONOMY

The Japanese economy is currently at a crossroads of transitioning from a long-standing cost-cutting-model economy to a growth-oriented economy driven by wage increases and investment, without reverting to deflation. Growth is expected to accelerate in 2025, with private consumption strengthening further, as above-inflation wage growth will boost households' disposable income. Private investment is also expected to remain strong, supported by high corporate profits and accommodative financial conditions.

JAPAN – ANNUAL GDP GROWTH RATE (%)



INDIA'S ECONOMIC OUTLOOK

Population: 1.453 billion

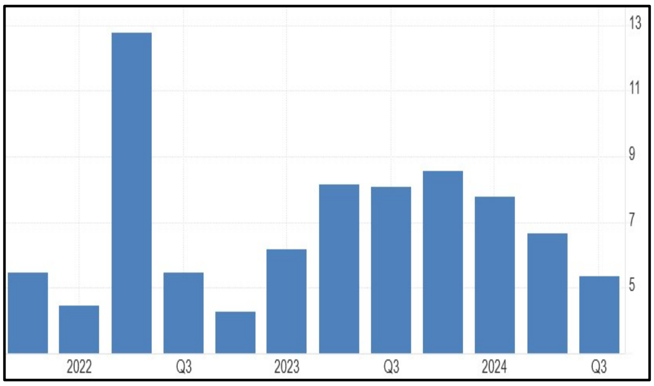
India has now overtaken China as the highest population nation in the world.

INDIAN ECONOMY

The IMF, in its January 2025 update of World Economic Outlook, projected India's real GDP growth at 6.5% for FY25, a 0.5% points downward revision from its growth forecast in October 2024. The RBI also reassessed FY25 real GDP growth at 6.6% in December 2024 as against its October 2024 projection of 7.2%.

The Reserve Bank of India (RBI) cut its key repo rate for the first time in nearly five years on 7th February to provide stimulus to the sluggish economy, which is expected to grow at its slowest pace in four years in the current fiscal year.

INDIA – ANNUAL GROWTH RATE



COMMODITIES

NZ EXCHANGE RATES

	Historical data				F'cast
	Spot	3mth range	5yr range	5yr avg	Dec-25
USD	0.558	0.556-0.607	0.555-0.743	0.642	0.57
AUD	0.900	0.895-0.912	0.873-0.992	0.927	0.86
EUR	0.541	0.539-0.560	0.517-0.637	0.579	0.52
GBP	0.458	0.447-0.466	0.447-0.535	0.500	0.44
JPY	87.3	87.0-92.1	61.3-98.6	81.8	84.4

NZD/USD support at 0.5540 held last week, but looks more vulnerable this week. The first week of the Trump administration is biased to be USD-positive. That said, NZD positioning and technicals are very stretched to the downside, warning of a bullish reversal soon.

Beyond the next few weeks, Westpac's outlook remains bearish, expecting the strong US dollar trend since September to eventually resume, in part due to US economic growth exceptionalism. A break below the 0.5470 low formed in March 2020 would signal a move towards 0.5000.

NZD/AUD retains a downward bias, as it did in December, and we continue to expect a break below 0.9000, and then a test of 0.8900 during the next few months. NZ-AU yield spreads remain negative and near decade lows, while medium term drivers such as current and fiscal accounts will continue to favour the AUD.

LOWER INFLATION – WILL LEAD TO OCR DROP

It is expected that sufficient deceleration in economic activity during the final quarter of 2024 will prompt the Reserve Bank of New Zealand (RBNZ) to continue reducing interest rates. Economists anticipate that data from Statistics New Zealand, due to be released on Wednesday morning, will indicate the annual inflation rate remained at 2.2% for the December quarter, or possibly decreased to 2.1%—the level forecasted by the RBNZ in November.

Considering the RBNZ's mandate to maintain the inflation rate between 1% and 3%, a reading slightly above the 2% target would likely result in a further reduction of the Official Cash Rate (OCR) by 50 basis points at its next meeting on February 19. This adjustment would lower the OCR from 4.25% to 3.75%, which would still maintain more contractionary than stimulatory monetary conditions.

Analysts at ANZ predict the OCR will stabilize at 3.5%, whereas economists at ASB project it may decrease to 3.25%. Experts from both institutions acknowledge that the sluggish economy has dampened key elements of non-tradeable, predominantly domestically-driven, inflation. The labour market remains soft, wage inflation has diminished, and consumer demand has waned, leading to surplus capacity within the economy.

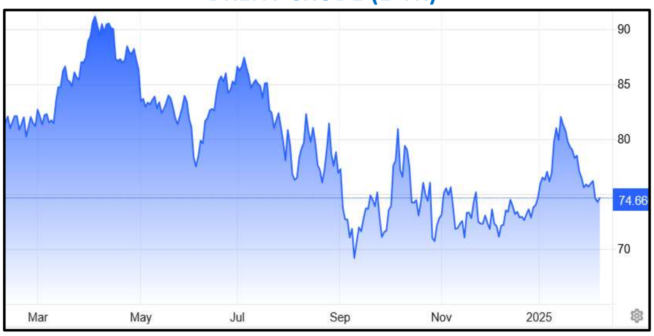
Increases in construction costs, rents, and other housing expenses have significantly slowed. These components of the consumer price index (CPI) are particularly sensitive to interest rate changes. ANZ Economist Miles Workman noted that tepid economic growth and feedback from business confidence surveys indicated a "considerable degree of spare capacity" in the economy, suggesting the RBNZ would likely observe a decline in non-tradeable inflation as necessary.

Looking ahead to the CPI outlook for 2025, Workman mentioned that recent depreciation of the New Zealand dollar and rising oil prices could temporarily cause annual headline inflation to reaccelerate.

OIL – BRENT CRUDE

Brent crude oil futures traded added 0.5% to settle at $74.7 per barrel on Friday, after fresh sanctions targeted Iran's crude exports, but gains were limited by US President Donald Trump's escalating trade dispute with China and the threat of further tariffs on other countries.

BRENT CRUDE (1-YR)



NOTE: New Zealand trades in Brent Crude Oil

Analysts expressed concerns that these trade disputes could dampen global economic growth and, consequently, reduce oil demand. Additionally, a significant increase in US crude inventories, as reported by the Energy Information Administration, signaled weaker domestic demand, further contributing to the week's downward pressure on oil prices.

GOLD

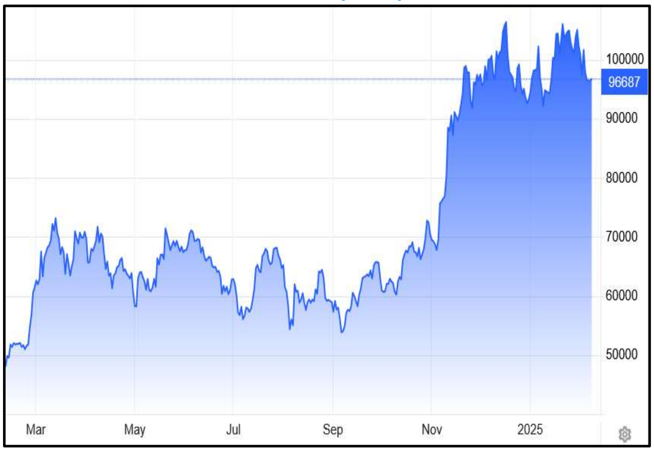
Gold held above the $2,860 mark on Friday 7th February, remaining near the record highs amid growing expectations that major central banks will loosen monetary policy this year. Rate futures indicated that investors still expect the Fed to deliver two rate cuts this year despite evidence of a strong labor market, aligning with the last projections by FOMC members. Also, the Bank of England delivered a rate cut and with more dovish than expected vote tallies, while the RBI delivered its first rate cut since the measure to respond to the pandemic nearly five years ago. Previously, the ECB and the BoC lowered rates with the latter ending quantitative tightening. In turn, bullion assets were also supported by higher demand for safety amid the likelihood that China will follow through on tariffs against the US next week, and US President Trump's threat of mobilizing residents of the Gaza Strip.

GOLD (1-YR)

BITCOIN

The Wall Street Journal recently published an article attempting to discredit Bitcoin amidst the recent US, Canada, and Mexico tariff trade war, because bitcoin's price has gone down in the wake of the news.

BITCOIN (1-YR)



"*Bitcoin - touted as a borderless, digital store of value - is down more than 4% over the last 24 hours, after the White House instigated cross-border tariffs*," the article stated. "*Cryptocurrencies were once promoted as investments that act independently of stocks, but in fact their moves often resemble outsized versions of broader market swings*."

MARKET CAP OF MAJOR GLOBAL ASSETS

AGRIBUSINESS – LOOKING FROM THE OUTSIDE IN

DR JACEQUELINE ROWARTH – AG SECTOR IMPORTANCE

SOURCE: NZ Herald, 28-Dec-24

Regional Development Minister Shane Jones' statement that it is "too hard" to produce food in New Zealand should be a cause for concern for every New Zealander. Food constitutes approximately 70% of our export economy, with about 10% derived from fibre. This income circulates significantly through the economy, and its cessation would have widespread negative repercussions. The closure of businesses throughout the North Island exemplifies this issue.

From the central North Island to Penrose, we see the impact spreading — high power prices and unsustainable businesses. In the South Island, the effects are felt from meat plants. Further compounding the issue, T&G has announced the closure of its cold storage facility in Dunedin. Every business closure marks a significant loss, contributing to the resurgence of zombie towns, a term popularized by economist Shamubeel Eaqub in 2014 and now relevant again.

The allure of better opportunities abroad exacerbates the situation, with record numbers of people leaving New Zealand. The University of Wharton Best Countries Index provides insights into this trend. Among 89 countries, Australia ranks fifth overall and eighth in quality of life, with a job market score of fourth globally. New Zealand ranks ninth overall, tenth in quality of life, and fourteenth in the job market category. While New Zealand ranks higher in affordability (58th) compared to Australia (64th), more affordable countries generally perform worse overall. For example, Thailand ranks as the most affordable country but only 28th overall, Vietnam second in affordability but 44th overall, and India third but 33rd overall.

Despite these challenges, New Zealand excels in environmental care, ranking first, with Australia third. In commitment to climate goals, New Zealand is third and Australia eighth. Countries with lower costs of living do not rate highly in these areas or in social purpose indicators valued by New Zealanders, such as caring for animals and people. Switzerland tops the best countries index but scores lower than New Zealand in climate goals, animal rights, and environmental care, ranking 88th out of 89 in affordability. No country can excel in all areas; each must make choices.

In democratic nations, these choices are guided by voter preferences influenced by various factors, including science, economics, and ideology. In May 2019, New Zealand garnered international attention by launching a Wellbeing Budget focused on prioritizing people's wellbeing and environmental sustainability. The budget aimed to integrate social and environmental indicators with economic and fiscal measures to direct government investment and funding decisions. Former Prime Minister Jacinda Ardern articulated this approach, emphasizing that government spending should enhance citizens' health and life satisfaction, measured not by wealth or economic growth but by overall progress. However, despite increased investment in wellbeing since then, the StatsNZ release last month indicated no substantial change. The report showed an average overall life satisfaction score of 7.6 out of 10, similar to 2021's 7.7 rating and unchanged since 2018.

While most people adapt and maintain a reasonable sense of personal wellbeing, they often believe it could improve under certain conditions ("if"). However, investment in these "ifs" does not always yield long-term improvements. Short-term thinking has been criticized, with the Sense Partners' report released in March highlighting these issues. The report states, "Short-term thinking is insufficient. New Zealanders aspire to prosperity and responsible stewardship of environmental and social resources. However, we are hindered by inertia and low productivity performance amid significant economic, technological, social, and environmental shifts."

Improving productivity and income to sustain ongoing stewardship is crucial. Sense Partners emphasizes the importance of unified action within the business community, advocating for short-term sacrifices to achieve long-term policy stability and aiding politicians in overcoming commitment issues during elections.

The primary sector endeavours to contribute to productivity and export income, but Shane Jones' observation remains pertinent — it has become increasingly challenging. A balanced approach is necessary, recognizing the need for food production for both domestic supply and export income. Other countries appreciate New Zealand's achievements in environmental and climate change goals. Despite substantial investment, the Wellbeing Budget has yet to effect meaningful change. Expedited projects are essential to mitigate negative impacts. The current difficulties are acknowledged by many, not just Shane Jones, who seek to foster improvement.

FOOD AND FIBRE SECTOR EXPORT REVENUE 2020–26

Year ended 30 June NZ$ millions	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025[F]	2026[F]
Dairy	14,050	13,289	14,638	16,655	18,107	20,102	19,055	21,998	26,008	23,231	25,500	25,560
Annual % Change	-21.0%	-5.4%	10.1%	13.8%	8.7%	11.0%	-5.2%	15.4%	18.2%	-10.7%	9.8%	0.2%
Meat & wool	9,000	9,200	8,355	9,542	10,176	10,617	10,373	12,310	12,114	11,336	11,390	11,870
Annual % Change	10.3%	2.2%	-9.2%	14.2%	6.6%	4.3%	-2.3%	18.7%	-1.6%	-6.4%	0.5%	4.2%
Forestry	4,683	5,140	5,482	6,382	6,883	5,452	6,499	6,578	6,353	5,748	5,980	6,100
Annual % Change	-9.9%	9.8%	6.7%	16.4%	7.9%	-20.8%	19.2%	1.2%	-3.4%	-9.5%	4.0%	2.0%
Horticulture	4,185	5,000	5,165	5,376	6,111	6,541	6,579	6,782	7,088	7,082	8,030	8,460
Annual % Change	10.0%	19.5%	3.3%	4.1%	13.7%	7.0%	0.6%	3.1%	4.5%	-0.1%	13.4%	5.4%
Seafood	1,562	1,768	1,744	1,777	1,963	1,857	1,789	1,919	2,097	2,141	2,210	2,370
Annual % Change	4.1%	13.2%	-1.4%	1.9%	10.4%	-5.4%	-3.7%	7.3%	9.3%	2.1%	3.2%	7.2%
Arable	181	210	197	243	236	289	261	252	272	345	360	370
Annual % Change	-21.6%	15.6%	-6.0%	23.2%	-2.7%	22.2%	-9.7%	-3.4%	7.9%	26.8%	4.3%	2.8%
Other primary sector[3]	2,417	2,714	2,638	2,706	2,852	2,988	3,087	3,226	3,493	3,416	3,460	3,570
Primary industries Total	***36,079***	***37,323***	***38,219***	***42,682***	***46,329***	***47,846***	***47,642***	***53,110***	**57,425**	**53,299**	**56,930**	**58,300**
Annual % Change	-6.8%	3.4%	2.4%	11.7%	8.5%	3.3%	-0.4%	11.5%	8.1%	-7.2%	6.8%	2.4%

Source: Forecast figures: Economic Data and Analysis, Ministry for Primary Industries.

TOP 10 EXPORT DESTINATIONS

Product	Export revenue (NZ$ million)	% of total
Dairy	23,231	44%
Meat and wool	11,336	21%
Horticulture	7,116	13%
Forestry	5,748	11%
Seafood	2,141	4%
Arable	345	1%
Processed food and other products	3,416	6%
Total	**53,333**	**100%**

NEW ZEALAND EQUITIES

According to **a report by NZ Fund Manager, Harbour Asset Management**, the median price target for the S&P500 suggests high single-digit growth, reflecting widespread confidence in the market outlook. Harbour has identified several themes expected to influence portfolios in 2025:

1. Potential End to New Zealand's Underperformance

The New Zealand sharemarket showed strength in the latter half of 2024, outperforming the MSCI ACWI. The market experienced significant growth from the early 2010s due to low starting valuations, steady economic growth, and favourable interest rates. Despite higher interest rates and a recent economic recession impacting sales and profits, Harbour suggests that improved valuations, lower interest rates, and underweight positioning may drive demand for local shares.

2. Impact of Tariffs, Taxes, and Trump's Policies

Changes in US economic policy pose substantial risks and opportunities for financial markets. President-elect Donald Trump, set to take office on January 20, has committed to several pro-growth measures, including deregulation, tax cuts, and extending current tax policies. However, anticipated reductions in immigration and potential tariffs on imports from Canada, Mexico, and China could increase inflation and dampen global economic growth.

3. Uncertainty Surrounding US Economic Dominance

While many analysts expect the US economy to lead global growth in 2025, with a projected growth rate of 2.1%, there are concerns about rising effective interest rates affecting consumption. The potential risks associated with Trump's economic agenda, such as tariffs and reduced Federal Reserve independence, could lead to stagflationary pressures.

4. Australia's Economic Resilience

Australia continues to avoid recession, but high core inflation remains a challenge, delaying interest rate cuts until at least April next year. Households face pressure from stagnant real wages and elevated mortgage rates, contributing to a decline in house prices in key markets like Sydney and Melbourne.

5. Sustained Inflation at 2%

Inflation appears to have stabilized, but a global trade war could hinder further progress. In the US, pro-growth policies are likely to elevate inflation, limiting the scope for additional easing by the Federal Reserve. Structural changes, including de-globalisation and demographic shifts, may also introduce greater uncertainty for investors.

6. Realistic Expectations for Equity Returns

While some forecasts suggest an 8% return for the S&P 500, historical data indicates that such returns are infrequent. Since 1928, the annual return range of 0-10% has only been observed 14 times, emphasizing the unpredictability of equity markets.

7. Climate Change and AI

2024 is projected to be the warmest year on record, with significant implications for energy consumption. The Energy Information Administration anticipates increased electricity usage driven primarily by AI and data centres, as well as electric vehicles.

8. Macro vs. Geopolitics

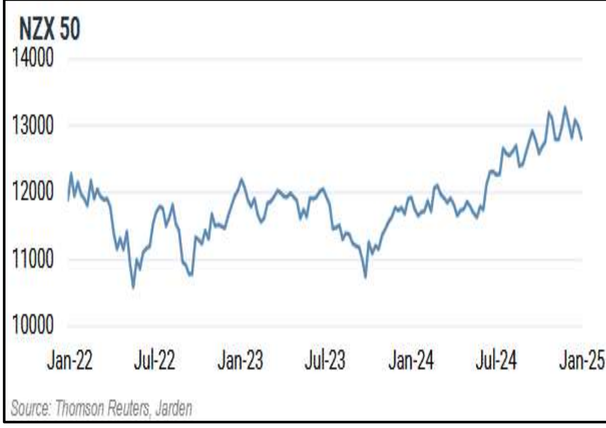
Although geopolitical events were prominent in 2024, global economic developments largely influenced market narratives. For example, energy prices responded more to economic conditions and oil supply than to conflicts in Ukraine or the Middle East. However, escalating tensions in the Middle East could impact oil prices significantly in 2025.

9. New Zealand's Investment in Private Markets

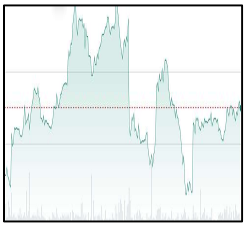
New Zealand has lagged behind other countries in allocating funds to private markets and alternatives. However, factors such as emerging private credit opportunities and a maturing venture capital landscape may prompt increased investment.

10. Emerging Risks in 2025

Potential low-probability but high-impact events, including bird flu, climate change acceleration, solar flares, and advancements in nuclear fusion, could influence markets in 2025, according to Harbour Asset Management.



ALL GRAPHS ARE ONE YEAR



A2 MILK

Research: 27th January

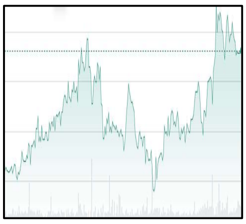
ATM estimates a better-than-expected CY24, with China newborns data released by NBS of 9.54m, an increase of 520k on pcp. The uptick in newborns attributed to a combination of rebound in marriages post Covid-19, the Year of the Dragon zodiac sign and some traction from more birth-friendly Government policies. Jarden's analysis of recent price points within market continues to highlight ATM management executing well and, unsurprisingly, the new CL price point easing back to what looks like on longer term upward trend. ATM is due to report on 18th February.

. 2025 P/E: 23.6 2026 P/E: 22.4

NZX Code:	**ATM**
Share Price:	**$6.50**
12mth Target:	↓ **$7.15**
Projected return (%)	
Capital gain	10.0%
Dividend yield (Net)	2.8%
Total return	**12.8%**

Rating: **OVERWEIGHT**

52-week price range: 5.22-8.05



CONTACT ENERGY

Research: 22nd January

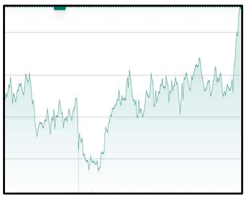
CEN's December month operating statistics imply an EBITDA of $54m, up $7m on pcp. This implies a 1H25E EBITDA of $505m, $50m up on pcp's $355m. Jarden's current FY25E EBITDA of $794m (excluding one-offs of c.$14m), ahead of the company's average hydro year guidance of $770m, A good first half considering the negative impact from the dry patch in July. CEN recently announced that it has secured meaningful gas supply from CY26 to CY32, good for de-risking the company but as expected, it is expensive gas.

2025 P/E: 19.5 2026 P/E: 17.8

NZX Code:	**CEN**
Share Price:	**$9.31**
12mth Target:	↑ **$10.89**
Capital gain	17.0%
Dividend yield (Net)	4.7%
Total return	**21.7%**

Rating: **BUY**

52-week price range: 7.86-9.80



EBOS

Research: 28th January

EBO will report on 19th February and Jarden is expecting 1H group revenues to be down 15%, EBITDA down 5% and NPAT down 11%, reflecting the loss of the Chemist Warehouse Australian (CWA) contract from 1 July. As was evident within the FY24 results, Jarden is expecting Institutional Healthcare to continue delivering strong growth from Hospital Medicines & Consumables and Medical Devices.

2025 P/E: 25.6 2026 P/E: 24.4

NZX Code:	**EBO**
Share Price:	**$41.55**
12mth Target:	↑ **$39.00**
Capital gain	-6.1%
Dividend yield (Net)	3.4%
Total return	**-2.7%**

Rating: **OVERWEIGHT**

52-week price range: 31.02-41.90

FLETCHER BUILDING

Research: 22nd January

Since Feb-24, FBU had been running with temporary leadership much of that time, facing a downturn in construction materially deeper than anticipated. While there have been some small wins, that a strategy to unlock distinct value has yet to be announced may frustrate the investment case. The interim results, due on 19th February, could mark the cycle trough for the company, as it has clearly indicated a 1H/2H EBIT split of c.40%/60%. Jarden sees the lack of momentum in announcing a strategic plan to unlock value as delaying potential share price catalysts, particularly as they are of the view that there is value to unlock. After a period of restriction, Jarden is reinstating coverage with a Buy rating.

2025 P/E: 18.9 2026 P/E: 14.1

NZX Code:	**FBU**
Share Price:	**$2.90**
12mth Target:	**$3.76**
Projected return (%)	
Capital gain	27.5%
Dividend yield (Net)	0.0%
Total return	**27.5%**

Rating: **BUY**

52-week price range: 2.64-4.31

GENESIS ENERGY

Research: 24th January

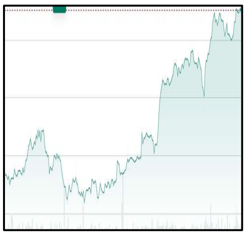
GNE reported 2Q25 opstats, with EBITDA estimated at $100m, c.$30m up on pcp, in line with Jarden'spositive expectations. The operating statics imply 1H25 EBITDA c.$259m, up $57m on $202m in pcp. This is a positive update considering that GNE had paid up for extra Methanex gas from mid-August. With wholesale prices having retraced, it made it difficult to monetise this investment. Genesis now appearing well on track to beat its $460m FY25 EBITDA guidance. Jarden's FY25E EBITDA forecast is $459m.

2025 P/E: 19.5 2026 P/E: 17.8

NZX Code:	**GNE**
Share Price:	**$2.19**
12mth Target:	**$3.15**
Projected return (%)	
Capital gain	37.9%
Dividend yield (Net)	6.6%
Total return	**45.5%**

Rating: **BUY**

52-week price range: 2.05-2.58



HALLENSTEIN GLASSON

Research: 17th January

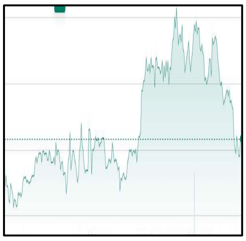
Jarden has upgraded their earnings forecasts for HLG post its ASM update in December which indicated continued trading momentum and a greater appetite to pursue store openings, namely in Australia where the company is achieving traction with consumers. In the first 18 weeks of FY25E (to the week ended 8 December 2024), group revenue increased +10.1% y/y, albeit cycling a soft pcp where group revenue was down -4.7% y/y. Strength is likely being driven by Glassons Australia, where its products have resonated particularly well. Encouragingly, group gross margin has remained stable despite headwinds including FX, freight rates, and broader sector discounting activity. Jarden lifts their FY25 forecasts, reflecting continued sales momentum. They expect momentum to continue in Glassons Australia, with New Zealand recovering from a weak pcp, and forecast group revenue growth of +9.5%. Based on typical seasonality of apparel spend, their 1H25 group revenue forecast of $244m implies some cooling of growth to c.+8% y/y for the remaining eight weeks.

2025 P/E: 10.8 2026 P/E: 10.3

NZX Code:	**HLG**
Share Price:	**$8.52**
12mth Target:	↑ **$8.75**
Projected return (%)	
Capital gain	2.7%
Dividend yield (Net)	7.6%
Total return	**10.3%**

Rating: **OVERWEIGHT**

52-week price range: 5.17-8.54



INFRATIL Research: 6th January

Infrastructure investor IFT is more than doubling its forecast energy demand for data centres to more than 1000 megawatts (MW), as demand grows beyond expectations. Infratil owns about 48 percent of Australian-based data centre business CDC, which is accelerating development of data centres across multiple sites in New Zealand and Australia. CDC already has 388MW under construction and another 200MW of additional capacity to begin construction in the first half of the year. One megawatt would be enough to power up to 1000 homes. IFT already committed $479.4 million (A$433m) investment in December to CDC and planned to commit another $276.8m (A$250m) over the next two years to fund the development pipeline. IFT's investment in CDC is currently valued at around $5.4 billion (A$4.92b).

2025 P/E: 286.6 2026P/E: 181.2

NZX Code:	**IFT**
Share Price:	**$11.17**
12mth Target:	**$12.70**
Projected return (%)	
Capital gain	13.7%
Dividend yield (Net)	1.7%
Total return	**15.4%**

Rating: **OVERWEIGHT**

52-week price range: 10.10-13.34

KMD BRANDS Research: 24th January

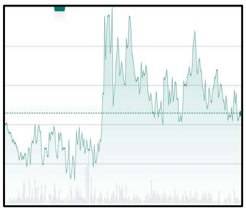
IFT's 1H24 proportionate EBITDA of $478.8m was above consensus ($458m), partly due to 1H/2H phasing for One NZ. Other asset contributions were broadly as expected, and FY25 EBITDA guidance changes were minor. Proportionate "operational" EBITDA is now guided $960-$1,000m (prev $962-$1,012m). CDC FY25 EBITDA guidance remains unchanged at A$320-$330m but now steered to the lower end, on contract starts delayed into 1H26.

2025 P/E: 162.0 2026P/E: 13.0

NZX Code:	**KMD**
Share Price:	**$0.40**
12mth Target:	**$0.60**
Projected return (%)	
Capital gain	50.0%
Dividend yield (Net)	0.0%
Total return	50.0%

Rating: **OVERWEIGHT**

52-week price range: 0.34-0.67



MAINFREIGHT Research: 12th November

1H25 PBT of $161.2m was $2.7m ahead of the draft result (led by NZ) and down ~8% on the pcp. The largest contributor to the YoY earnings decline was in A&O (-$7.7m, -10%) in a competitive market against a soft macro backdrop. Warehousing was also weak (-$6.1m, -23%) with under-utilisation in Europe and some drag from recently added capacity in Australia as utilisation builds. Transport was flat, with losses in the US and weakness in NZ offset by strength in Australia and some improvement in Europe

2025 P/E: 22.5 2026P/E: 20.8

NZX Code:	**MFT**
Share Price:	**$70.73**
12mth Target:	**$80.00**
Projected return (%)	
Capital gain	13.1%
Dividend yield (Net)	2.4%
Total return	**15.5%**

Rating: **OVERWEIGHT**

52-week price range: 65.50-77.60

MERCURY ENERGY Research: 21st January

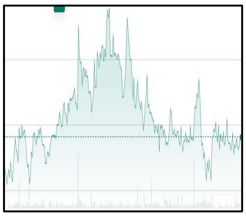
MCY is trading well. Jarden's current FY25 EBITDA estimate of $863m is well ahead of management guidance of $820m. MCY reported 1H25 operational statistics, the data implying a $435m first half EBITDA, marginally up on its pcp at $434m. However, a considerable effort considering the company's FY25 guidance of $820m, issued at the FY24 result in August, expected a c.$80m negative impact from the July August 2024 drought. Jarden views the company not updating guidance today as likely due to caution around 2H25 wholesale prices and hydro uncertainty. They retain their $863m FY25E EBITDA.

2025 P/E: 32.9 2026P/E: 28.3

NZX Code:	**MCY**
Share Price:	**$6.36**
12mth Target:	**$7.62**
Projected return (%)	
Capital gain	19.9%
Dividend yield (Net)	3.8%
Total return	**23.7%**

Rating: **OVERWEIGHT**

52-week price range: 5.61-7.25



MERIDIAN ENERGY Research: 16th January

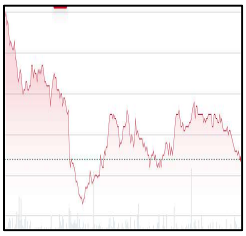
MEL's trading through November and December has been soft due to low wholesale prices. The negative heavily impacted risk mitigation period was from July to October where costs to cover for the dry few months to mid-August negatively impacted. December EBITDA was $70m, down $7m on pcp, taking 1H25 EBITDA to $258m, down $188m on pcp. This implies that Jarden's standing FY25E EBITDA of $881m is now c.$30m too high. However, their normalised estimate for FY25 EBITDA of c.$1,100m is unchanged.

2025 P/E: 27.2 2026P/E: 19.7

NZX Code:	**MEL**
Share Price:	**$5.91**
12mth Target:	**$6.39**
Projected return (%)	
Capital gain	8.1%
Dividend yield (Net)	2.4%
Total return	**10.5%**

Rating: **NEUTRAL**

52-week price range: 5.40-6.89



MICHAEL HILL INTERNATIONAL Research: 17th January

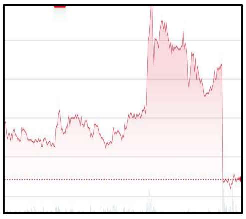
It was a disappointing holiday period for MHJ, which experienced a material slowdown in sales across all markets in 2Q25. Group sales, which had been tracking up +4.3% y/y in the first 14 weeks of 1H25E finished the half down -1.0%, led by a decline in Australia which saw 1Q25 sales go from a c. +6.5% run-rate to an estimated c. -2% in 2Q25, albeit with a number of store closures during the period. MHJ has guided to A$5m of cost-out achievable within 2H25E, which should then also partially annualise into FY26E. While the holiday trading was disappointing, channel checks suggest it was a function of broader consumer weakness rather than any brand issue. MHJ has indicated a return to improved trading trends in January, however, we retain a level of caution.

2025 P/E: 32.0 2026 P/E: 9.4

NZX Code:	**MHJ**
Share Price:	**$0.54**
12mth Target:	**$0.75**
Projected return (%)	
Capital gain	38.9%
Dividend yield (Net)	2.8%
Total return	**41.7%**

Rating: **BUY**

52-week price range: 0.43-0.90



PACIFIC EDGE

Research: 13th January

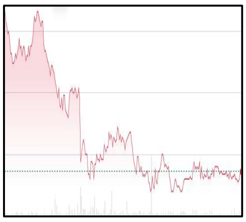
On 9th January, Novitas (Medicare Administrative Contractor for Medicare) finalised its non-coverage determination that would end reimbursement for PEB's Cxbladder Triage, Detect and Monitor by Medicare. If not challenged, PEB reimbursement would cease from 23-Feb-25. For added context, in 1H25 for PEB, Medicare and Medicare Advantage accounted for 5,300 commercial tests (~54% of PEB's US commercial tests) and ~$6.5mn of operating revenue (PEB's largest payor, in largest end market). Cash reserves at the end of December were $28.5m. Earnings changes and valuation: Jarden has materially recalibrated their ongoing case operating forecast for reduced revenue due to Medicare and Medicare Advantage reimbursement cessation and lifted the amount of assumed equity support likely required in FY26E. Success on raising any future equity likely heavily linked to ongoing Kaiser commercial support and prospects of gaining AUA guideline inclusion.

2025 P/E: (2.5) 2026 P/E: (2.8)

NZX Code:	**PEB**
Share Price:	**$0.061**
12mth Target:	**$0.08**
Projected return (%)	
Capital gain	31.1%
Dividend yield (Net)	0.0%
Total return	**31.1%**

Rating: **NEUTRAL**

52-week price range: 0.05-0.185



SKY CITY ENTERTAINMENT

Research: 28th January

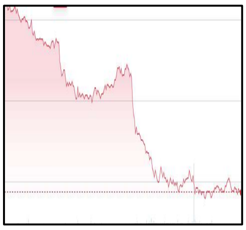
SKC reports 1H25 on 20th February. By property, Auckland down -16% on pcp to $106m due to domestic economic pressures, with cuts to interest rates potentially providing some relief late 2H. Key to assessing Auckland's 1H25 performance will be commentary around wallet spend trends and the margin impact of management using their portfolio assets (car parking, food & beverage, hotels) to support visitation. We also forecast the Online segment to be down materially, -90% on pcp, the key driver of this being the new 12% gaming duty on gross betting revenue (effective 1-Jul-24). Jarden expects uEBITDA guidance to remain unchanged at $245-265m (Jarden standing estimate $251m).

2025 P/E: 17.0 2026 P/E: 16.1

NZX Code:	**SKC**
Share Price:	**$1.43**
12mth Target:	**$1.85**
Projected return (%)	
Capital gain	29.4%
Dividend yield (Net)	7.8%
Total return	**37.2%**

Rating: **OVERWEIGHT**

52-week price range: 1.30-2.09



SPARK

Research: 17th January

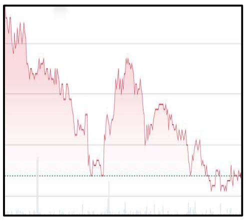
Jarden sees SPK's first hurdle in CY25 as in the confirmation of FY25 guidance and ability to sustain into June. It will likely take time for the market to get line of sight on a number of these while risks around external factors outside of SPK's control (macro/enterprise market dynamics) still loom. Key catalysts include: a return to mobile services revenue growth (where it looks like SPK lost ground in the market over the last 12 months in its key source of profitability); visibility on outlook for the IT business (cyclicality, structural pressures and operating leverage to address with more visibility required post restructuring, including in how the IT offering ties into core telco, noting potential for data centres to be separated into a JV); progress on SPK's plans for its large data centre opportunity (where some good news is possible and clarity should remove uncertainty on investment outlook so long as SPK is able to bring in a partner); and removal of overhang associated with SPK's capital management settings (dividend towards 20cps; major changes likely necessary were SPK to pursue data centres alone).

2025 P/E: 17.0 2026 P/E: 14.1

NZX Code:	**SPK**
Share Price:	**$2.88**
12mth Target:	↑ **$3.80**
Projected return (%)	
Capital gain	31.9%
Dividend yield (Net)	8.5%
Total return	**40.4%**

Rating: **OVERWEIGHT**

52-week price range: 2.76-5.25



STEEL & TUBE

Research: 5th February

STU will report 1H25 earnings on the 24th February. Jarden expects a normalised EBITDA of $4.7m (down from $21.9m in pcp) and normalised EBIT of negative $6.1m (down from a positive $11.3m in the pcp). The company has already reported trading for the four months to October, with volumes down 18% on the pcp, Normalised EBIT was negative $5m (down from a positive $9.6m in the pcp), and Normalised EBITDA was $2.7m (down from $16.5m in the pcp). Jarden's forecast implies a continuation of the trend into FY1H25 end. Due to a softer economy than expected and lack of uplift in infrastructure opportunities, they have further softened their second-half expectation. As a result, they have reduced FY25E EBIT from $0m to negative $11.3m, and have reduced FY25 dividend expectation from 2c to zero.

2025 P/E: (32.0) 2026 P/E: 41.9

NZX Code:	**STU**
Share Price:	**$0.84**
12mth Target:	↓ **$1.04**
Projected return (%)	
Capital gain	23.8%
Dividend yield (Net)	0.0%
Total return	**23.8%**

Rating: **OVERWEIGHT**

52-week price range: 0.80-1.16

JARDEN'S NEW ZEALAND EQUITIES EARNINGS

AS AT 4TH FEBRUARY 2025

	Ticker	Rec.	Market Cap NZ$mn	Price NZ$	Target Price NZ$	Adjusted NPAT			Adjusted EPS			PE		pBook	EV/EBITDA		Net Yield		Gross Yield	
						FY1	FY2	FY3	FY1	FY2	FY3	12MF	24MF	FWD	12MF	24MF	12MF	24MF	12MF	24MF
COMMUNICATION SERVICES & RETAIL																				
Diversified Telecoms*																				
Chorus	CNU	U	3,731.4	8.69	8.14	(0.6)	60.7	93.6	(0.1)	14.0	21.6	103.9x	64.5x	7.6x	9.7x	9.5x	6.7%	6.8%	6.7%	7.2%
Spark New Zealand	SPK	O	5,255.7	2.88	3.80	319.1	390.2	424.1	17.3	20.9	22.3	14.8x	14.0x	3.0x	6.5x	6.4x	7.6%	7.4%	9.7%	9.7%
Media																				
NZME	NZM	O	199.2	1.09	1.19	15.0	19.5	23.3	8.0	10.5	12.6	10.2x	9.5x	1.5x	5.0x	4.8x	9.2%	9.4%	12.8%	13.0%
Hotels, Restaurants, Leisure & Tourism																				
Restaurant Brands New Zealand	RBD	N	494.0	4.07	3.80	25.7	32.9	40.1	20.6	26.4	32.1	15.1x	13.8x	1.4x	7.1x	7.0x	-	-	-	-
SKYCITY Entertainment Group	SKC	O	1,056.7	1.40	1.85	103.0	86.7	103.7	13.5	11.4	13.6	11.4x	11.2x	0.8x	6.7x	6.5x	1.1%	2.7%	1.5%	3.7%
Tourism Holdings	THL	B	429.1	1.95	4.38	56.6	72.1	90.0	25.9	33.0	40.9	6.5x	5.7x	0.6x	4.1x	3.8x	7.0%	8.2%	8.4%	9.9%
Internet & Direct Marketing Retail																				
My Food Bag	MFB	O	47.9	0.20	0.28	6.1	7.1	7.6	2.5	2.9	3.1	7.0x	6.8x	0.7x	4.1x	4.1x	8.6%	9.2%	8.6%	9.2%
Multiline Retail																				
KMD Brands	KMD	O	284.7	0.40	0.60	1.9	23.5	37.3	0.3	3.3	5.2	21.7x	13.1x	0.4x	3.9x	3.7x	2.6%	4.8%	2.6%	4.8%
Hallenstein Glasson Holdings	HLG	O	505.2	8.42	8.75	44.3	48.7	52.7	74.2	81.6	88.4	10.8x	10.3x	4.3x	5.0x	4.8x	8.4%	8.7%	8.4%	8.7%
The Warehouse Group	WHS	N	357.2	1.02	1.15	13.8	43.0	54.2	4.0	12.4	15.7	12.2x	9.1x	1.1x	5.1x	4.9x	6.2%	7.9%	8.6%	11.0%
Briscoe Group	BGP	O	1,038.2	4.61	5.10	67.0	76.4	80.4	30.1	34.3	36.1	13.4x	13.1x	3.1x	7.7x	7.4x	6.3%	6.3%	8.7%	8.7%
Michael Hill International	MHJ	B	194.3	0.55	0.75	6.5	22.1	31.5	1.7	5.8	8.2	13.2x	9.6x	1.1x	4.0x	3.8x	5.7%	7.3%	7.9%	10.1%
CONSUMER STAPLES																				
Beverages																				
Delegat Group	DGL	O	480.4	4.75	7.35	57.8	62.8	68.1	57.2	62.1	67.3	7.9x	7.6x	0.8x	7.1x	6.9x	4.3%	4.5%	6.0%	6.3%
Food Products																				
The A2 Milk Company	ATM	O	4,633.7	6.39	7.15	187.3	204.0	227.9	25.8	28.0	31.3	23.6x	22.4x	3.3x	13.5x	12.5x	3.0%	3.3%	4.1%	4.6%
Fonterra Shareholders' Fund Units	FSF	O	528.5	4.93	4.57	860.0	846.1	859.0	53.4	52.6	53.4	9.3x	9.3x	0.1x	0.3x	0.3x	7.5%	7.8%	10.4%	10.8%
New Zealand King Salmon Investments	NZK	N	118.4	0.23	0.29	15.0	14.9	15.3	2.8	2.8	2.8	8.0x	8.0x	0.5x	3.0x	3.0x	-	0.0%	-	0.0%
Sanford	SAN	N	442.3	4.69	4.60	43.0	49.7	53.2	46.0	53.1	56.8	9.7x	9.1x	0.6x	5.5x	5.3x	2.4%	2.7%	3.3%	3.7%
Scales Corporation	SCL	O	584.3	4.07	4.60	34.0	39.5	45.6	24.0	27.9	32.2	14.4x	13.5x	1.4x	7.8x	7.5x	4.1%	4.4%	5.7%	6.2%
Seeka	SEK	N	139.8	3.16		13.1	15.9	19.1	30.0	36.5	44.0	8.5x	7.8x	0.5x	5.4x	5.4x	-	-	-	-
Synlait Milk	SML	N	331.8	0.54	0.45	(27.6)	(4.3)	14.0	(4.6)	(0.7)	2.3	(20.8x)	(61.9x)	0.4x	13.0x	11.2x	-	-	-	-
Personal Products																				
Comvita	CVT	N	54.3	0.76	1.22	(0.6)	4.6	8.9	(0.9)	6.6	12.7	21.1x	11.0x	0.3x	6.8x	6.1x	-	1.6%	-	2.2%
ENERGY																				
Oil, Gas & Consumable Fuels																				
The New Zealand Refining Company	CHI	N	783.1	1.92	1.96	25.3	30.6	41.8	6.2	7.5	10.2	24.7x	21.4x	1.5x	11.6x	11.0x	6.2%	6.7%	6.2%	6.7%
FINANCIALS																				
Capital Markets																				
NZX	NZX	O	493.8	1.51	1.68	17.4	18.3	21.6	5.4	5.6	6.5	26.6x	24.8x	3.9x	11.5x	11.2x	4.0%	4.1%	5.6%	5.6%
Commercial Banks																				
Heartland Group Holdings	HGH	O	1,012.4	1.09	1.68	105.1	142.4	159.2	11.2	15.1	16.7	8.1x	7.4x	0.8x	7.5x	6.8x	7.5%	8.2%	10.4%	11.3%
Insurance																				
Turners Automotive Group	TRA	O	490.9	5.47	5.22	37.4	40.3	45.5	42.3	45.1	50.3	12.2x	11.6x	1.6x	9.4x	9.0x	5.3%	5.6%	7.4%	7.8%
HEALTH CARE																				
Biotechnology																				
Pacific Edge	PEB	N	49.5	0.06	0.08	(28.0)	(34.7)	(30.9)	(3.5)	(2.2)	(2.0)	(2.5x)	(2.8x)	0.8x	(0.5x)	(0.5x)	-	-	-	-
Health Care Equipment & Supplies																				
Fisher & Paykel Healthcare Corporation	FPH	U	20,573.5	35.88	30.10	375.8	446.9	530.7	64.2	76.1	90.0	48.3x	44.2x	10.0x	29.1x	26.8x	1.3%	1.3%	1.8%	1.9%
Health Care Providers & Services																				
Ebos Group	EBO	O	7,748.6	39.80	39.00	278.1	314.4	339.8	143.9	162.7	175.8	25.6x	24.4x	3.1x	13.4x	12.9x	2.8%	2.9%	3.1%	3.1%
Oceania Healthcare	OCA	N	586.6	0.80	0.83	61.2	87.2	91.5	8.5	12.0	12.6	7.0x	6.7x	0.5x	37.5x	29.1x	-	-	-	-
Ryman Healthcare	RYM	N	2,991.2	4.34	5.04	138.6	270.0	308.8	20.2	39.3	44.9	11.9x	10.8x	0.6x	86.9x	71.0x	-	-	-	-
Summerset Group Holdings	SUM	O	3,091.3	12.90	13.85	191.7	220.3	246.4	81.6	93.0	103.2	13.7x	13.8x	1.0x	96.9x	90.5x	1.9%	1.8%	1.9%	1.8%
AFT Pharmaceuticals	AFT	O	295.7	2.82	3.00	10.4	16.0	18.8	9.9	15.3	17.9	19.5x	17.6x	2.7x	12.3x	11.3x	0.5%	0.7%	0.5%	0.7%

JARDEN'S NEW ZEALAND EQUITIES EARNINGS (continued) AS AT 4TH FEBRUARY 2025

			Market Cap	Price	Target Price	Adjusted NPAT			Adjusted EPS			PE		pBook	EV/EBITDA		Net Yield		Gross Yield	
	Ticker	Rec.	NZ$mn	NZ$	NZ$	FY1	FY2	FY3	FY1	FY2	FY3	12MF	24MF	FWD	12MF	24MF	12MF	24MF	12MF	24MF
INDUSTRIALS																				
Air Freight & Logistics																				
Freightways	FRW	N	1,916.6	10.79	9.56	82.9	92.8	104.8	46.4	51.9	58.7	21.7x	20.4x	3.7x	9.8x	9.4x	4.0%	4.2%	5.6%	5.8%
Mainfreight	MFT	O	7,098.2	70.35	80.00	267.7	322.8	375.7	265.8	320.5	373.1	22.5x	20.8x	3.4x	10.0x	9.4x	2.6%	2.8%	3.5%	3.4%
Airlines																				
Air New Zealand	AIR	N	2,122.1	0.63	0.61	107.0	178.9	246.3	3.2	5.3	7.3	14.1x	11.5x	1.0x	3.6x	3.3x	4.3%	5.2%	4.4%	5.6%
Machinery																				
Skellerup Holdings	SKL	O	974.5	5.02	5.15	54.6	60.3	66.2	27.8	30.8	33.8	17.0x	16.1x	4.0x	10.5x	10.2x	4.8%	5.0%	5.6%	5.8%
Transportation Infrastructure																				
Auckland International Airport	AIA	O	14,766.4	8.77	8.21	320.3	398.1	477.7	19.6	23.0	28.2	40.5x	36.7x	1.4x	23.0x	20.9x	1.7%	1.9%	2.4%	2.7%
Port of Tauranga	POT	N	4,353.7	6.41	6.09	116.9	139.5	161.7	17.4	20.7	24.0	33.1x	30.5x	2.0x	20.8x	19.4x	2.7%	2.9%	3.8%	4.1%
PGG Wrightson	PGW	U	138.1	1.81		3.9	7.2	11.1	5.2	9.6	14.7	23.1x	17.7x	0.8x	6.0x	5.7x	3.8%	4.8%	3.8%	4.8%
INFORMATION TECHNOLOGY																				
Software																				
Gentrack Group	GTK	U	1,388.5	12.86	7.65	21.0	31.8	39.9	20.4	30.8	38.7	53.5x	44.7x	5.8x	32.3x	28.2x	-	-	-	-
EROAD	ERD	N	196.5	1.04	1.05	4.8	11.6	17.0	2.6	6.1	9.0	18.7x	14.7x	0.6x	3.7x	3.4x	-	-	-	-
Serko	SKO	O	461.7	3.75	4.70	(3.2)	(0.2)	11.2	(2.6)	(0.2)	9.2	n.a.	n.a.	4.3x	n.a.	17.6x	-	-	-	-
Vista Group International	VGL	O	767.7	3.23	3.05	0.4	6.4	18.3	0.2	2.7	7.8	n.a.	59.1x	5.3x	25.4x	20.2x	-	-	-	-
MATERIALS																				
Construction Materials																				
Fletcher Building	FBU	B	3,095.7	2.89	3.76	141.1	218.7	330.0	15.2	20.4	30.8	15.8x	12.9x	0.7x	7.6x	7.1x	2.5%	4.2%	3.5%	5.8%
Metals & Mining																				
Steel & Tube Holdings	STU	O	139.6	0.83	1.15	(4.5)	3.4	16.1	(2.7)	2.1	9.7	461.1x	24.3x	0.7x	8.5x	6.7x	3.9%	5.4%	5.4%	7.5%
Vulcan Steel	VSL	N	948.9	7.97	8.05	25.6	56.6	88.7	19.4	43.1	67.5	23.7x	17.4x	5.1x	10.7x	9.4x	3.2%	4.3%	3.7%	5.0%
REAL ESTATE																				
Asset Plus	APL	N	74.4	0.20	0.17	1.4	4.1	4.2	0.4	1.1	1.1	20.1x	19.1x	0.6x	27.9x	27.5x	3.4%	3.9%	4.7%	5.4%
Argosy Property	ARG	N	864.3	1.02	1.18	55.2	57.4	61.5	6.5	6.7	7.0	15.2x	14.9x	0.7x	15.4x	14.9x	6.6%	6.6%	9.2%	9.2%
Goodman Property Trust	GMT	U	3,169.9	2.08	2.05	124.4	134.4	142.7	8.1	8.7	9.3	24.2x	23.3x	1.0x	22.2x	22.5x	3.2%	3.3%	4.5%	4.6%
Investore Property	IPL	N	416.9	1.12	1.25	26.9	28.7	29.4	7.2	7.6	7.8	14.8x	14.6x	0.7x	15.1x	14.8x	5.9%	6.0%	8.2%	8.3%
Kiwi Property Group	KPG	N	1,477.5	0.91	0.99	91.5	106.2	116.7	5.7	6.4	7.0	14.4x	13.7x	0.8x	14.9x	14.6x	6.1%	6.1%	8.4%	8.5%
Precinct Properties New Zealand	PCT	U	1,936.2	1.22	1.16	108.9	110.1	115.0	6.9	6.9	7.1	17.7x	17.5x	1.0x	20.5x	20.2x	5.6%	5.6%	7.7%	7.7%
Property for Industry	PFI	N	1,072.2	2.15	2.27	49.1	54.3	59.4	9.8	10.8	11.8	21.7x	20.7x	0.8x	19.3x	18.5x	4.0%	4.0%	5.5%	5.6%
Stride Property & Stride Investment Management	SPG	N	715.6	1.29	1.40	47.4	47.7	49.2	8.5	8.5	8.8	15.2x	15.0x	0.8x	15.8x	15.5x	6.2%	6.2%	8.6%	8.6%
Vital Healthcare Property Trust	VHP	N	1,261.8	1.87	1.96	72.9	69.2	69.2	10.8	10.2	10.2	17.9x	18.1x	0.7x	20.2x	19.6x	5.2%	5.2%	7.3%	7.3%
New Zealand Rural Land Company	NZL	O	132.9	0.92	1.18	9.4	12.8	12.0	6.9	9.3	8.6	10.4x	10.4x	0.4x	12.0x	12.1x	5.5%	5.6%	7.7%	7.8%
UTILITIES																				
Gentailers																				
Contact Energy	CEN	B	7,412.9	9.27	10.76	276.1	302.4	287.3	35.0	38.3	36.4	25.1x	25.0x	2.9x	11.2x	11.0x	4.2%	4.3%	5.1%	5.3%
Genesis Energy	GNE	B	2,427.8	2.24	3.14	92.7	145.4	148.5	8.6	13.4	13.7	19.5x	17.8x	1.0x	7.2x	7.0x	6.6%	6.7%	8.5%	8.6%
Mercury NZ	MCY	O	8,718.7	6.39	7.62	202.9	317.8	389.2	14.5	22.7	27.8	32.9x	28.3x	1.8x	11.5x	10.9x	4.0%	4.2%	5.5%	5.8%
Meridian Energy	MEL	N	15,246.7	5.85	6.33	231.8	417.7	373.7	9.0	16.1	14.4	44.1x	41.3x	1.9x	16.3x	15.7x	4.1%	4.3%	4.1%	4.3%
Manawa Energy	MNW	N	1,777.7	5.68	5.46	12.7	45.6	43.8	4.1	14.6	14.0	43.6x	41.9x	1.5x	15.7x	15.2x	3.2%	3.3%	4.4%	4.5%
Multi-Utilities																				
Vector	VCT	O	3,930.0	3.93	4.44	294.8	312.7	302.8	29.5	31.3	30.3	12.9x	12.8x	1.0x	7.8x	7.7x	5.6%	5.6%	5.6%	5.7%
Infratil	IFT	O	10,755.4	11.16	12.7	(1.1)	44.1	87.3	(0.1)	4.6	9.1	286.6x	181.2x	2.5x	16.3x	15.5x	2.0%	2.0%	2.7%	2.8%

*Diversified Telecoms = Diversified Telecommunication Services; Independent Power = Independent Power & Renewable Electricity Producers;

*Electronics = Electronic Equipment, Instruments & Components; REITs = Equity Real Estate Investment Trusts (REITs); RE Management & Development = Real Estate Management & Development

*Core Market is all NZ companies excluding property/retirement, investment, AFT, AIA, ATM, CVT, ERD, FBU, IFT, NZR, & TLT

Source: Thomson Reuters, Jarden

Source: Thomson Reuters, Jarden

JARDEN'S AUSTRALIAN WATCH LIST

AS AT 6TH FEBRUARY 2025

AUSTRALIAN EQUITY WATCH LIST as at 6-February-2025		Jarden Rating	6-Feb-25 Price (A$)	Monthly % Change	Annual % Change	Target Price (A$)
ALL.AU	Aristocrat Leisure	B	74.81	7.18%	71.23%	74.42
AQL.AU	ALS	N	16.51	7.91%	37.82%	16.07
ANZ.AU	ANZ Banking Group	O	30.95	7.32%	20.56%	29.86
ASX.AU	ASX	N	62.26	-4.58%	-1.04%	62.57
BHP.AU	BHP Billiton*	N	40.26	3.28%	-7.64%	44.78
CBA.AU	Commonwealth Bank of Australia	N	162.64	4.24%	47.54%	106.15
CSL.AU	CSL	O	272.87	-4.02%	-8.40%	319.00
CTD.AU	Corporate Travel	N	14.96	14.37%	-25.71%	14.30
CWY.AU	Cleanaway Waste Management	N	2.69	1.89%	5.78%	3.09
IGO.AU	IGO	O	4.98	-0.20%	-21.73%	5.42
MFG.AU	Magellan Financial Group	N	10.12	-4.35%	19.45%	9.90
NAB.AU	National Australia Bank	O	40.38	6.74%	31.30%	34.09
NXT.AU	NEXTDC	B	15.14	0.26%	6.33%	19.23
QBE.AU	QBE Insurance Group	B	20.30	2.47%	31.50%	21.55
RIO.AU	Rio Tinto*	N	120.18	4.11%	-1.03%	134.92
RMD.AU	Resmed	O	38.69	4.71%	33.17%	43.97
S32.AU	South32*	N	3.47	2.06%	12.33%	3.94
SEK.AU	Seek	B	23.09	4.34%	-9.25%	25.27
TCL.AU	Transurban Group	U	13.26	-3.49%	4.31%	13.07
TLS.AU	Telstra Group	B	3.95	-2.71%	2.65%	4.23
WDS.AU	Woodside Energy	N	24.83	-2.59%	-17.50%	28.84
WES.AU	Wesfarmers	N	77.06	7.15%	36.64%	66.75
WOR.AU	Worley*	O	14.50	5.07%	1.35%	17.43
WOW.AU	Woolworths	O	29.70	-3.26%	-13.98%	32.65
XRO.AU	Xero	N	184.90	8.15%	70.67%	187.68

Note: Prices shown in local currency *Target price reflects consensus Source: Thomson Reuters, Jarden

JARDEN'S GLOBAL EQUITY WATCH LIST

AS AT 6TH FEBRUARY 2025

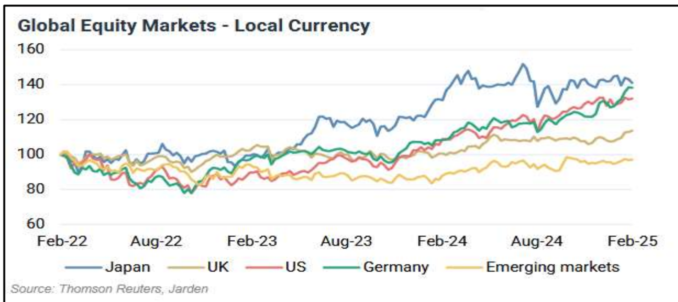
GLOBAL EQUITY WATCH LIST as at 20-December-2024	Ticker	6-Feb-25 Price	Monthly % Change	Annual % Change	12-month Target
Tencent Holdings	700.HK	417.80	0.87%	49.43%	506.91
Apple	AAPL.US	232	-4.47%	23.87%	250.01
Air Liquide	AI.FP	167.64	8.41%	9.86%	188.15
Amazon	AMZN.US	236.17	5.34%	38.67%	250.66
Amphenol	APH.US	69.52	-0.83%	35.00%	85.03
ASML	ASML.NA	706.10	2.63%	-14.66%	849.32
BP	BP/.LN	4.24	3.92%	-6.65%	4.79
Berkshire Hathaway	BRK/B.US	473.73	4.45%	21.23%	515.50
Citigroup	C.US	79.46	11.92%	45.80%	91.01
Disney	DIS.US	110.54	-0.56%	14.37%	126.13
Alphabet	GOOGL.US	191.33	-0.24%	33.16%	214.05
Hershey Foods	HSY.US	145.92	-13.67%	-25.70%	162.84
JPMorgan	JPM.US	270.43	11.16%	54.97%	266.93
Lululemon	LULU.US	412.80	9.15%	-9.62%	397.57
MasterCard	MA.US	566.29	8.62%	23.98%	606.40
LVMH	MC.FR	686.00	12.22%	-12.13%	754.97
Morgan Stanley	MS.US	138.93	10.31%	61.75%	137.37
Microsoft	MSFT.US	413.29	-2.38%	1.88%	502.79
Nike Inc	NKE.US	74.57	1.72%	-25.19%	87.83
NVIDIA	NVDA.US	124.83	-13.59%	80.05%	172.15
Schneider Electric	SU.FP	232.40	-3.25%	23.62%	259.93
Tesla	TSLA.US	378.17	-7.86%	108.86%	328.57
United Health	UNH.US	539.81	5.23%	7.33%	639.32
Visa	V.US	349.44	10.97%	26.80%	369.28
Volkswagen	VOW3.GE	93.38	7.56%	-21.58%	116.14

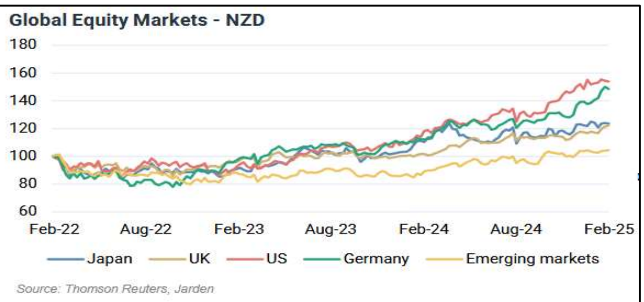
Source: Thomson Reuters, Jarden. Target Prices reflect consensus

JARDEN'S INVESTMENT TRUST WATCH LIST

AS AT 5TH FEBRUARY 2025

INVESTMENT TRUST WATCH LIST as at 5 February 2025	Ticker	Price £	Annual % Change		Ticker	Price £	Annual % Change
Schroder Asian Total Return	ATR	4.85	13.47%	JPM European Inv. Trust	JEGI	1.07	8.11%
Baillie Gifford Japan Trust	BGFD	7.64	5.52%	JPMorgan Japanese	JFJ	5.94	16.93%
Bankers Inv. Trust	BNKR	1.24	18.97%	JPM Global Growth	JGGI	6.00	13.85%
Blackrock World Mining	BRWM	4.95	-5.09%	Mid Wynd International	MIDW	8.14	6.54%
City of London Investment Trust	CTY	4.37	10.49%	Monks ITC	MNKS	13.22	25.43%
Asia Dragon Trust	DGN	4.23	21.90%	Nth American Inc. Trust	NAIT	3.43	17.87%
Euro Small Comp. Trust	ESCT	1.77	12.13%	Polar Cap Tech	PCT	3.69	31.79%
F&C Investment Trust	FCIT	11.68	19.18%	RIT Cap Partners	RCP	19.68	4.35%
Global Smaller Companies Trust	GSCT	1.62	12.67%	Schroder Asia Pacific	SDP	5.35	14.07%
HarbourVest Global Private Eq.	HVPE	27.90	17.72%	Scottish Mortgage Trust	SMT	10.84	40.53%
JPM American	JAM	11.48	25.46%	Templeton Emerg.	TEM	1.69	15.89%
JPMorgan Eur Discorvery Trust	JEDT	4.68	11.96%	Worldwide Health	WWH	3.41	5.75%





JARDEN'S FIXED INTEREST BONDS

AS AT 6TH FEBRUARY 2025

Ticker	SECURITY	Credit Rating	Coupon Rate	Yield	Maturity
MEL050	Meridian Energy	BBB+	4.21%	4.10	27-Jun-25
TRP070	Transpower New Zealand	AA	1.74%	3.84	4-Sept-25
SUM020	Summerset Group Holdings	Not rated	4.20%	4.61	24-Sept-25
FCG050	Fonterra Co-Operative Group	A-	4.15%	3.88	14-Nov-25
AIA240	Auckland Airport	A-	3.29%	3.88	17-Nov-26
CNU030	Chorus	BBB	1.98%	4.19	2-Dec-27
IFT310	Infratil	Not rated	3.60%	5.80	15-Dec-27
ANB180	ANZ Bank New Zealand	AA-	5.22%	4.04	16-Feb-28
BNZ150	Bank of New Zealand	AA-	1.88%	3.71	8-Jun-28
KPG050	Kiwi Property Group	BBB+	2.85%	5.05	19-Jul-28
SBS020	Southland Building Society	BBB+	6.14%	4.62	7-Mar-29
HYBRID	**SECURITY**	**Credit Rating**	**Coupon Rate**	**Price/ Yield**	**Reset**
ANB170	ANZ Bank Limited Unsecured, Sul	A	3.00%	4.94%	17-Sept-26
GNE070	Genesis Energy	BB+	5.66%	5.67%	9-Jun-27
IFTHA	Infratil Perpetual Infrast. Bond	Not rated	5.51%	63.74	1-yr swap rate
KWB010	Kiwibank	BBB	2.36%	5.28%	11-Dec-25
MCY050	Mercury NZ	BB+	3.60%	5.50%	13-May-27
Source: Thomson Reuters, Jarden					

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