Andrew von Dadelszen
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Economic, Political & Investment Pulse

August 2025

SOUTH ISLAND STRONG BUT AUCKLAND CONTINUES TO STRUGGLE

The short-term outlook for our economy has weakened slightly since May. Growth in 2025 is expected to be about 2.4%. Lower interest rates and strong exports are helping, but trade tensions, rising living costs, and slow benefits from past interest rate cuts are holding back activity.

Globally, things aren't as bad as feared. US tariffs are now clearer; New Zealand's 15% tariff is disappointing but manageable, and exporters are generally coping.

Inflation will likely stay high for the next six months but is expected to ease in 2026, though the timing and extent are uncertain.

The Reserve Bank is likely to cut interest rates to 3% 0n 20th August. How quickly growth returns will determine if more support is needed.

LIQUIDATIONS INCREASE

Company liquidationsare the highest in more than a decade, with thousands of businesses folding and countless livelihoods caught in the crossfire. Many more are holding on – but only just. In the first half of this year alone, 1,270 businesses have shut their doors – a 12% increase from 2024. It's now anticipated that the total number of liquidations for the year will surpass 2024's 10-year high, when 2,500 companies folded. The cost-of-living crisis, rising unemployment, high interest rates, and a lingering Covid-19 impact are behind the increase in businesses folding.

VERSUS

LOCAL GOVT ELECTION TIME

As we head towards the 2025 Local Government Elections (voting papers will be posted on 9th September, with final polling date being Saturday 11th October) I seek your support for my re-election to Bay of Plenty Regional Council.

WEBSITE:
vond.co.nz

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STATISTICS NZ DATA

Estimated NZ population as at 18-August-25 **5,340,216**
Population: 1950: 1,911,608 2000: 3,855,266 Growth 1.8% this year
Births / Deaths: Births: **58,539** Deaths: **37,674** Mar-25 year
Deaths per 1,000 live births**:** Pasifika: **7.3** Māori: **5.7** European: **3.8**
Māori population Estimate Dec-24 (**17.4% of NZ pop**) **922,800**

Net Migration June-25 yr (**NZ: -46,500; Non NZ: 60,200**) ↓ **13,700**
NZer Migration June-25yr (**Depart: 71,800; Arriv: 25,200**) **- 46,500**
Non NZ Migration Jan-25yr (**Depart: 53,400; Arriv: 113,600**) **+ 60200**
Net migration by country Mar-25yr India: 18,010; China: 11,400; Philippines: 9,769; Sri Lanka: 5,638 Fiji: 2,724; South Africa: 2,485

Annual GDP Growth Mar-25 year **(Qtly Mar-25: 0.8%)** **-1.1%**
Annual GDP Per Capita Mar-25 Quarter **0.5%**

Size of Māori Economy 2024 (2013: $43bn 2020: $69bn) **$126 bn**
Size of NZ Economy (NZ GDP) Dec-24 year **$421 bn**

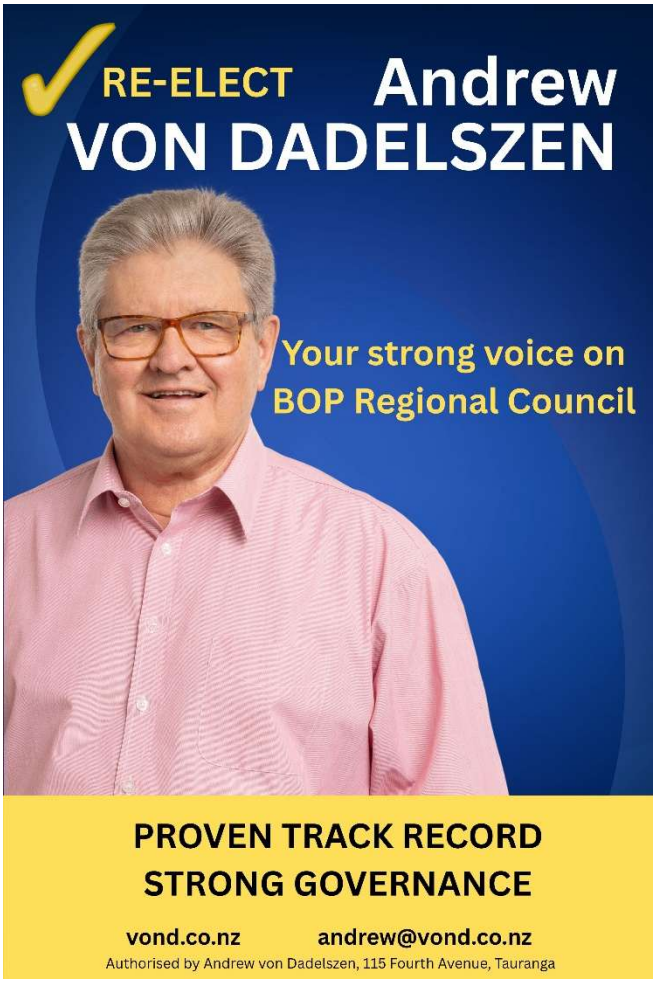
Treasury Data
NZ Core Crown Revenue 2025F year (2024A: $120.6bn) **$120.9 bn**
NZ Core Crown Expenses 2025F year (2024A: $139.06bn) **$142.2 bn**
NZ Core Govt Debt 2025F year (2024A: $175.66bn) **$185.5 bn**
NZ Core Govt Debt/GDP 2025F year (2024A: 41.7%) **42.7%**

Real Gross Disposable Income Dec-24 year **1.5%**
Inflation Rate (CPI) June-25 year (↓ from 7.3% at 2022 peak) **2.7%**
Non-Tradable Inflation (Domestic) Dec-24 year **4.5%**
Food Price Inflation Apr-25 year **4.4%**
Household Cost of Living Dec-24 qutr ↓ **0.4%**

Minimum Wage (up from $23.15) from 1st April 25 **$23.50**
Living wage from 1-June-24 (to go to $28.95 on 1-Sep-25) **$27.80**
NZ Median Wage Dec-24 **$31.61**
Annual Wage Inflation Dec-24 year **3.3%**
Wages average per hour Dec-24 qtr **$42.57**
Labour force participation rate June-25 qtr **66.8%**
Unemployment June-24 qtr Men:5.0% Women: 5.5% ↑ **5.2%**
Youth Unemployment Dec-24 Highest in last decade **23.8%**
Beneficiaries (Jobseeker/Solo/Supported living) Decr-24 ↑ **409,665**
(11.6% of working-age population as at 31-Mar-24)
Jobseeker Support numbers Dec-24 ↑ **213,321**

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.



ANNUAL PLAN 2025/26 RATE RISES

Prime Tauranga's overall rates rise was 9.9%, Western Bay of Plenty's 8.92%, Rotorua Lakes Council's 8.57%Whakatāne's 11.7% and Taupō's 8.4%.

Bay of Plenty Regional Council approved a 3% general rates increase, reduced from the forecast 8.2% after slashing $7.3m from its budget – mostly from the public transport programme.

Waikato Regional Council landed on a 5.7% increase, down from a projected 8.6%.

My July Newsletter undersold Bay of Plenty Regional Council, saying that Whanganui had the lowest rate increase. Staff tell me that we actually gazumped Whanganui. Here are the detailed workings.

Bay of Plenty Regional Council	2024/25 $m	2025/26 $m	Percentage change
General Rates	$45.155	$46.475	2.9%
Targeted Rates	$48.026	$46.889	-2.4%
Total Rates	**$93.181**	**$93.364**	**0.2%**

Whanganui District Council	2024/25 $m	2025/26 $m	Percentage change
General Rates	$43.463	$43.071	-0.9%
Targeted Rates	$42.032	$44.929	6.9%
Total Rates	**$85.495**	**$88.000**	**2.9%**

WHY WE NEED AMALGAMATION IN LOCAL GOVERNMENT

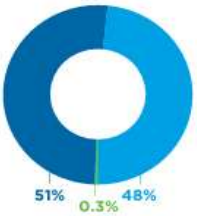
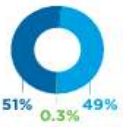
It is said that "Turkeys don't vote for Christmas" and this is true in Local Government. The reality is that we still have far too many small District Councils that are costing ratepayers too dearly.

The below table is the last publicly recorded salary ranges for Regional and Tier One City Councils. I included that territorial authorities within the Bay of Plenty. These figures are for the 2022/23 year.

2022/23 CEO Remuneration	CEO Salary	Population	Cost/Resident
Regional Councils			
West Coast Regional Council	NA	32,900	NA
Otago Regional Council	$595,924	254,600	$2.34
Hawke's Bay Regional Council	$584,000	184,800	$3.16
Northland Regional Council	$442,945	203,900	$2.17
Environment Canterbury	$438,416	666,300	$0.66
Wellington Regional Council	$433,493	550,500	$0.79
BOP Regional Council	$430,137	354,100	$1.21
Horizons Regional Council	$380,000	260,900	$1.46
Waikato Regional Council	$378,566	522,600	$0.72
Environment Southland	$324,617	103,900	$3.12
Taranaki Regional Council	$312,671	128,700	$2.43
Tier 1 Councils			
Auckland Council	$648,900	1,739,300	$0.37
Christchurch City Council	$543,943	396,200	$1.37
Tauranga City Council	$537,024	161,800	$3.32
Wellington City Council	$513,970	216,200	$2.38
Dunedin City Council	$449,758	134,600	$3.34
Hutt City Council	$422,163	114,000	$3.70
Hamilton City Council	$400,972	185,300	$2.16
Whangarei District Council	$361,915	101,900	$3.55
Other BOP Councils			
Kawerau District Council	$222,362	7,820	$28.44
Opotiki District Council	$315,211	10,550	$29.88
Rotorua District Council	$416,031	78,200	$5.32
Western BOP District Council	$356,412	60,800	$5.86
Whakatane District Council	$317,099	38,800	$8.17

Please note that the latest StatsNZ data shows that Rotorua and Eastern Bay Districts have lost population since that time – making the cost person even higher!

I do recognise that just looking at LG CEO's salary against population is a too "raw" a data set to consider, but it does highlight the dilemma facing small district councils like Kawerau, Opotiki and even Whakatane.

City/District Council region	Western Bay of Plenty	Tauranga	Rotorua	Whakatāne	Ōpōtiki	Kawerau
Population estimate	60,800	161,300	77,100	38,300	10,300	7,670
Gender						
Female / Wahine						
Male / Tāne						
Another gender / He ira kē anō						
Age Groups						
0-14	17.3%	19.1%	21.3%	21.0%	21.3%	22.2%
15-39	28.6%	32.5%	33.5%	29.2%	28.9%	29.6%
40-64	31.7%	29.1%	29.7%	30.0%	29.1%	28.0%
65+	22.5%	19.3%	15.5%	19.8%	20.8%	20.3%
Ethnicity*						
European	80.1%	78.7%	61.6%	62.3%	49.7%	53.8%
Māori	21.6%	19.3%	43.5%	48.6%	66.2%	63.2%
Pacific Peoples	3.4%	3.6%	6.4%	3.9%	4.5%	4.7%
Asian	7.3%	10.3%	10.1%	4.3%	3.2%	3.3%
MELAA*	0.8%	1.8%	0.7%	0.5%	0.4%	0.3%
Other	1.3%	1.0%	1.0%	1.0%	0.8%	0.9%

WESTERN BAY OF PLENTY LOOKS TO GET REGIONAL DEAL – BUT LET'S SEE THE DETAIL

Minister Bishop has announced that the Western Bay of Plenty, including Tauranga and Ōmokoroa, has been chosen as one of three regional deals. This will include negotiations with government for a 10 to 30 year regional infrastructure deal. This initiative aims to address the region's growing population and urgent infrastructure needs, such as the long-awaited secondary school for Ōmokoroa, which has caused families to leave the area.

Local leaders stress the need for timely government action to resolve issues like the school and other infrastructure. While the government isn't planning to invest new funds, they might reallocate existing resources, such as supporting the creation of an Institute for Bioeconomy Science and replacing quake-prone hospital buildings.

Local politicians, along with other regional officials, have advocated for a share of GST from new housing developments to fund infrastructure, suggesting it could provide the necessary financial boost. However, ministers have emphasized cost-cutting and efficiency.

Ministers acknowledge that housing supply is the main issue, not demand. Local business leaders stressed the importance of collaborating with central government to provide the right infrastructure at the right time to support housing development and economic growth in the region.

OMOKOROA

The development of a new commuter suburb in Ōmokoroa is facing a significant setback due to a lack of progress from the Ministry of Education. While local councils and regional authorities have invested heavily in infrastructure such as stormwater, wastewater, and roadworks, the promised secondary school has yet to be built, leading to a slowdown in housing demand. The planned Ōmokoroa Secondary School, originally set to open in 2025, was delayed and eventually halted by the coalition government, prioritizing other regions with faster population growth.

This delay has created a chicken-and-egg situation: the area's population isn't growing as expected because of the absence of a secondary school, which in turn impacts housing demand. Local developers have expressed frustration, noting that significant infrastructure investment has already been made, but the lack of a school is holding back the community's growth.

The big question for Omokoroa remains as to whether the gap between central and local government can be bridged, especially with the region's housing market struggling without the secondary school that was promised. The odyssey of Ōmokoroa shows that supplying the housing isn't enough on its own – both local and central govt need to work closely together to also supply the right infrastructure, in the right place, at the right time.

My view is that four-laning SH2 out to Omokoroa will be sub-optimal without it coinciding with the promised secondary school at Omokoroa.

NETHERLANDS SHOWS NZ THE WAY IN REDUCING BUREAUCRACY

SOURCE: Bay of Plenty Times, Roger Partridge NZ Initiative, 4-July-2025

Rotterdam's port handles 460 million tonnes of cargo every year, which is about the same as moving the entire global population 60 times. And it does all of this with minimal human involvement. This remarkable fact was highlighted during The New Zealand Initiative's recent visit to the Netherlands, where a group of 42 top business leaders saw firsthand how one of the world's most flood-prone countries became one of the richest.

The success of the Dutch economy is no accident. A quarter of the Netherlands is below sea level, which has led to a national mindset focused on adaptation. For the Dutch, keeping the sea at bay is a matter of survival, and they focus on practical, effective solutions, rather than ideological distractions.

The numbers speak for themselves: Dutch workers produce 51% more output than New Zealanders, while working 300 fewer hours per year. We're not falling behind because we aren't working hard enough; it's because we lack the right systems.

So, which systems matter the most? Twenty years ago, the Netherlands faced a problem with excessive regulation. Rather than just complaining, they created the Standard Cost Model, which turned the impact of red tape into measurable costs. By calculating the hours spent on compliance and multiplying that by wages and affected businesses, they were able to reduce administrative burden by 25% in just four years—saving €4 billion annually.

In addition, they created an independent Advisory Board on Regulatory Burden with real authority, which last year rejected 60% of proposed regulations to defend economic efficiency.

The Dutch focus on regulating real risks, not imagined ones. For example, they don't require canal boats to have compulsory life jackets or cyclists to wear helmets, yet their cities remain some of the safest for cyclists. Their approach is about trusting personal responsibility and building a system that works efficiently without unnecessary rules.

In contrast, New Zealand ranks last in the OECD for administrative burdens and has dropped from second to 20th in regulatory quality since 1998. Yet some still question the need for the regulatory checks proposed in the Regulatory Standards Bill.

The Dutch also excel in agricultural policy. At Wageningen University, the "Food Valley" is a leading hub where science and industry work together to commercialize agricultural innovation. This collaboration was born from a practical merger between universities and research institutes in the early 2000s, supported by the government. This approach, which focuses on property rights, stable regulations, and institutional independence, has allowed private investment to thrive.

The Dutch use technology to solve real problems, as seen in their multi-story greenhouses, which produce more tomatoes per square meter than New Zealand's land-based operations. They use technology to make the most of scarce land, feeding Europe from a country smaller than Canterbury.

The Maeslantkering storm surge barrier is another example of Dutch thinking. It has two massive gates, each the length of the Eiffel Tower, designed to protect Rotterdam from the North Sea. It has been closed only twice since 1997, but it reflects rational risk management rather than overbuilding for show.

The Dutch focus on building infrastructure that serves a clear purpose and generates measurable returns. They don't build cycleways where no one cycles or rail lines where buses would work just as well. They invest in infrastructure based on cost-benefit analysis, not political considerations.

In 2013, 47 parties—including government, businesses, and unions—signed an Energy Agreement, and 12 years later, those commitments still guide infrastructure investment. This consensus approach created predictability, allowing businesses and workers to plan without fear of sudden regulatory changes.

In New Zealand, we face constant delays and indecision. Our policies are often reversed or adjusted halfway through, leading to uncertainty. This unpredictability results in higher costs for businesses and fewer investments.

The Dutch have built their prosperity by creating stable institutions, enabling businesses to thrive, and focusing on doing less but doing it well. It's time for New Zealand to learn from their example.

New Zealand must urgently find a way to follow the Netherland's model and improve our productivity.

We used to have an innovative mentality ("Number eight wire") but we have lost it with our increasing trend towards risk aversion.

The National Government is on the right track with its "Can do" attitude to encourage growth.

We have to go faster, if we are to turn around Jacinda Ardern's (Labour's) fluffy well-being and compassionate "Can't do" philosophy.

"The Dutch focus on regulating real risks, not imagined ones."

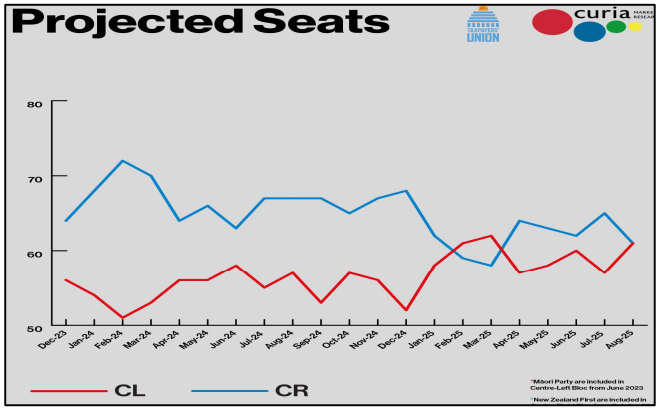
Roger Partridge The New Zealand Initiative

POLITICAL CLIMATE

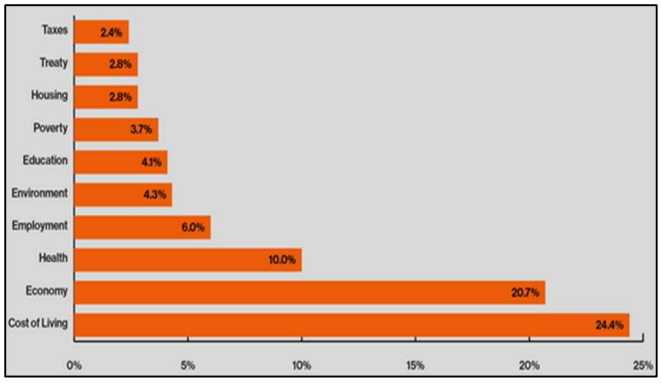
ONE NEWS/VERIAN POLL -August 2025				
Party	Vote	Change*	Seats	Change**
National	34%	nc	42	(7)
ACT	8%	nc	10	nc
NZ First	9%	1%	11	3
Labour	33%	4%	40	6
Green	10%	(2%)	12	(3)
Maori	4%	nc	6	nc
Other	2%	nc	-	-
* Change from June 2025 ** Change since election				
Polling Period: 2nd to 6th August 2025				

TAXPAYERS' UNION / CURIA August-25 POLL				
Party	Vote	Change*	Seats	Change**
National	31.8%	(2.1%)	40	(9)
ACT	8.6%	(0.5%)	11	nc
NZ First	7.8%	(2.0%)	10	(2)
Labour	33.6%	2.0%	43	9
Green	9.8%	0.5%	12	nc
Māori	3.2%	(0.3%)	6	nc
Other	4.1%	(2.3%)	-	nc
* Change from July-25 ** Change since election				
Polling Period: 3rd to 5th August 2025				

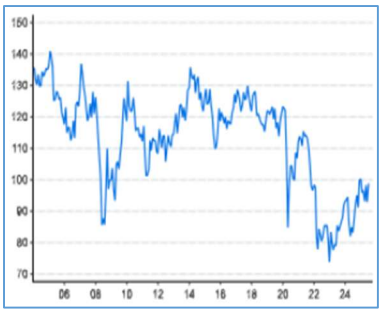
CURIA POLL SUGGESTS A HUNG PARLIAMENT



MAJOR VOTING ISSUES



ANZ'S NZ CONSUMER CONFIDENCE ON THE RISE



- ANZ-Roy Morgan NZ Consumer Confidence lifted 5.9 points to 98.8 in June, a welcome bounce after a fall last month and the largest monthly increase in the index so far this year.
- The proportion of households thinking it's a good time to buy a major household item (the best retail indicator) lifted 3 points, but at -7 it's still very soft.
- Inflation expectations lifted 0.3pts to 4.9%, the highest since April 2023. That's probably got quite a lot to do with food price inflation, which is running at 4.4%.

NEW POLL: NICOLA WILLIS GETS VOTERS' THUMBS DOWN ON FIVE OF FIVE ECONOMIC MANAGEMENT TESTS

SOURCE: Taxpayers' Union - Curia Poll, 12-August-2025

In a "wake-up" call to Minister Willis and the National Party, a majority of voters say the Government is performing poorly on economic management across all five key issues measured as part of the latest *Taxpayers' Union-Curia Poll*.

DON'T TALK TO ME ABOUT CLIMATE REPORTING

SOURCE: National Business Review, 3-July-2025

Business Hall of Fame inductee, Dame Joan Withers is scathing that company directors have to spend more time on climate-related disclosure statements than they do on financial statements, saying the results is "not one iota" of emissions reductions.

Withers added that there had been concerns about greenwashing, but the reporting had had the reverse effect. "***We're all so bloody cautious, now, about what we put up as targets***."

She also warned that the growing wedge between director and executive remunerations is a growing challenge in director recruitment, although she adds that the overall level of director professionalism in New Zealand has vastly improved.

GOLDSMITH: "TOUGH MEASURES AGAINST SHOPLIFTERS"

Minister Goldsmith has announced new tough measures to deter and punish shoplifting. These include:

1. Shoplifting up to $500 (say a few items at Pak & Save) – infringement fine of up to $500
2. Shoplifting over $500 (say $695 worth of clothing) – infringement fine of up to $1,000
3. Theft up to $2,000 (say a $389 cardigan) – up to one year imprisonment
4. Theft over $2,000 (say $7800 worth of designer clothing) – up to seven years imprisonment
5. Aggravated theft where the theft is carried out in a manner that is offensive, threatening, insulting, or disorderly – up to two years imprisonment

Retailers will welcome this new regime. For too long supermarkets and retail outlets have been calling for this. Labour was unbelievably "soft on crime" and this resulted in a community that was hugely frustrated with police inaction. These enforcement measures should see Police taking action far more often.

TE PATI MĀORI SHOW THEIR TRUE COLOURS

Te Pati Māori co-leader Rawiri Waititi shared a video of Ibrahim Traoré (The leader of Burkina Faso) on Instagram and declared him his "hero".

This West African country's leader is a Marxist who took power in a 2022 coup d'état. This military dictator condemns democracy.

This outburst shows that Te Pati Māori is also an extremist, anti-democratic party, and Waititi calling a military dictator, who decries democracy, his personal hero says it all.!!

777 INTERNATIONAL FLIGHTS FOR CLIMATE EMERGENCY COUNCILS

SOURCE: Kiwiblog, 2-July-2025

Andrea Vance reported in "The Post" on 30th June:

Councils declaring a climate emergency have collectively spent more than $1.26 million on international flights — racking up 777 trips, many to Europe and Asia.

Locally - **Western Bay of Plenty District Council** spent $32,355.03 on seven trips to Vancouver, Japan, and the Gold Coast, attending events like the EcoCity World Summit, tsunami research trips, Local Government Chief Officers Group meetings, and the Australasian Management Challenge final.

However, **Auckland Council** leads the pack, spending $354,928.78 on 128 flights. Trips included attending the C40 Waste Resources Network Meeting, the C40 World Mayors Summit, overseas "compliance audits," and financing-related meetings. Officials also travelled to London, Singapore, and North America for debt issuance talks and climate engagement forums.

Queenstown Lakes District Council was the second-highest spender, shelling out $182,098 on international flights for staff and elected members between July 2019 and July 2024. …

Greater Wellington Regional Council made the most trips, clocking 208 journeys and spending $120,998.01 on flights, hotels, and car rentals between September 2019 and August 2024.

The hypocrisy of the Councillors. Every single Cr who piously voted that the Council declare a climate emergency should resign in disgrace.

Unless by their vote they meant that it was only an emergency for everyone but themselves, and in no way could they possibly have less international travel for their council.

777 international flights!

Rhys Hurley, investigations coordinator for the Taxpayers' Union, said: "***The do as I say, not as I do hypocrisy is all currently being funded by ratepayers. You can't declare a climate emergency on a Tuesday and be on a plane to Europe by Friday***."

LABOUR MPs CAN'T AFFORD HEALTH INSURANE

On 24th July Radio NZ reports that Mt Albert MP Helen White could understand why some people opted to have health insurance, but it was not for her: "*I just think that I should live by my principles. Also I probably couldn't afford it. I know I'm on a decent salary, but it's a lot of money*." …

Labour MP Ginnie Andersen said health insurance was not in her budget: "*By the time I pay my mortgage and my insurance and my rates and feed my children*."

It's weird that Labour MPs complain that high earning NZers don't pay enough tax yet also complain that

they can't afford health insurance because they don't have enough after-tax income. Both Labour MPs are in the top 1% income earners across NZ.

They have to survive on a package of:

- Salary $168,600
- Super subsidy $33,720
- Perks $6,300
- Allowances $22,300
- Total $230,920

SIR IAN TAYLOR'S OPEN LETTER TO ARDERN

Source: Stuff, 3-July-2025

Sir Ian Taylor is the founder and managing director of Animation Research. This is my summation of his "Open Letter".

Stuff published Sir Ian Taylor's open letter addressed to Dame Jacinda Ardern, NZ's former Prime Minister, where he expresses this deep disappointment with her leadership during the Covid pandemic and its aftermath.

Initial Admiration

The letter starts by recalling Sir Ian's admiration for Ardern's leadership during the Christchurch Mosque attacks in 2019 and her early handling of the Covid crisis, which made her a global symbol of compassionate leadership.

Disillusionment

Over time, Sir Ian became disillusioned with the government's response to Covid. While the initial lockdown was effective, the author feels that later measures, such as the MIQ (Managed Isolation and Quarantine) system, were poorly managed and unresponsive to alternative solutions, dismissing real proposals for improving the situation.

Betrayal of Promises

Sir Ian highlights how slogans like "be kind" and "we're all in this together" began to ring hollow as people experienced real hardship, including families being separated during the pandemic. These broken promises led to feelings of alienation among the public.

Leadership vs. Brand Management

The letter criticizes the shift from genuine leadership to brand management, symbolized by Ardern's appearances in magazines and her memoir. Sir Ian contrasts this with the ongoing issues like child poverty, gun violence, and failed policies, which remain unresolved despite Ardern's platform and majority in parliament.

Final Disillusionment

Sir Ian concludes by expressing that the ideals Ardern once championed - compassion, unity, and social justice - have been overshadowed by her personal brand. The sense of collective effort has been lost, and only "brand Jacinda" remains, which he feels is a hollow representation of the leader many New Zealanders once admired.

REGIONAL GROWTH FUND IN BIG TROUBLE

Regional Development Minister Shane Jones has defended the government's regional growth programme, despite a report showing that more than half of the $257 million loan book managed by Crown Regional Holdings (CRH) is at risk of not being repaid. CRH was previously known as the Provincial Growth Fund and is used by the government to support regional development and infrastructure.

This delayed report revealed that 54% of the loans are at significant risk of default, up from 40% last year and just 14% in 2022. Over the last three years, the loan book grew from $173 million to $256 million, even though a large portion of it is now considered impaired.

CRH had to write off $19.3 million in loans in 2024, after writing off $17.4 million the previous year. These write-offs represent about 7% of the total loan book.

Some notable examples of businesses struggling include Cherri Global, a Hawke's Bay cherry producer that received a $5 million loan from CRH to recover from Cyclone Gabrielle. The company went into liquidation less than two years later, and CRH is listed as one of the unsecured creditors owed $42 million.

Other businesses, like Sustainable Foods and Guru NZ, have also gone into liquidation, with CRH's loans to these companies also facing substantial losses. Despite these challenges, Jones attributed the growing risks to broader economic factors such as extreme weather, the post-Covid environment, and global geopolitical issues.

"New Zealand's productivity, relative to the OECD, is not good. Treasury and the Productivity Commission have both said that our productive growth is 50% below the average of the OECD, and 33% below that of Australia."

John Roche, The Prime Minister's new Chief Scientist

WHY KEY'S ADVICE COULD BE A GAME-CHANGER FOR NEW ZEALAND

SOURCE: Richard Prebble, Bay of Plenty Times, 25-July-2025

Sir John Key has called for the Official Cash Rate to be cut by 100 basis points.

In my three decades in Parliament, the best natural politician I served with was Sir John Key. He intuitively understood voters and had an exceptional head for numbers. Key never lost an election.

When he speaks, the coalition should listen.

Key warns the coalition risks losing the next election. He says the Reserve Bank got interest rates wrong again — first too low, now too high — and it's crushing the economy.

The data backs him. Massey University's GDPLive shows GDP growth at just 0.261% for the quarter and down 0.53% annually. It puts inflation at 2.18%. With dairy booming, most of the economy must be in recession.

The Reserve Bank's Nowcast GDP tracker is down 0.288% for the quarter.

Key says that with no sign of wage inflation, the Reserve Bank should cut the Official Cash Rate by 100 basis points — from 3.25% to 2.25%.

The Taylor Rule that central banks use to guide interest rates indicates the OCR is 50 basis points too high.

Key is also right that the central bank's money printing fuelled the inflation that destroyed the last Government. Now, with rates too high, it's strangling growth and may destroy this one.

It seems the Government had no plan for replacing former Reserve Bank Governor Adrian Orr.

I nominate Key. He's qualified and has the judgment the job demands. If appointed and interest rates are cut, the economy would be growing in election year. If Key is unavailable, appoint the economist who warned that $100 billion in quantitative easing would cause inflation: Auckland University's Professor Robert MacCulloch — internationally recognised for his work on central banking.

If the coalition aspires to more than winning elections, it must do what Key never did: tackle why New Zealand is sliding down the OECD rankings.

It's not that the world doesn't want what we sell. Dairy prices are excellent, meat sales are solid, and tourism is recovering. We're just badly managed.

To lift our standard of living, we must raise our productivity which has been static for a decade.

The Treasury's recent analysis highlights that "New Zealand has much lower levels of capital per worker than OECD peers".

We lag Australia because its compulsory superannuation pumps billions into productive investment.

We should have shifted to savings-based super 50 years ago. That's no reason not to do it now.

Last week's abandonment of open-plan classrooms was a good start to lifting education standards. Abandoning pupil-led learning would be even better.

Health is another failure. We have a Soviet-style monopoly with low productivity. Waiting lists grow despite record spending.

More money is not the answer. Singapore achieves better outcomes for less — based on compulsory savings, price transparency, and private providers. We should copy it.

One thing Key did achieve was restraining the growth of the civil service. According to the International Monetary Fund, Government expenditure was an estimated 41.39% of GDP in 2023.

The 59% of the economy in private hands just isn't big enough to generate the investment, wealth and exports we need.

We are over-regulated. The OECD's 2023 Government at a Glance ranked New Zealand last in the OECD for barriers to permits, licences and foreign investment. The Regulatory Standards Bill isn't a nice-to-have. It's essential.

Key is also right about the ban on foreign home buyers. Foreigners won't bring their capital or expertise if they're told they can only rent.

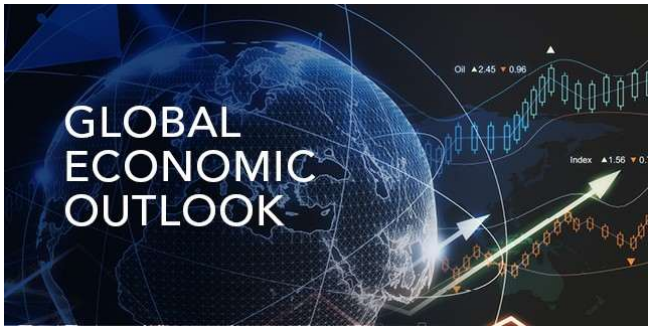
There are about 200,000 able-bodied adults on Jobseeker Support. That number has barely moved since Key's time, despite job vacancies and social investment strategies. Australia has had a Work for the Dole scheme since 1997.

Employment Minister Peter McCardle introduced Work for the Dole scheme in 1998. Labour scrapped it. We should try again.

Last year, in an international comparison, New Zealand's economy ranked 33rd out of 37. That makes it a mystery why Luxon waited so long to visit China, our biggest trading partner. And why did the Prime Minister go to a Nato summit in Europe? Every other Pacific PM stayed away knowing the summit would pledge to spend 5% of GDP on defence and criticise China. As New Zealand is not going to do either a PM focused on growth would have stayed at home.

We have a bloated bureaucracy focused on political correctness rather than the hard work of delivery. An opposition that thinks New Zealand can tax its way to prosperity. An economy that's 41% government, starved of capital, and bound in red tape. Without reform, we will never climb the OECD ladder.

Key's rate cut might win the next election. Only real reform will return New Zealand to the OECD's top tier.



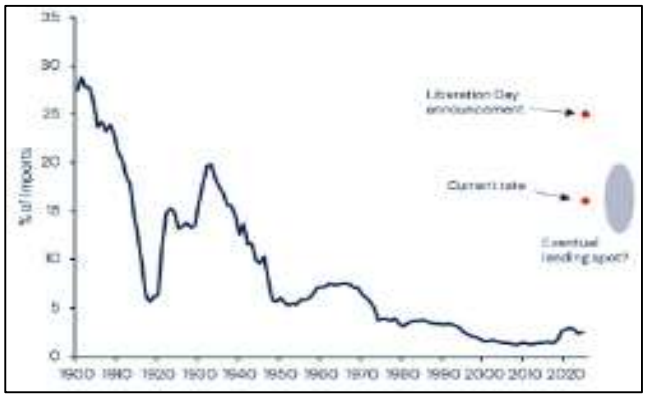
TRUMP TARRIFS CAUSE GLOOMY TRADE OUTLOOK

The global economic uncertainty caused by US tariffs will likely reduce global demand for New Zealand exports and make the coalition's goal of doubling exports even more challenging, the Reserve Bank's chief economist said.

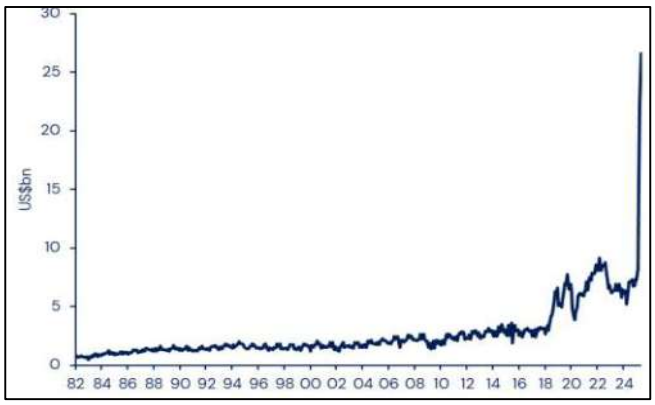
However, the fall in export demand is likely to be considerably smaller than that seen following the 2008 global financial crisis. Speaking at an Export NZ event recently, Paul Conway said NZ was deeply influenced by global developments, meaning "*even if tariffs don't hit us that hard directly, we will feel the ripple effects as they work through the global economy*".

However, a resilient global economy has allowed financial markets to withstand the barrage of headlines and elevated policy uncertainty this year. Importantly, clarity on the global trade and tariff landscape is slowly emerging. While there are still a few moving parts, the US average effective tariff rate looks as though it will settle around the mid-to-high-teens. This is not as high as "Liberation Day" threats but is still well above levels prevailing for the better part of the past 100 years.

US EFFECTIVE TAX RATE



MONTHLY US TARRIF REVENUE



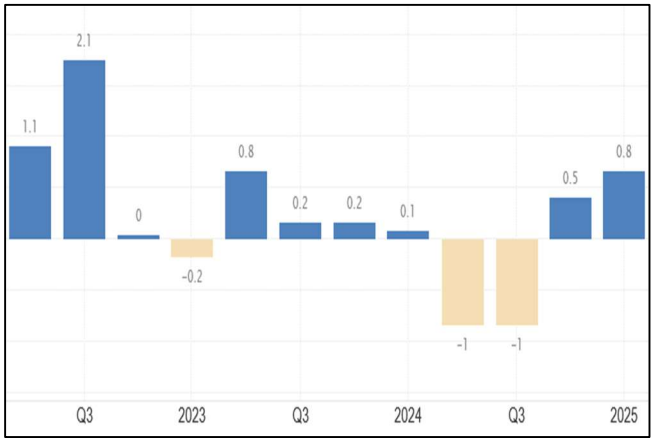
NEW ZEALAND'S ECONOMIC OUTLOOK

Population: 5.34 million

NZ ECONOMY

New Zealand's economy expanded by 0.8% in the March 2025 quarter, following a 0.5% increase in the December 2024 quarter. This growth was driven by gains in business services, manufacturing, and services industries, although annual GDP contracted by 1.1% over the year ending in March 2025. The Treasury forecasts real GDP growth to accelerate to 2.9% in 2025/26 and 3.0% in 2026/27, supported by lower interest rates and strong export performance.

NZ QUARTERLY GDP GROWTH



New Zealand's economy is navigating a complex landscape marked by modest recovery, labour market challenges, and external trade pressures particularly from the United States, pose risks to sustained growth. The government's focus on fiscal discipline and investment incentives aims to support long-term economic stability, but socioeconomic issues like emigration and housing market decline require ongoing attention.

UNEMPLOYMENT: The unemployment rate rose slightly to 5.2% in the June 2025 quarter, up from 5.1% in the previous quarter. Employment decreased by 0.1%, and the labour force participation rate declined to 70.5%, the lowest since early 2021.

WAGE GROWTH: Private-sector wages increased by 0.6% in the second quarter, with annual growth at 2.2%.

EXPORTS: New Zealand's goods exports increased by 7.4% to $105 billion in the year to March 2025, with significant growth in dairy, meat, and horticulture sectors. Services exports also rose, particularly in travel and education.

TRADE DEFICIT: The current account deficit narrowed to $24.7 billion (5.7% of GDP) in the year ending March 2025, down from NZ$27.7 billion the previous year.

US TARIFFS: In August 2025, the United States imposed a 15% tariff on New Zealand goods, escalating trade

tensions. New Zealand officials are engaging with the US to address the issue.

BUDGET 2025: The government has set operating spending at $1.3 billion, the lowest in a decade, focusing on health, education, and defense.

A deficit of $14.7 billion is projected, with net debt expected to peak at 46% of GDP in 2027/28.

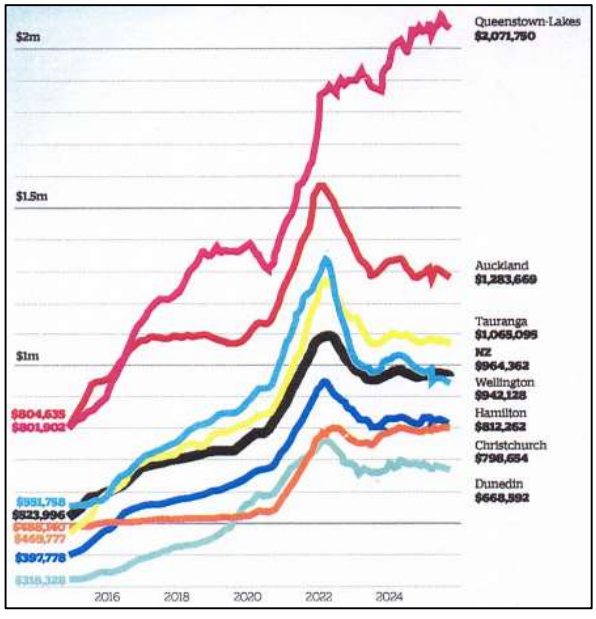
INVESTMENT INCENTIVES: The government introduced an Investment Boost policy allowing businesses to deduct 20% of the costs of new assets, aiming to stimulate economic growth and wage increases over the long term.

EMIGRATION: Over 69,000 New Zealand citizens left the country in the year leading up to February 2025, driven by high living costs and limited job opportunities. This trend is contributing to workforce shortages and concerns about economic stagnation.

HOUSING MARKET: The housing market continues to decline, with reduced demand and falling prices, partly due to the emigration trend and economic uncertainty.

INFLATION: New Zealand's inflation expectations fell slightly in the third quarter, a recent Reserve Bank survey showed, with most respondents expecting the central bank to cut the cash rate by 0.25% at the next meeting in August.

NZ HOUSING MARKET: When compared to 2022, North Island house prices remain under pressure, whereas South Island house prices have been pretty resilient. This is affecting attitudes towards the economy. When house prices rise, Kiwi feel they are getting ahead but when they fall pessimism flourishes. Values in Auckland now sit 19.7% below the nationwide peak in January 2022, and Wellington is even worse at 27.3% below the peak. Across New Zealand home values have slide by 13% - soffened by Christchurch wihich is just 0.2% below the 2022 peak, with Southern regions like Queenstown, Southland and West Coast all performing much better than the North Island.



AUSTRALIAN ECONOMIC OUTLOOK

Population: 27.7 million

AUSTRALIAN ECONOMY

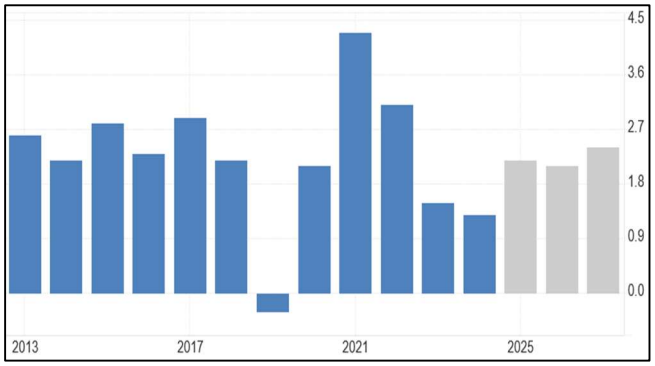
Australia's economy is experiencing modest growth, with challenges including weak productivity, global trade uncertainties, and a housing affordability crisis. While inflation is within target and the labour market remains relatively stable, structural reforms are necessary to ensure sustainable long-term growth.

GDP GROWTH: In the March 2025 quarter, Australia's GDP grew by 0.2%, resulting in a 1.3% increase year-on-year. This slowdown is attributed to a significant decline in public sector demand, marking its first negative contribution to growth since mid-2018. Additionally, extreme weather events dampened domestic demand and reduced exports, particularly impacting sectors like mining, tourism, and shipping.

FORECAST: Their Reserve Bank has revised its GDP growth forecast for 2025 down from 2.1% to 1.7%, reflecting weaker-than-expected growth in public demand and lower productivity growth assumptions.

OCR: On 7th July, the Reserve Bank of Australia defied market expectations by leaving its cash rate target unchanged at 3.85%. Market expectations had been for the central bank to cut its rate by 0.25%.

AUSTRALIA –ANNUALISED GDP GROWTH + FORECAST



Full Year GDP Growth in Australia is expected to reach 2.2% by the end of 2025, according to Trading Economics global macro models and analysts expectations. In the long-term, the Australia Full Year GDP Growth is projected to trend around 2.1% in 2026 and 2.4% in 2027.

UNITED STATES ECONOMIC OUTLOOK

Population: 341.9 million

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

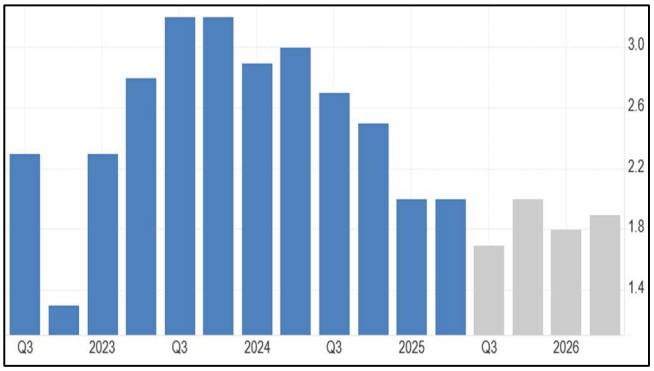
US ECONOMY

The U.S. economy is experiencing moderate growth, with a rebound in Q2 GDP and expectations for continued expansion in

Q3. However, rising core inflation, slowing job growth, and the impact of tariffs present challenges.

The Federal Reserve faces a delicate balancing act between controlling inflation and supporting economic growth, with market participants closely watching for potential rate cuts in the coming months.

UNITED STATES – ANNUAL GDP GROWTH RATE + FORECAST



THIRD QUARTER OUTLOOK: The Federal Reserve Bank of Atlanta's GDPNow model estimates a 2.5% growth rate for Q3 2025, indicating continued expansion.

CORE INFLATION: Core inflation, which excludes volatile food and energy prices, rose to 3.1% year-over-year in July 2025, up from 2.9% in June. This increase was largely due to higher prices in services such as transportation and medical care.

HEADLINE INFLATION: Overall consumer prices increased by 2.7% in July, remaining within the Federal Reserve's target range but still above the desired 2% rate.

UNEMPLOYMENT: The unemployment rate stood at 4.2% in July 2025, with youth unemployment at 15.2%.

JOB GROWTH: The economy added 73,000 jobs in July, missing expectations and indicating a slowdown in hiring.

INTEREST RATES: The Federal Reserve maintained the federal funds rate at 4.25%–4.5% in its July meeting, citing concerns over inflation driven by tariffs.

RATE CUT EXPECTATIONS: Despite holding rates steady, market expectations are leaning toward a rate cut in September, with a 94% probability priced in.

TARIFF IMPACT: President Trump's administration has implemented significant tariffs, averaging 18.6%, which have contributed to rising inflation and strained international trade relations.

GLOBAL TRADE TENSIONS: The U.S. has imposed tariffs on several countries, including a 50% tariff on Brazilian goods, escalating trade tensions and potentially impacting global supply chains.

ECONOMIC RISKS

STAGFLATION CONCERNS: Economists warn of a potential "stagflation-lite" scenario, characterized by rising inflation and slowing economic growth, which could complicate monetary policy decisions.

MARKET VOLATILITY: While the stock market has reached record highs, concerns about a cooling labour market and concentrated gains in tech stocks raise questions about the sustainability of the rally.

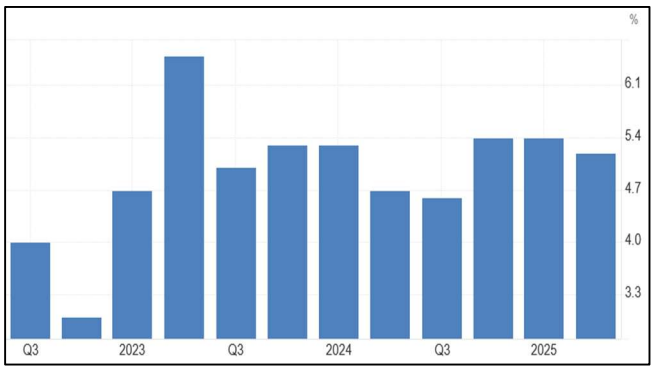
CHINESE ECONOMIC OUTLOOK

Population: 1.42 billion ↓

CHINESE ECONOMY

While the Chinese economy remains challenged due to overcapacity and continued deflationary pressures, this is likely well priced by equity markets given the poor performance of the Chinese market in recent years, with Chinese equity valuation multiples having fallen to historically low levels. Chinese authorities have been shifting their focus to supporting consumers rather than the industrial economy, which should better help domestic economic recovery.

CHINA – ANNUAL GDP GROWTH RATE



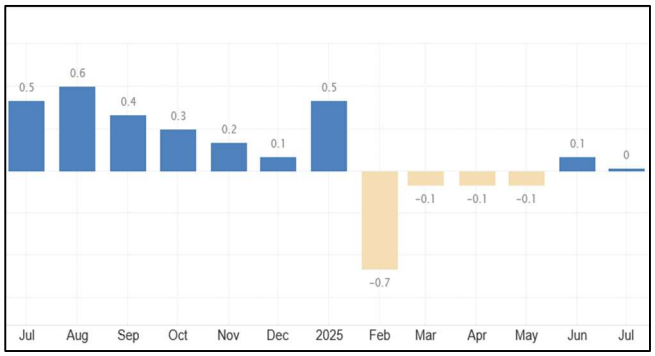
China's economy expanded 5.2% yoy in Q2 2025, easing from 5.4% in the prior two quarters and marking the weakest pace since Q3 2024. Still, the latest reading narrowly beat market consensus of 5.1%, supported in part by Beijing's policy measures amid a fragile trade truce. In June, industrial output growth unexpectedly quickened to a 3-month high, while the jobless rate held at a six-month low. However, retail sales grew the least in four months, despite government subsidies on electronic items. On the trade front, exports accelerated as factories rushed out shipments, and imports rose for the first time this year.

During H1 of 2025, the economy advanced 5.3%. Growth momentum in H2 is projected to weaken further amid mounting headwinds, including trade tensions ahead of the August 12 tariff deadline, deflation pressures, and a prolonged property downturn. Meanwhile, the statistics agency flagged continued external uncertainties and warned that domestic demand remains "insufficient."

INFLATION RATE

China's consumer prices were flat from a year earlier in July 2025, surpassing market expectations for a 0.1% drop and following a 0.1% gain in the previous month.

CHINA – ANNUALISED INFLATION RATE



Non-food prices picked up (0.3% vs 0.1% in June), supported by Beijing's consumer goods subsidies, with further increases in housing, clothing, healthcare and education. At the same time, transport cost fell at a slower pace (-3.1% vs -3.7%). On the food side, prices dropped at a steeper rate (-1.6% vs -0.3%), marking the strongest fall in five months. Core inflation, which excludes volatile food and fuel prices, rose 0.8% yoy, the highest reading in 17 months and after a 0.7% gain in June. On a monthly basis, the CPI rose 0.4% in July, above forecasts of 0.3% and reversing a 0.1% decline in June. This marked the highest monthly inflation since January, partly due to recent extreme weather, including heavy downpours.

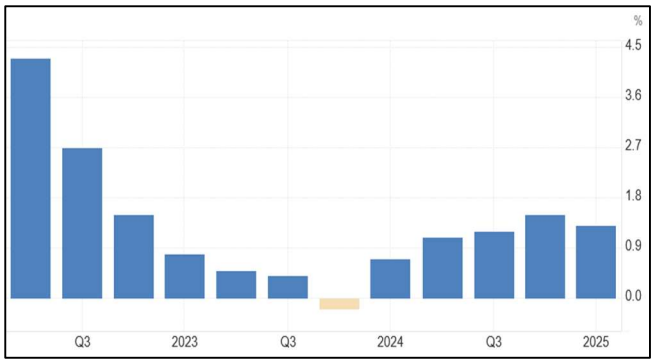
UNITED KINGDOM ECONOMIC OUTLOOK

POPULATION: 69.1 million

UK ECONOMY

The UK economy in August 2025 is characterised by modest growth, elevated inflation, and a cooling labour market. While consumer spending shows some resilience, underlying economic challenges persist.

UNITED KINGDOM – ANNUAL GDP GROWTH RATE



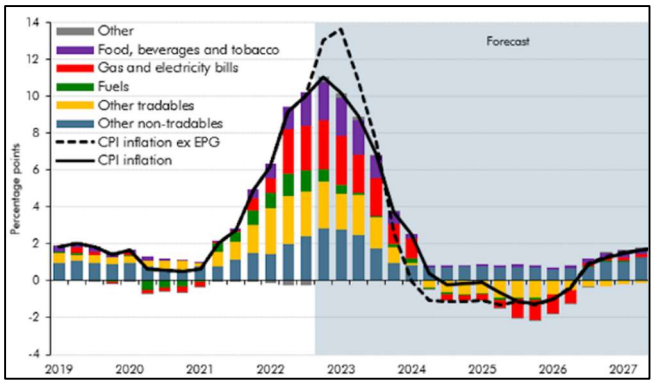
GDP Growth: The UK economy expanded by 0.5% in the three months to May 2025 compared to the previous quarter, driven primarily by the services sector. However, monthly data indicates a contraction of 0.1% in May, suggesting a slowdown in the latter part of the quarter.

Forecasts: The International Monetary Fund (IMF) has slightly raised its 2025 GDP growth forecast for the UK to 1.2%, up from 1.1% previously, while the Organisation for Economic Co-operation and Development (OECD) projects a 1.3% growth rate for the same period.

INFLATION

The Consumer Prices Index rose by 3.6% in the 12 months to June 2025, up from 3.4% in May. This increase is attributed to higher food and housing costs.

UNITED KINGDOM – ANNUAL INFLATION



UNEMPLOYMENT: The unemployment rate stood at 4.7% in April to June 2025, the highest level in four years. This marks an increase from 4.2% in the same period the previous year.

WAGE GROWTH: Average weekly earnings, including bonuses, increased by 4.6% in Q2 2025, down from 5.2% in the previous quarter. Real wage growth, adjusted for inflation, remains positive but is slowing, indicating that rising prices are eroding purchasing power.

INTEREST RATES: The Bank of England reduced its main interest rate to 4% in August 2025, the lowest level since March 2023.

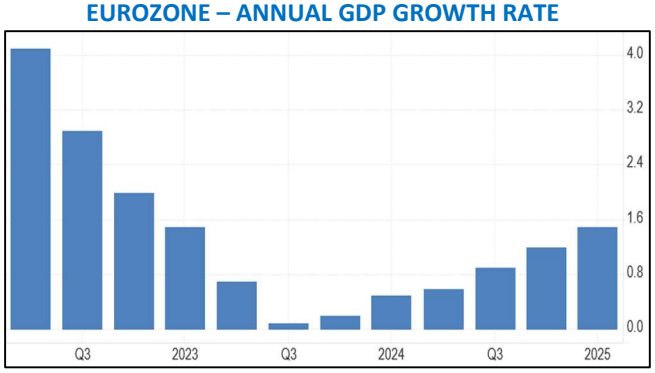
EUROZONE ECONOMIC OUTLOOK

POPULATION: 449.2 million

EU ECONOMY

The EU's real GDP is projected to grow by 1.1% in 2025, slightly up from 0.9% in 2024. The euro area is expected to see a 0.9% increase in GDP for 2025 .

EUROZONE – ANNUAL GDP GROWTH RATE



Forecasts: The European Central Bank (ECB) anticipates growth to accelerate to 1.1% in 2026 and

1.3% in 2027, supported by rising real wages, employment, and less restrictive financing conditions.

HEADLINE INFLATION: In the euro area, headline inflation is expected to decrease from 2.4% in 2024 to 2.0% in 2025, reaching the ECB's target of 2.0% by 2027.

CORE INFLATION: Core inflation, excluding energy and food, is projected to decline from 2.8% in 2024 to 2.4% in 2025, driven by easing wage pressures and lower energy prices.

UNEMPLOYMENT RATE: The euro area unemployment rate stood at 6.3% in May 2025, slightly up from 6.2% in April, indicating a modest increase in joblessness amid economic uncertainty.

FISCAL DEFICITS: The EU's general government deficit is projected to rise to 3.4% of GDP in 2026, up from 3.2% in 2024, due to increased defence spending and other fiscal commitments.

TRADE TENSIONS: The EU faces challenges from global trade tensions, particularly with the United States. A recent trade deal imposed a 15% base tariff on EU goods, which is expected to have a more significant impact on the U.S. economy than on the EU.

JAPAN'S ECONOMIC OUTLOOK

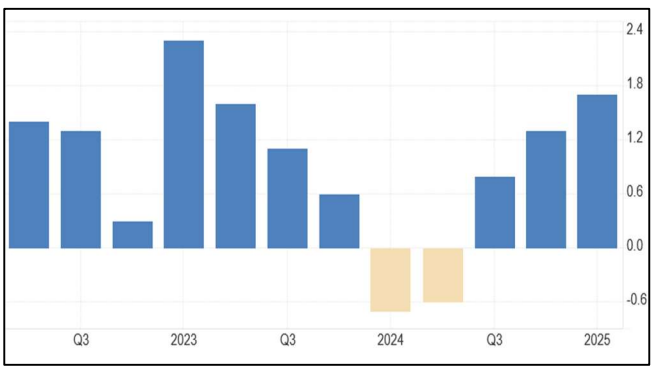
Population: 123.7 million

JAPANESE ECONOMY

Japan's economy in August 2025 is characterized by modest growth, persistent inflation, and political uncertainties. While the labour market remains stable, external trade tensions and internal political challenges pose risks to economic stability.

Revised GDP Forecast: The Japanese government has lowered its GDP growth forecast for the fiscal year ending March 2026 from 1.2% to 0.7%. This adjustment reflects the impact of U.S. tariffs on capital investment and ongoing inflation dampening consumer spending. Despite this, the revised figure remains slightly more optimistic than the private-sector forecast of 0.5%.

JAPAN – ANNUAL GDP GROWTH RATE



CORE INFLATION: Japan's core inflation, which excludes fresh food prices, slowed to 3.3% in June 2025, down from 3.5% in May. While this marks the lowest rate since November 2024, it remains above the BOJ's 2% target.

BANK OF JAPAN'S RESPONSE: The BOJ raised its short-term interest rate to 0.5% in January 2025 following a decade of stimulus. However, it has since maintained steady rates, attributing current inflation largely to supply shocks rather than strong demand.

 Unemployment Rate: Japan's unemployment rate held steady at 2.5% in June 2025 for the fourth consecutive month, aligning with market estimates.

EMPLOYMENT TRENDS: In the 12 months to May 2025, the unemployment rate edged down to 2.5% and is projected to hold steady in 2025 and 2026.

POLITICAL UNCERTAINTY: Prime Minister Shigeru Ishiba's declining support within the ruling Liberal Democratic Party is threatening to delay key policy decisions, including the national budget and interest rate hikes. After major election defeats, there are increasing calls for Ishiba to resign, and the LDP is considering a leadership race, possibly as early as September. Ongoing political uncertainty may delay critical economic reforms and policy implementations.

FISCAL POLICY: The government has maintained its goal of achieving a primary budget surplus for fiscal 2026, forecasting a surplus of 3.6 trillion yen ($24.39 billion) on the back of strong tax revenues. However, this assumption does not take into account potential tax cuts and handouts being weighed in response to political pressure and rising living costs.

TRADE TENSIONS: The U.S. has imposed significant tariffs on Japanese goods, including a 50% tariff on Brazilian goods, escalating trade tensions and potentially impacting global supply chains.

INFLATIONARY PRESSURES: Despite recent declines, inflation remains above the BOJ's target, posing challenges to monetary policy. Reuters+1

INDIA'S ECONOMIC OUTLOOK

Population: 1.45 billion

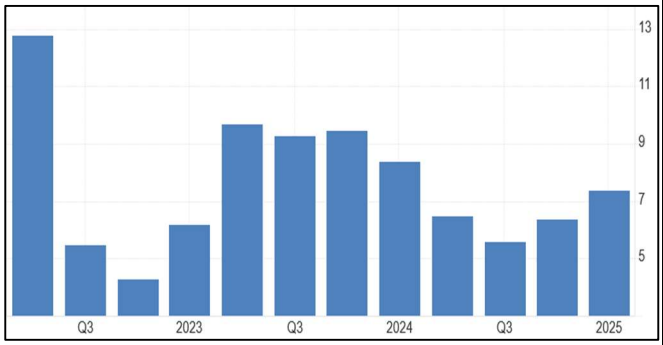
India has now overtaken China as the highest population nation in the world.

INDIAN ECONOMY

GDP GROWTH: India's GDP grew by 6.5% in the fiscal year 2024–25, maintaining its position as the fastest-growing major economy. Projections for the fiscal year 2025–26 suggest a similar growth trajectory, with estimates ranging from 6.4% to 6.7%.

SECTORAL DRIVERS: Growth is underpinned by robust domestic consumption, increased government capital expenditure, and a dynamic services sector.

INDIA – ANNUAL GROWTH RATE



CURRENCY DEPRECIATION: The Indian rupee faced downward pressure, depreciating against the U.S. dollar amid capital outflows and trade uncertainties.

RETAIL INFLATION: India's annual retail inflation slowed to 1.55% in July 2025, marking the lowest level in nearly 15 years and falling below the Reserve Bank of India's (RBI) target band of 2–6% for the first time since the pandemic

MONETARY POLICY OUTLOOK: Despite subdued inflation, the RBI has maintained a neutral policy stance, keeping the benchmark interest rate unchanged at 5.50%. The central bank projects inflation to rise above 4% by early 2026, influenced by base effects and potential external pressures.

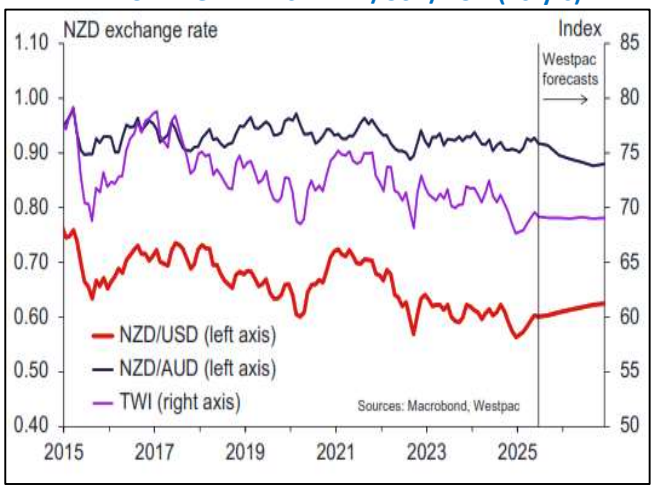
U.S. TARIFFS: In August 2025, the U.S. imposed a 50% tariff on Indian imports, citing India's continued purchases of Russian oil. This move threatens key export sectors such as garments, jewellery, and electronics, potentially reducing India's GDP growth by up to 0.8%.

FISCAL DEFICIT: The Union Budget for 2025–26 projects a fiscal deficit of 4.4% of GDP, with a focus on infrastructure development and tax reforms, including a complete income tax rebate for incomes up to ₹12 lakh.

MONETARY POLICY: The RBI's current policy stance remains cautious, balancing the need to support growth with the risks posed by external shocks and inflationary pressures.

COMMODITIES

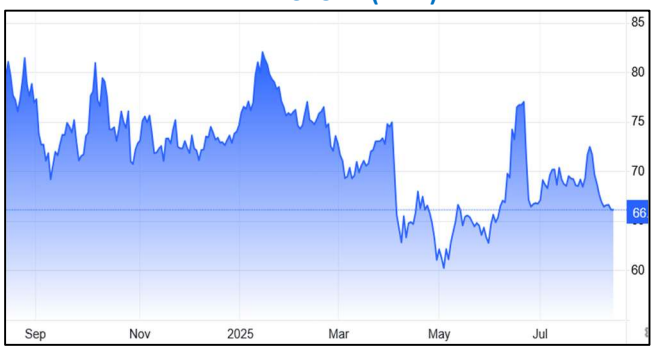
NZ EXCHANGE RATES – NZD/USD/AUD (10-yrs)



OIL – BRENT CRUDE

Since the Iranian ceasefire in hostilities the Oil price surge has continued to abated with a barrel of Brent crude selling for about US$66, holding near a two-month low amid signs of slowing demand and ahead of US–Russia talks.

BRENT CRUDE (1-YR)



NOTE: New Zealand trades in Brent Crude Oil

The all-time high for Brent crude is $147.50, set in July 2008 just before the global financial crisis sent prices plunging.

GOLD

Spot gold hovered around $3,350 per ounce as traders digested the latest US CPI report, which reinforced expectations that the Federal Reserve will cut the fed funds rate next month.

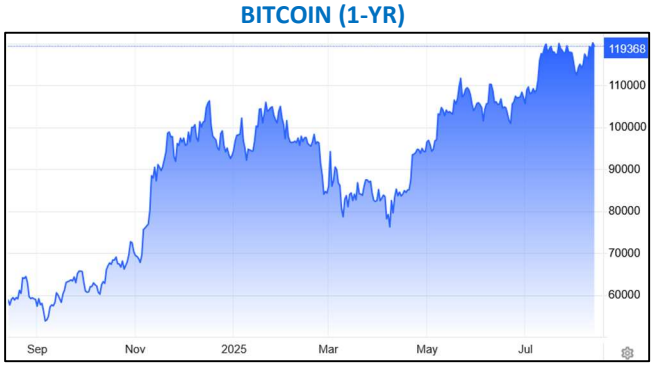
GOLD (1-YR)

BITCOIN

Bitcoin traded at US$101,154 on 23rd June. Looking back, over the last four weeks, Bitcoin gained 6.15%. Over the last 12 months, its price rose by 67.6%.

Looking ahead, Trading Economics forecast Bitcoin to be priced at US$102,869 by the end of this quarter and at US$100,787 in one year.

BITCOIN (1-YR)





GOVT HALTS RMA PLANNING WORK

Minister for RMA Reform Chris Bishop announced in mid-July that the National-led Government will provide clearer guidance to councils while they wait for the new planning system. In a major win for farmers (as well as New Zealand Inc), the Government has instructed regional councils to stop working on reviews of plans and regional policy statements under the Resource Management Act (RMA).

Bishop explained that instead of allowing these **"costly and unnecessary"** processes to continue, the Government will give councils direction on where to focus their efforts. The Government will also suspend councils' requirement to review plans and regional policy statements every ten years and stop the need to follow national planning standards. Additionally, they will extend last year's restriction on notifying freshwater planning changes.

Bishop emphasized that the RMA has been holding New Zealand back for years, but reforms are already in progress to simplify things. The Government has made quick amendments to support the primary sector, passed a Fast-track Approvals Act to speed up approvals for important projects, and is consulting on major changes to RMA regulations. Next month, the second RMA Amendment Bill is expected to pass, aiming to streamline consenting for renewable energy, housing, and primary sector projects.

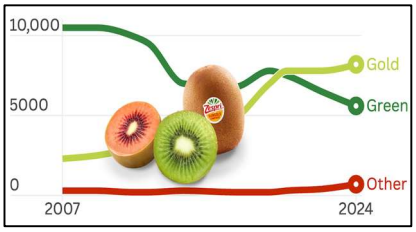
Later this year, the Government will introduce two new Acts to completely replace the RMA. One will focus on land-use planning, and the other will focus on the natural environment, creating a system that makes it easier to plan infrastructure while also protecting the environment.

DR JOHN ROCHE - NEWLY APPOINTED PRIME MINISTER'S CHIEF SCIENTIST

This is an excellent choice. John is currently the Ministry for Primary Industries Chief Science Advisor and he will also be the Prime Minister's representative on a newly appointed Science and Technology Advisory Council. But as part of the deal, Roche will retain his Chief Science Advisor role at MPI.

The new council includes Sir Peter Gluckman, Craig Piggot the founder of Halter, a company that manufactures data-gathering collars for dairy and beef cattle, and Komal Mistry-Mehta who is chief innovation and brand officer at Fonterra. The other members are Malcolm Johns, CEO of Genesis Energy and Merryn Tawhai who leads a research programme at the Auckland Bioengineering Institute.

HECTARES OF NZ KIWIFRUIT CANOPY



For kiwifruit growers, their first language is gold. Despite the devastation of the bacterial vine disease Psa that hit gold kiwifruit harder than green, new Stats NZ data shows the gold variety of kiwifruit has bounced back to cover a massive 8,200 ha of prime growing land, much of it in the Bay of Plenty.

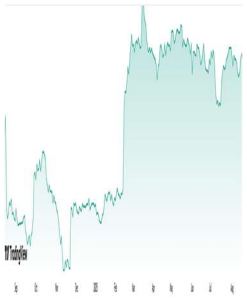
This has been underpinned by a big global marketing drive by Zespri, which owns the Zespri SunGold variety.

While Plant & Food Research did not own the gold kiwifruit variety "Hort16A" (Zespri Gold), they did develop it through their kiwifruit breeding program in partnership with Zespri. Plant & Food Research also bred the subsequent gold variety "Gold3" (Zespri SunGold), also in collaboration with Zespri. Zespri licenses these varieties to growers. The Kiwifruit Breeding Centre, a 50/50 joint venture between Zespri and Plant & Food Research, was established to further develop new kiwifruit varieties.

Last year, Zespri chair Nathan Flowerday said the grower cooperative's strategy was to build demand ahead of supply. And it's not just grown on NZ land. He said Zespri worked with growers in Italy, France, Greece, Japan, and South Korea to produce Zespri SunGold and to procure Zespri Green kiwifruit to supply key overseas retailers when NZ fruit is out of season.

Zespri growers voted in December to increase the cap on overseas plantations to nearly 5500 ha of SunGold, to increase the year-round supply of kiwifruit – and, they hope, to continue increasing demand.

ALL GRAPHS ARE ONE YEAR



A2 MILK COMPANY

Research: 6th August

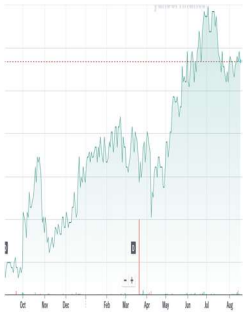
ATM is due to report its FY25 result on 18 August. In Figure 1, we present our FY25 result preview and would highlight the following key features from our ingoing expectations: FY25E total revenue +13% on pcp, underpinned by IMF +10% (1H25 +7% and 2H25E +12%). Growth in 2H to reflect the English label channel back in growth and the initial impact of new product, Genesis. On the China label side, the 2H growth should have been better supported by inventory levels and ongoing marketing investment. Our analysis of price point management over the period continues to highlight strong execution (Figure 4, Figure 6 and Figure 7). FY25E margins marginally up on pcp due to relatively stronger revenue growth - GM 46.1% (45.9% pcp) and EBITDA 14.4% (14% pcp). This comes off the back of a weaker margin performance in 1H25 due to additional freight costs to alleviate temporary supply constraints in 1Q25. Our implied 2H25E EBITDA margin is 15.4%, and midpoint of the management target "teens" rang

2025 P/E: 31.6 2026 P/E: 30.5 2025 EPS: 27.3 2026 EPS: 28.5

NZX Code:	**ATM**
Share Price:	**$8.72**
12mth Target:	**$7.90**
Projected return (%)	
Capital gain	-9.4%
Dividend yield (Net)	2.1%
Total return	**-7.3%**

Rating: **OVERWEIGHT**

52-week price range: 5.22-10.10



CHANNEL INFRASTRUCTURE

Research: 15th July

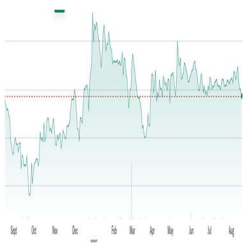
CHI's Q2 2025 operating statistics and commentary were largely in line, and FY25 EBITDA guidance was reiterated at the recent ASM, so its 1H25 results seem unlikely to hold any surprises when the company reports on 26th August: 820ML total terminal throughput for the quarter (pcp 840ML, JARDe 836ML) was broadly in line. Diesel and Petrol are tracking to the standing Envisory forecast, and jet volumes were consistent with prior CHI guidance (incorporating ongoing AIR aircraft availability issues). Management attributes the minor fluctuations vs. pcp to the previously flagged tank refurbishment program requiring rolling outages. Both outstanding private storage projects announced in 2024 are on track: the jet storage project (for Z Energy), and bitumen import terminals are proceeding to budget and schedule. Net Debt at 30 June was $297m ($305m previous quarter, slight beat vs JARDe $313m).

2025 P/E: 48.0 2026 P/E: 38.6 2025 EPS: 4.6 2026 EPS: 5.7

NZX Code:	**CHI**
Share Price:	**$2.11**
12mth Target: ↑	**$2.15**
Projected return (%)	
Capital gain	1.9%
Dividend yield (Net)	5.7%
Total return	**7.6%**

Rating: **NEUTRAL**

52-week price range: 1.56-2.27



CONTACT ENERGY

Research: 21st July

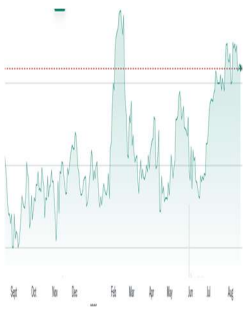
CEN finishes FY25 at a calculated EBITDA of $774m (ahead of Jarden's standing forecast of $765m), ahead of their start FY25 year guidance for a normalised hydro EBITDA of $770m and FY24 EBITDA of $675m. June month at $79m, up $11m on its pcp as hydro returned. FY25 helped by extra geothermal offsetting a tough inflow environment. Current projects: Glenbrook battery, capex $163m with first power Q1CY26; Kowhai Park Solar JV, capex $273m with first power Q2CY26; Te Mihi Stage 2 geothermal $712m with first power Q3CY27. CEN will report FY25 results on 18 August.

2025 P/E: 2026 P/E: 41.9

NZX Code:	**CEN**
Share Price:	**$8.93**
12mth Target: ↓	**$10.83**
Projected return (%)	
Capital gain	21.3%
Dividend yield (Net)	4.5%
Total return	**25.8%**

Rating: **BUY**

52-week price range: 7.86-9.80



EBOS

Research: 19th July

In this report, Jarden extends their earlier analysis of the Australian PBS system to understand - at a more granular level - key trends in growth rate and mix of expenditure over the last couple of decades. This system support is a key element for EBO's forward growth prospects and related to magnitude of M&A new management may be looking to complement over time to maintain a strong growth track record. Section 1 of this report outlines accelerating growth rate of PBS expenditure over recent timeframes (last 3yr CAGR ~9%, 20yr ~5%), with value growth the dominant driver and best represented by innovation from the top 30 drugs by expenditure. A closer look by spend category reveals a strong innovation period at the start of decade in oncology and immunology areas, coupled with breakthrough drugs to cure Hepatitis C, all now maturing from specialty protocols to more routine care and/or with generic competition. Hence convergence and now crossover in category growth rates.

2025 P/E: 24.4 2026 P/E: 23.0 2025 EPS: 143.5 2026 EPS: 161.0

NZX Code:	**EBO**
Share Price:	**$40.45**
12mth Target: ↑	**$43.20**
Capital gain	6.8%
Dividend yield (Net)	2.5%
Total return	**9.3%**

Rating: **OVERWEIGHT**

52-week price range: 34.76-42.55

FISHER & PAYKEL HEALTHCARE

Research: 23rd July

The investor day highlighted efforts to change clinical practice within the Hospital business, using therapy examples from the Australian market as a proof of concept for future expansion into larger markets like the US. As a rule of thumb, FPH noted a typical five-year lag, and management expressed confidence that if progress in the Australian market were replicated, it would support growth expectations over the medium term. No trading update was provided (as expected; latest port data overleaf) and no metrics were provided to frame the current Australia market progress to-date. Overall, the messaging was upbeat about the company's track record of changing clinical practice, acknowledging that the process takes time and requires a fragmented approach to gain traction. It also highlighted a strong therapeutic portfolio, with regular product evolutions made over time based on targeted clinical feedback.

2026 P/E: 48.6 2027 P/E: 42.7 2026 EPS: 75.4 2027 EPS: 85.8

NZX Code:	**FPH**
Share Price:	**$37.39**
12mth Target:	**$34.50**
Projected return (%)	
Capital gain	-7.7%
Dividend yield (Net)	1.4%
Total return	**-6.3%**

Rating: **NEUTRAL**

52-week price range: 31.80-39.50

FLETCHER BUILDING

Research: 13th August

FBU reports on 20th August forecasting FY25 EBIT (pre-significant items) of $370-375m (Jarden: $375m). A significant recovery is not anticipated before FY27. Quarterly data to June show a split in performance, with NZ operations stabilising but Australian volumes continuing to contract. FBU has potential positive catalysts, with corporate activity around its construction division and legacy issues nearing completion. Despite the local residential sector showing little sign of any material improvement, a new management team, who has an appetite and drive to exit underperforming assets and strengthen its balance sheet, should not be counted out. While the backdrop is challenging, Jarden suspects it is the prospect of corporate activity that has sparked recent interest for a name that continues to trade well below Australasian peers. Jarden views FBU as a Buy more for its corporate action potential than for cycle recovery. It offers a near-term price accretion potential from slimming down the business, with the first catalyst likely the sale of its Construction Division and executing a more sustainable business model.

2025 P/E: 11.8 2026P/E: 15.5 2025 EPS: 24.5 2026 EPS: 19.2

NZX Code:	**FBU**
Share Price:	**$3.13**
12mth Target:	**$4.12**
Projected return (%)	
Capital gain	31.6%
Dividend yield (Net)	0.0%
Total return	**31.6%**
Rating: **BUY**	
52-week price range: 2.63-3.54	

GENESIS ENERGY

Research: 22nd July

GNE has released 4Q25 operational statistics that imply a full-year EBITDA of c.$461m, marginally ahead of the $460m guidance and broadly in line with Jarden's standing $465m estimate. This represents a 14% increase on FY24 EBITDA of $407m. The company will report its full FY25 results on 26 August 2025. The operational result reflects increased thermal generation at higher fuel cost, ongoing strategy execution, and netback gains across all fuel types.

2026 P/E: (79.4) 2027 P/E: 209.4 2026 EPS: (13.4) 2027 EPS: 5.1

NZX Code:	**GNE**
Share Price:	**$2.41**
12mth Target:	**$2.99**
Projected return (%)	
Capital gain	24.3%
Dividend yield (Net)	2.0%
Total return	**26.3%**
Rating: **BUY**	
52-week price range: 5.05-2.45	

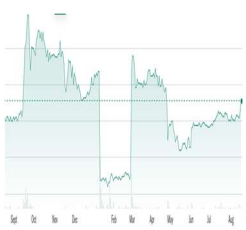
INFRATIL

Research: 7th August

IFT has signed a binding agreement to sell its 50% interest in RetireAustralia to Invesco Real Estate, alongside co-owner NZ Superannuation Fund, for a total value of A$845m. The transaction values IFT's share at c.A$300m (NZ$328m before transaction costs), with completion expected by IFT in Q4 CY2025, subject to FIRB approval. Sale implies NZ$80m (NZ8.3cps) reduction in IFT NEV. The RetireAustralia investment was carried at NZ$404m as at 31 March 2025, implying a forecast accounting loss of c.NZ$80m. Jarden also sees the July announcement impacting IFT as supporting their Buy rating. An update on CDC independent valuation; while the 100% of CDC value fell by 1% since March, this was driven by an increase in the RFR applied more than offsetting an operational valuation uplift, in Jarden's view implying that the valuator is unperturbed by the modest slowdown in contracting momentum. Also, CDC Data Centres (49.76% held) will develop its first Western Australian campus - a 200MW high-density facility in Maddington, 20km south-east of Perth CBD - citing AUKUS-driven demand for AI and security workloads. Stage one will require A$415m capex and is expected to be operational in 2026. The project is not yet reflected in the A$13.56b June 2025 independent valuation (A$6.75b for IFT's 49.76% stake).

2026 P/E: (79.4) 2027 P/E: 209.4 2026 EPS: (13.4) 2027 EPS: 5.1

NZX Code:	**IFT**
Share Price:	**$11.94**
12mth Target:	**$14.31**
Projected return (%)	
Capital gain	19.8%
Dividend yield (Net)	2.0%
Total return	**21.8%**
Rating: **BUY**	
52-week price range: 9.13-13.34	



PACIFIC EDGE

Research: 14th July

PEB has provided its 1Q26 Cxbladder volumes and key metrics. Key points to call out below: 1Q26 total volumes down -8.9% to 6,900 tests (US down -11.9%, Asia Pacific up +8.8%). Management noting the volume decline primarily operational (Detect-to-Triage transition and discontinuing Detect) rather than underlying demand weakness. Also, some comfort key contracted customers (e.g. Kaiser Permanente) unaffected by Medicare determination.

2026 P/E: (1.4) 2027 P/E: (1.8) 2026 EPS: (2.7) 2027 EPS: (2.1)

NZX Code:	**PEB**
Share Price:	**$0.114**
12mth Target:	**$0.10**
Projected return (%)	
Capital gain	-12.3%
Dividend yield (Net)	0.0%
Total return	**-12.3%**
Rating: **NEUTRAL**	
52-week price range: 0.05-0.185	

PORT OF TAURANGA

Research: 4th August

POT is New Zealand's largest port by volume of cargo. It operates wharves at Tauranga, Mount Maunganui and Timaru, a rail-linked inland port in South Auckland (Metroport), an intermodal freight hub in Rolleston and the Ruakura Inland Port near Hamilton.

On a relative value multiple basis POT's share price appears fairly valued relative to history. Based on expected earnings growth of 22%pa in FY26 and 19% in FY27 the relative valuation multiples are very supportive. POT's 1H25 recorded a 19% EBITDA increase to $111 million. This reflected a 7% increase in break bulk tonnage (logs, forestry exports and agriculture related imports) and an increase in port and related charges. Higher costs and lower associate earnings (Coda and Ruakura Inland Port) offset some of the profit improvement. Over the next three years port and related charges are expected to increase by 10-11%pa, resulting in a 46% lift in net profit after tax. Management have signalled a further review of prices in FY27 (following the berth extension and automation project capital expenditure) which can be justified on the current pricing difference between POT and POA.

2025 P/E: 37.5 2026P/E: 30.7 2025 EPS: 18.0 2026 EPS: 22.0

NZX Code:	**POT**
Share Price:	**$6.92**
12mth Target: ↑	**$6.42**
Projected return (%)	
Capital gain	-7.2%
Dividend yield (Net)	2.4%
Total return	**-4.8%**
Rating: **NEUTRAL**	
52-week price range: 5.33-7.19	

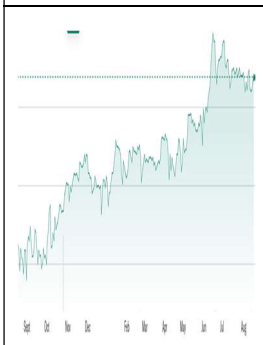
RYMAN HEALTHCARE

Research: 11th July

Improving momentum but further improvement still required. RYM 1Q26 sales release highlights improving momentum in contracting rates, with RYM noting gross contracts at 91% of the last two years prior comparatives, up from 75% in Q425 and 60% in Q325. Sales on an occupation basis are running in line with our FY26 forecasts - 1Q26 new sales of 73 units are 27% of our FY26 forecast; resales of 264 units are 26% of our FY26 forecast. In the case of new sales, we expect sales to continue to temper off as RYM's delivery profile scales down. In contrast, turnovers are increasing and RYM has the added pressure of buybacks if its resales momentum doesn't remain positive. We note our FY26 resales forecasts are sitting below FY25 levels and our expectations are for rising resales inventory in FY26. That approach continues to appear prudent for now. If momentum continues to improve, there may be some upside to our forecasts but we note RYM have indicated that they still expect variability th

2026 P/E: (14.8) 2027 P/E: (780) 2026 EPS: (6.7) 2027 EPS: (0.3)

NZX Code:	**RYM**
Share Price:	**$2.41**
12mth Target: ↑	**$2.75**
Projected return (%)	
Capital gain	14.1%
Dividend yield (Net)	0.0%
Total return	**14.1%**
Rating: **NEUTRAL**	
52-week price range: 2.04-5.12	



SCALES CORPORATION

Research: 4th August

SCL operates a horticulture business in New Zealand with a significant amount of the produce being exported to Asia (in particular China), a global protein (pet food ingredients) business and a small logistics business (5% underlying Ebitda). In early June 2025 SCL management upgraded underlying EBITDA guidance to $97-104 million (a 4% increase at the midpoint). This follows a strong FY24 underlying EBITDA of $91.7m. The Horticulture division has recovered from cyclone Gabriel. Horticulture is expected to be the key source of earnings growth in FY25 with strong apple yields resulting in an apple crop of 4.6m TCE. Fruit quality is similar to prior years resulting in exports of 3.6-3.7 million TCE, which is 5-10% ahead of budget. Pricing for apples has remained strong. Costs appear to have remained under control. In the medium-term earnings benefit from higher apple prices through a focus on premiumisation (premium apple varieties are priced at a 60% premium to traditional apples compared to a 15% premium 15 years ago) and lower picking costs due to new trees being shorter so there is less picking from ladders. Global Proteins generated underlying Ebitda of $55.4m in FY24. The 1h 24 was adversely affected by de-stocking which had finished by the end of the half. The higher profit margin reflects a better product mix and a continuing transition to its own manufacturing facilities. Expect more acquisitions to give entry into the largest petfood categories – chicken and fish. SCL is expected to grow earnings per share by 10%pa. The growth being underpinned by maturing orchards and new protein processing facilities.

2025 P/E: 14.7 2026 P/E: 13.3 2025 EPS: 31.4 2026 EPS: 34.6

NZX Code:	**SCL**
Share Price:	**$4.69**
12mth Target: ↑	**$4.80**
Projected return (%)	
Capital gain	2.3%
Dividend yield (Net)	4.1%
Total return	**6.4%**
Rating: **OVERWEIGHT**	
52-week price range: 3.40-4.99	

SKY CITY ENTERTAINMENT

Research: 12th August

Below is Jarden's initial high-level summary of the Adelaide casino Independent Review, which has been publicly released. For SKC, suitability has been confirmed - Adelaide to continue holding its casino license and SKC as an ongoing owner of Adelaide casino. This was an expected outcome for us following the SKC management changes and the material cost commitment over the next three years to lift its operating standards. It also aligns with precedents from other Australian state reviews, which covered peers Crown (private) and Star (Not Covered). The Commissioner's enforcement action/fine is still to be determined and, in our view, will remain an overhang on the stock until determined. Jarden has a A$50mn fine in their estimates for FY26E.

2025 P/E: 13.6 2026 P/E: 13.7

NZX Code:	**SKC**
Share Price:	**$0.99**
12mth Target:	**$1.75**
Projected return (%)	
Capital gain	76.8%
Dividend yield (Net)	0.0%
Total return	**76.8%**
Rating: **OVERWEIGHT**	
52-week price range: 0.88-1.62	

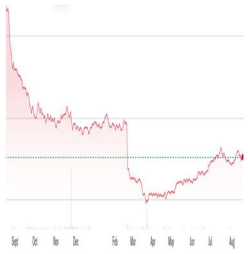
SKY TELEVISION

Research: 22nd July

SKT gets head start but has to prove up long-term sustainable value against structural pressures. Jarden sees SKT's agreed acquisition of Discovery NZ for $1 (~$10m in transaction/integration costs) as taking advantage of its market position and consolidation still flowing through the sector. Deal timing (cyclically impacted ad revenue) and structuring (incl. consideration paid) help create a low bar for value accretion. They are comfortable SKT gets value but discuss factors that should ultimately determine how much it is worth to SKT. On structuring, Discovery has undertaken the hard work including downsizing workforce (~120 employees to transfer); shutdown of news; exit of long-term output deals; and limited own content creation. SKT does not take on property lease liabilities and benefits over first 18 months from pre-paid content, helping ensure the agreed deal is free cash flow positive (ex integration) in FY26E. We see structural fit but on advertising scale benefits still need to get comfortable with.

2025 P/E: 9.7 2026 P/E: 7.6 2025 EPS: 30.9 2026 EPS: 38.4

NZX Code:	**SKT**
Share Price:	**$2.96**
12mth Target: ↑	**$3.15**
Projected return (%)	
Capital gain	6.4%
Dividend yield (Net)	6.9%
Total return	**13.3%**
Rating: **OVERWEIGHT**	
52-week price range: 2.31-3.17	



SPARK Research: 12th August

SPK has announced that it has entered an agreement to sell 75% of its data centre business, with the transaction targeted by SPK to close end of 1H26. SPK is divesting for up to $705m (EV), comprising $575m up front and a potential $130m earn-out. With DC Co having initial gearing of ~$220m, SPK expects to get initial cash proceeds of approximately $486m at completion. Together with the exit of minority stakes in Connexa (FY25) and Hutchison (early FY26), SPK's gearing for rating purposes should come down from ~2.1x at FY25E to ~1.6x on a pro-forma basis (FY26E 1.4x). SPK's residual interest in the data centres business is unlikely to require meaningful investment given the use of leverage (non-recourse) within the vehicle to ramp up capacity and SPK's 25% equity interest. Indeed, SPK's exposure to data centres is significantly reduced with its remaining equity stake having a valuation of ~4-6c per SPK share based on the transaction value range.

2025 P/E: 19.9 2026 P/E: 17.8 2025 EPS: 12.2 2026 EPS: 14.1

NZX Code:	**SPK**
Share Price:	**$2.52**
12mth Target:	**$2.90**
Projected return (%)	
Capital gain	15.1%
Dividend yield (Net)	9.8%
Total return	**24.9%**
Rating:	**OVERWEIGHT**
52-week price range:	1.94-4.43

JARDEN'S NEW ZEALAND EQUITIES WATCH LIST AS AT 14TH AUGUST 2025

NEW ZEALAND EQUITY WATCH LIST as at 14-August-2025		Jarden Rating	14-Aug Price	Monthly % Change	Annual % Change	12-month Target Price
AIA	Auckland International Airport	N	7.55	1.07%	3.34%	7.75
ATM	A2 Milk Company	O	8.41	5.39%	15.48%	7.90
CEN	Contact Energy	O	9.01	-0.33%	11.33%	10.81
CHI	Channel Infrastructure	N	2.11	-3.21%	47.45%	2.15
CNU	Chorus	U	9.16	7.13%	22.08%	8.17
EBO	Ebos Group	O	40.45	0.67%	16.18%	43.20
FBU	Fletcher Building	B	3.05	-0.33%	-1.34%	4.12
FPH	Fisher & Paykel Healthcare	N	37.07	4.07%	16.15%	34.50
FRW	Freightways	U	11.10	-0.89%	28.80%	10.39
HGH	Heartland Group	N	0.79	-2.47%	-20.90%	1.15
IFT	Infratil	B	11.78	8.07%	13.67%	14.31
MCY	Mercury	N	6.21	0.32%	-0.43%	7.33
MEL	Meridian Energy	N	5.57	-3.30%	-9.10%	6.47
MFT	Mainfreight	O	59.50	-7.05%	-15.59%	70.00
NZX	NZX	O	1.45	-5.23%	18.35%	1.80
OCA	Oceania Healthcare	N	0.65	-14.47%	-15.58%	0.73
POT	Port of Tauranga	N	6.96	-0.43%	31.41%	6.42
RYM	Ryman Healthcare	N	2.34	-6.40%	-45.65%	2.51
SCL	Scales Corporation	O	4.61	-0.22%	43.11%	4.80
SKC	Sky City Entertainment Group	O	0.96	-4.00%	-36.84%	1.75
SKL	Skellerup	O	4.72	-4.65%	13.73%	5.30
SPK	Spark	O	2.55	1.39%	-30.78%	2.90
SUM	Summerset Group Holdings	N	10.79	-7.22%	-2.49%	12.30
THL	Tourism Holdings	NULL	2.14	4.39%	8.88%	NULL
SUM	Vector	O	4.46	0.22%	27.56%	4.61

JARDEN'S AUSTRALIAN WATCH LIST

AS AT 14TH AUGUST 2025

AUSTRALIAN EQUITY WATCH LIST as at 14-August-2025		Jarden Rating	14-Aug Price (A$)	Monthly % Change	Annual % Change	Target Price (A$)
ALL.AU	Aristocrat Leisure	O	69.70	3.08%	33.77%	64.00
ALQ.AU	ALS	N	18.79	8.55%	26.59%	14.60
ANZ.AU	ANZ Banking Group	O	31.87	5.08%	17.39%	30.00
BHP.AU	BHP Billiton*	N	41.73	6.02%	7.46%	41.64
CBA.AU	Commonwealth Bank of Australia	N	169.12	-5.74%	31.80%	NULL
CSL.AU	CSL	O	269.55	11.88%	-7.15%	313.12
CWY.AU	Cleanaway Waste Management	O	2.90	0.69%	2.38%	3.20
IGO.AU	IGO	N	5.34	16.09%	11.32%	5.34
JHX.AU	James Hardie Industries	N	43.93	2.40%	-9.18%	44.00
MQG.AU	Macquarie Group*	O	213.10	-3.49%	7.56%	200.00
NAB.AU	National Australia Bank	N	38.16	-3.66%	10.29%	29.00
NXT.AU	NEXTDC*	O	14.53	6.84%	-12.26%	19.90
QBE.AU	QBE Insurance Group	B	21.12	-6.88%	36.32%	23.90
RHC.AU	Ramsay Health Care	B	38.81	2.43%	-11.81%	NULL
RIO.AU	Rio Tinto*	N	117.84	6.07%	7.94%	120.35
RMD.AU	Resmed	O	43.55	11.59%	33.88%	40.55
S32.AU	South32*	N	3.06	-1.61%	6.42%	3.46
SEK.AU	Seek	B	25.07	4.50%	23.51%	29.00
TCL.AU	Transurban Group	N	13.98	4.48%	11.95%	13.60
TLS.AU	Telstra Group	B	4.98	2.68%	34.72%	4.90
WDS.AU	Woodside Energy	O	26.78	11.72%	13.34%	25.75
WES.AU	Wesfarmers	N	88.07	6.48%	24.27%	73.10
WOR.AU	Worley*	O	12.97	-3.28%	-5.83%	17.08
WOW.AU	Woolworths	O	32.28	3.79%	-0.36%	36.30
XRO.AU	Xero	O	168.78	-2.91%	25.28%	207.00

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

JARDEN'S GLOBAL EQUITY WATCH LIST AS AT 14TH AUGUST 2025

GLOBAL EQUITY WATCH LIST as at 14-August-2025		14-Aug Price	Monthly % Change	Annual % Change	12-month Target
700.HK	Tencent Holdings	559.50	12.67%	49.20%	624.22
AAPL.US	Apple	229.65	8.76%	5.57%	236.40
AMZN.US	Amazon	221.47	-1.58%	32.78%	261.71
APH.US	Amphenol	111.85	13.25%	77.40%	112.58
APO.US	Apollo Global Management	144.60	-1.75%	40.35%	165.53
ASML.NA	ASML	633.90	-7.31%	-19.21%	747.09
AXP.US	American Express	303.21	-5.09%	27.91%	317.69
BRK/B.US	Berkshire Hathaway	470.39	-1.15%	9.29%	541.00
CBOE.US	CBOE	248.52	5.75%	22.05%	247.93
COP.US	ConocoPhillips	94.59	-1.07%	-14.03%	115.72
GOOGL.US	Alphabet	203.34	12.85%	25.29%	217.15
IBE.EU	Iberdrola	15.62	0.29%	34.63%	16.05
JPM.US	JPMorgan	292.85	2.09%	42.03%	304.95
LLY.US	Eli Lilly	639.43	-19.37%	-27.70%	906.17
LULU.US	Lululemon	192.93	-18.43%	-19.51%	287.74
MA.US	MasterCard	574.18	4.36%	26.00%	638.48
MC.FR	LVMH	457.15	-6.26%	-28.02%	555.61
MSFT.US	Microsoft	529.24	5.15%	30.10%	603.42
NVDA.US	NVIDIA	183.16	11.06%	68.01%	188.77
OR.FR	L'oreal	379.35	1.47%	0.72%	387.35
ORCL.US	Oracle	253.86	10.11%	91.48%	245.56
SU.FP	Schneider Electric	222.20	-1.33%	5.18%	254.66
TSLA.US	Tesla	340.84	8.72%	72.59%	299.35
UNH.US	United Health	261.57	-13.99%	-53.73%	326.63
WMT.US	Walmart	103.62	9.77%	50.83%	110.84
Source: Thomson Reuters, Jarden.		Target Prices reflect consensus			

JARDEN'S INVESTMENT TRUST WATCH LIST AS AT 14TH AUGUST 2025

Ticker	INVESTMENT TRUST WATCH LIST as at 14-August-2025	Price £	Annual % Change	Ticker		Price £	Annual % Change
ATR	Schroder Asian Total Return	4.95	9.27%	JEGI	JPM European Inv. Trust	1.24	21.57%
BGFD	Baillie Gifford Japan Trust	8.93	29.05%	JFJ	JPMorgan Japanese	6.67	27.29%
BNKR	Bankers Inv. Trust	1.23	10.02%	JGGI	JPM Global Growth	5.74	3.61%
BRWM	Blackrock World Mining	5.73	8.52%	MIDW	Mid Wynd International	7.58	-2.70%
CTY	City of London Investment Trust	4.99	15.91%	MNKS	Monks ITC	13.76	20.70%
IAD	Asia Dragon Trust	3.74	18.35%	NAIT	Nth American Inc. Trust	3.39	11.51%
ESCT	Euro Small Comp. Trust	2.15	20.25%	PCT	Polar Cap Tech	4.07	36.81%
FCIT	F&C Investment Trust	11.59	12.96%	RCP	RIT Cap Partners	19.48	6.80%
GSCT	Global Smaller Companies Trust	1.66	1.71%	SDP	Schroder Asia Pacific	6.01	14.26%
HVPE	HarbourVest Global Private Eq.	27.30	13.04%	SMT	Scottish Mortgage Trust	10.75	30.37%
JAM	JPM American	10.60	8.83%	TEM	Templeton Emerg.	1.98	21.89%
JEDT	JPMorgan Eur Discorvery Trust	5.81	28.68%	WWH	Worldwide Health	3.08	-14.09%

JARDEN'S FIXED INTEREST BONDS

AS AT 26TH JUNE 2025

Ticker	SECURITY	Credit Rating	Coupon Rate	Yield	Monthly Change	Maturity
AIA240	Auckland Airport	A-	3.29%	3.51	0.28	17-Nov-26
TRP100	Transpower NZ	AA	4.63%	3.64	0.33	16-Sept-27
CNU030	Chorus Limited	BBB	1.98%	3.94	0.29	2-Dec-27
IFT310	Infratil	Not rated	3.60%	5.65	0.75	15-Dec-27
ANB180	ANZ Bank New Zealand	AA-	5.22%	3.68	0.54	16-Feb-28
FBI220	Fletcher Building Industries	Not rated	6.50%	7.24	0.80	15-Mar-28
KPG050	Kiwi Property Group	BBB+	2.85%	4.55	0.97	19-Jul-28
SBS020	Southland Building Society	BBB+	6.14%	4.49	1.85	7-Mar-29
FCG060	Fonterra Co-Operative	A-	4.60%	4.20	0.85	8-Nov-29
SUM050	Summerset Group Holdings	Not rated	6.43%	5.05	0.81	8-Mar-30
MEL070	Meridian Energy	BBB+	5.40%	4.36	0.97	23-Mar-30
LGF170	NZ Local Govt Funding Agency	AAA	4.50%	4.05	0.69	15-May-30
LGF140	NZ Local Govt Funding Agency	AAA	2.25%	4.30	1.00	15-May-31
SPF600	Spark Finance	A-	5.45%	4.49	1.85	18-Sept-31
HYBRID	**SECURITY**	**Credit Rating**	**Coupon Rate**	**Price/ Yield**	**Monthly Change**	**Reset**
ANB170	ANZ Bank Subordinated Notes	A	3.00%	98.38	0.69	17-Sept-26
IFTHA	Infratil Perpetual Infrastructure B	Not rated	5.51%	64.03	3.02	1-yr swap rate
KWB1T2	Kiwibank Subordinated Notes	BBB	2.36%	101.55	0.22	12-May-28
VCT110	Vector Perpetual Capital Bonds	BB+	6.40%	101.86	0.21	15-Jun-27
WNZHA	Westpac Perpetual Preference Sh	BBB+	7.10%	103.89	-0.51	-

QUAYSIDE HOLDINGS PREFERENCE SHARES

According to Jarden research, QHLHA currently offers poor liquidity, making it unsuitable for investors looking to establish a new debt security portfolio. However, for existing holders of QHLHA, they recommend continuing to hold the security. This reflects the following:

- If Quayside's stake in the port falls below 50% (currently 54%), the put option embedded in the QHLHA security becomes exercisable.
- In June 2024, the Bay of Plenty Regional Council (BOPRC) voted to reduce its holding in the Port of Tauranga to no less than 28% in order to diversify its investments.
- Assuming Quayside reduces its Port of Tauranga holding to below 50% within the next 12 months, and either the call or put option embedded in QHLHA is exercised, the expected return over this period would be approximately 11.3% based on current market pricing. If the stake is sold down and the option is exercised within the next 6 months, the return would be around 16.1% on an annualised basis.

LIMITATIONS AND DISCLAIMER