Andrew von Dadelszen

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VERSUS

WEBSITE:
vond.co.nz

Bay Brokers Limited

Ph: 07-578 7453   Mobile: 021-762 440   Email: andrew@vond.co.nz

INVESTMENT STRATEGIES

EQUITY MARKETS

Equity markets continue to show amazing resilience, mainly on the back of incredibly low interest rates, both globally and in New Zealand. My thoughts would be to remain invested in equities, but hold some cash for future opportunities.

NZ50 GROSS INDEX (ONE-YR GRAPH)

QUANTATIVE EASING

My advice remains to be cautious, and well diversified. My big concern is the "borrow and hope" attitude that prevails in Wellington. The current government continues to fail to implement genuine restructuring within the government bureaucracy, in the belief that there are no consequences for reckless spending.

Productivity is the key to New Zealand's future prosperity, and rewarding hard work is a worthwhile goal – whereas "spray and walk away" just continues to encourage our youth to remain on the couch. We really have to do better, if we are to prevent an Argentine style spiral towards a third world economy.

NO QUICK 2021 SOLUTION TO COVID

As a third wave of Covid sweeps the world, vaccination is still only a longer term solution. Expect more economic gloom this year, as we come to grips with these new virulent strains.

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STATISTICS NZ DATA

Estimated population at 1-Nov-2020:	**5,101,400**
NZ Private dwellings estimate 2018 Census	**1,945,600**
Births (57,753) - **Deaths** (32,670) Sep-20 year:	**25,083**
Total Arrivals April - October	**65,900**
Total Departures April to October	**119,400**
Net Migration loss Annual to October	**411,260**
NZers returning from trips April -October	**23,200**
NZ Citizen returning April-October	**28,100**
NZ Residents returning April-October	**14,600**
Consumer Price Index September-20 year	**1.4%**

MARKET INDEX	CODE	31-Dec-19	31-Dec-20	Change	%+/-
NZ50 Gross Index	^NZ50	11,492	13,092	1,600	13.9%
ASX200 - Aust 200 Index	^AXJO	6,684	6,587	-97	(1.5%)
FTSE100 - UK Top 100 Index	^FTSE	7,622	6,556	-1,067	(14.0%)
US Dow Jones Industrial	^DJI	28,538	30,410	1,871	6.6%
S&P500 - US Top 500 Index	^GSPC	3,231	3,756	525	16.3%
Nasdaq - US Tech Index	^IXIC	8,973	12,870	3,897	43.4%

NZ HERALD BROKER PICKS

2021 BROKER (AND MY) PICKS

AvonD Portfolio	Jarden	Craigs IP	Forsyth Barr	Hamilton Hindin	Hobson Health	Share Trader
Ebos Group	Ebos Group	Ebos Group	Ebos Group	a2 Milk	a2 Milk	a2 Milk
Port of Tauranga	Mainfreight	F&P Healthcare	Genesis Energy	EBOS Group	Ryman Healthcare	Mainfreight
Pushpay Holdings	Spark	Mainfreight	Katmandu	Mainfrieght	Serko	Oceania Healthcare
Sky Televison	Turners Auto	Mercury NZ	Skellerup	Ryman Healthcare	Spark	Pacific Edge Biotech
Z Energy	Z Energy	Ryman Healthcare	Spark	Spark	The Warehouse	Plexure Group

2020 BROKER PICKS RESULT

(16TH DECEMBER 2019 TO 18TH DECEMBER 2020)

In 2020, my portfolio outperformed all others for the year – up **28.5%** (Outperforming the NZ50 Index by **15.5%)**.

My 2020 Picks	Price 16-Dec-19	Price 18-Dec-20	Div	% Gain
The a2 Milk Company	$15.14	$11.00	$0.00	-27.3%
AFT Pharmaceuticals	$3.40	$4.54	$0.00	33.5%
Infratil	$4.91	$7.15	$0.173	49.1%
Port of Tauranga	$7.09	$7.32	$0.124	5.0%
Pushpay Holdings	$1.03	$1.88	$0.00	82.1%
My 2020 Portfolio average percentage gain				28.5%

Remember: This is just a game. Always seek professional advice, but for me I remain a long-term holder in both Pushpay Holdings and Port of Tauranga.

NZX50	**13%**
Craigs Investment Partners	**21.3%**
a2 Milk	-27.3%
Mainfreight	50.6%
Meridian	37.6%
Ebos Group	26.1%
Freightways	19.8%
MSL Capital Markets	**21.1%**
AFT Pharmaceuticals	33.5%
Arvida	0.2%
Heartland Group	1%
Plexure	48.6%
Vector	22%
Jarden	**15%**
a2 Milk	-27.3%
Eroad	66.1%
Infratil	50%
Kathmandu	-43.1%
Oceania Healthcare	29.5%
Hobson Wealth	**14%**
Serko	16.4%
Oceania Healthcare	29.5%
Tower	0.7%
Mainfreight	50.6%
a2 Milk	-27.3%
Hamilton Hindin Greene	**13.7%**
Z Energy	-27.9%
a2 Milk	-27.3%
Meridian Energy	37.6%
Ebos Group	26.1%
F&P Healthcare	60%
Forsyth Barr	**-1.5%**
Contact	17.4%
Arivida	0.2%
Sanford	-36.8%
Chorus	39.3%
a2 Milk	-27.3%
ShareTrader (unofficial player in 2020)	**25.2%**
a2 Milk	-27.3%
Blis Technologies	58.8%
Oceania Healthcare	29.5%
Plexure	48.6%
Serko	16.4%

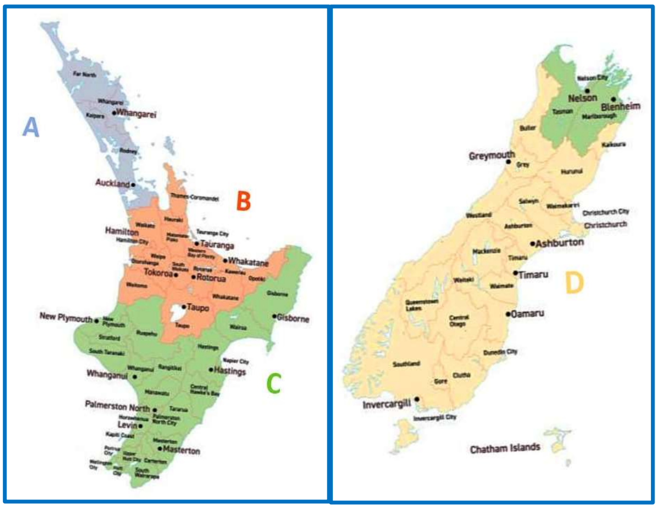
*Time period: Dec 16, 2019 to Dec 18, 2020. 123RF

WATER INFRASTRUCTURE TO BE TAKEN OFF COUNCILS AND RUN BY BIG GOVERNMENT AGENCIES

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.

New Zealand is set to be divided into about four large regions where new publicly-owned agencies will take over responsibility for our drinking water, wastewater and ultimately stormwater. It is the biggest local government shake-up since the amalgamations of the 1980s.

PROPOSED 4 REGIONS TO MANAGE WATER INFRASTRUCTURE



Since the global financial crisis, there has been a chronic and systematic under-investment in these basic services that our residents expect local government to look after, deliver safely and not run down. Everyone wants safe drinking water and sewage kept in pipes, not polluting our beautiful country.

The status quo isn't going to cut it. Our households waste a vast amount of water. Nobody likes getting a big bill from the plumber, but most people accept the alternative is unpalatable, and that they just need to get on and get it done well.

But though Holdom is right that New Zealanders will have to grit their teeth and "pay the plumber" - what the 2016's fatal Havelock North campylobacteriosis outbreak highlighted was that small councils lack the expertise and scale to manage complex water infrastructure.

"*Councillors do not have to be expert in the engineering of water, but what they do have to understand is that governance is a strategic play, not a tactical play*", now resigned Tauranga City Mayor Tenby Powell said, in an interview with Newsroom Pro.

Recently released Cabinet and research papers, show the cost of addressing years of under-funding. And while $50 billion sounds high, some in local government believe it will be far higher still if Government doesn't urgently seize control from the country's 67 city and district councils and 11 regional councils.

The Cabinet, just before Christmas, signed off a bullish "opt-out" reform programme, where the water infrastructure would be moved to the new agencies (and councils would be compensated with millions of dollars) unless councils actually voted to stay outside the new system. If they agree, they are expected to be paid millions, even billions, in compensation. If they don't agree nicely, it's likely to be forced on them.

Local Government Minister Nanaia Mahuta and her colleagues are understood to have indicated they prefer between three and five specialised water entities, each one taking over responsibility for drinking water, wastewater and stormwater for its region, by late 2023 or 2024.

Conveniently, the Water Industry Commission's middle scenario is for four water regions. One would take in much of the South Islands, acknowledging Ngai Tahu's request that the water agency be aligned with the big iwi's rohe.

Another would take in the remaining South Islands – Marlborough, Tasman and Golden Bay and all the lower North Island up to and including Taranaki, King Country and East Cape.

The third would encompass all of Waikato, Taupo, Coromandel and the Bay of Plenty.

And finally, the biggest population base would sit in a water agency that embraces all of Auckland and Northland.

The amount of money needed to maintain and upgrade the country's water infrastructure is "eyewatering", and the reality is that big cities will likely end up subsidising the water infrastructure of the smaller towns.

Water infrastructure makes up nearly 50% of Tauranga City Council's balance sheet, and it would be similar in other towns like Hamilton and Wellington. The bigger cities would have to work effectively with their smaller neighbours, and also with neighbouring big cities.

Tauranga City Council has signed up to this "Three Waters" proposal, and now we will have to see how the freeing up of their Balance Sheet will translate when it comes to future rate rises.

"Crazy ideas are only crazy ideas until they are implemented, Then it's just called vision"

Peter Beck, RocketLab

OUR POLITICAL CLIMATE

WHY WE SHOULD BE WORRIED

New Zealanders went into Christmas with renewed optimism. We seem to have beaten Covid-19, and our economy is in a strong recovery phase.

Everyone (or nearly) loves Jacinda Ardern, and Grant Robertson is also seen as a godsend in managing our economy.

The reality is quite different – This Labour Government announces another $3bn of spending, without even blinking. In the previous Government NZ First spent recklessly and without any accountability. Ardern has continued – spraying money everywhere, with Treasurer Robertson both borrowing and printing money with gay abandon.

New Zealanders are under their spell – ignoring the fact that there are huge consequences of reckless spending (especially in unproductive sectors). Debt has to be repaid, and they are lumping future generations with a deteriorating standard of living – have we learnt nothing from Peronism in Argentina.

Unfortunately, both Opposition Parties don't seem to be able to get any economic cut through. Neither National nor Act seem to be able to espouse realistic and compelling economic alternatives. Grant Robertson has been given a free ride. Unless National can get economic policy cut through, National will be in opposition for a very long time – and hard-working New Zealanders will continue down the spiral to economic oblivion.

Wake up New Zealand. Demand accountability in our spending – socialism is abounding, and our fairy godmother (Taxcinda) is leading us into third-world oblivion. Start demanding fiscal accountability, before it is too late.

WHO IS RUNNING THE WORLD?

Trump, Putin and Xi were arguing on Who's in charge of the world?... US, Russia or China?

Without any conclusion, they turned to Narendra Modi, the Indian Prime Minister and asked him Who's in charge of the world? Modi replied "All I know is:"

1. Google CEO is an Indian – Sundar Pichai
2. Microsoft CEO is an Indian – Satya Nadella
3. Adobe CEO is an Indian – Shantanu Narayen
4. Net App CEO is an Indian – George Kurian
5. MasterCard CEO is an Indian – Ajaypal Singh Bangi
6. DBS CEO is an Indian – Piyush Gupta
7. Novartis CEO is an Indian – Vasant Narasimhan
8. Diageo CEO is an Indian – Ivan Menezes
9. SanDisk CEO is an Indian – Sanjay Mehrotra
10. Harman CEO is an Indian – Dinesh Paliwal
11. Micron CEO is an Indian – Sanjay Mehrotra
12. Palo Alto Networks CEO is an Indian – Nikesh Arora
13. Reckitt Benckiser CEO is Indian – Laxman Narassimhan
14. IBM CEO is an Indian – Arvind Krishna
15. Britain's Chancellor is an Indian – Rishi Sunak
16. Britain's Home Secretary is an Indian – Priti Patel
17. Ireland's Prime minister is Indian - Micheál Martin

SO, WHO'S RUNNING THE WORLD?... INTERESTING, ISN'T IT?

BRIEFINGS TO INCOMING MINISTERS

The Government has released the Briefings to Incoming Ministers or BIMs. Key takeaways are:

- MBIE argues for no more grants to tourism businesses
- MSD expects 280,000 on the dole by Jan 2022
- MSD says some of those on the public housing waitlist will never receive a public house
- 91% of state houses do not meet the Government's own compulsory healthy home standards
- Treasury says Govt's books not sustainable, due to rocketing public service costs (borrow and hope)
- Treasury says house prices will continue to rise
- DPMC says child poverty rates will continue to increase (Ardern is the Minister in Charge)
- Ministry of Transport says govt policies will not significantly reduce transport emissions
- DIA says we need to spend more money on Premier House
- MBIE wants the borders to open to allow in highly skilled migrants

"My biggest fear in life – to be forgotten"
Eva Peron

A USEFUL COVID-19 TIMELIME

Anyone who believes Ardern's spin that we went early and hard on Covid-19 needs to look at the facts.

Newshub (on 1st Jan-21) set out a useful timeline of Covid-19. The below table is definitive evidence that Ardern is all spin and, in fact, we never went fast and hard. In fact, it was the opposite….

Day 1 – Virus detected outside China (I choose this as Day 1 as it is when action should have started)

Day 7 – Michael Baker warns we should start border surveillance

Day 13 – DG of Health says probability of an outbreak in NZ is low

Day 16 – WHO declares global health emergency

Day 19 – Govt bans travellers from China

Day 46 – PM condemns media for causing anxiety

Day 50 – Siouxsie Wiles attacks Simon Bridges for criticising Government response

Day 53 – David Clark rejects drive-thru testing hubs saying not needed yet

Day 57 – Govt bans travellers from Italy

Day 60 – Govt asks travellers to voluntarily self-isolate

Day 62 – Gatherings over 500 banned

Day 64 – first testing station deployed

Day 65 – borders closed to non-residents

So, they took 65 days to close the borders, and this is called fast and hard!

GOVERNMENT'S DAMNING HEALTH REPORT

This report was dumped on the last day of the political year, when Covid-19 Minister Hipkins announced $3bn worth of new spending – in fact, most Government budgets don't even have that much new spending each year.

Hipkins announced he would pump an extra $2.86 billion into the country's testing and border response for the period until June 2022 – that's nearly 1% of New Zealand's entire economy (measured by GDP) and 3% of annual Government spending. The funding was released alongside the long-awaited Heather Simpson and Brian Roche report into the testing and surveillance system.

The report was commissioned back in August after reports of multiple failures in the Covid-19 response. An early version was delivered to the Government on September 30, with a final version delivered on November 27. Releasing the report soon after Ministers received it would have allowed some time for Parliamentary scrutiny. Instead, the Government decided to bury its release on the last working day of the political year – no time for scrutiny in Parliament or anywhere else.

It's not hard to see why. The report is damning – and particularly damning of the Ministry of Health, the heroes of the Covid-19 response.

Of the 28 recommendations made across two reports, 25 were for the Ministry – the criticism is wide-ranging and accusations of what amounts to a power grab by the Ministry of Health, which didn't properly share information with other ministries or even ministers and failed to cooperate properly with the rest of Government.

The report found that the there was "inappropriate accountability" for different parts of the strategy and that "numerous written reports" from the Ministry on progress it was making at the border "did not always reflect concrete action on the ground".

The report said the Ministry's approach to the implementation of policy "was often seen as being at odds with the overall collective interest".

Testing rates – something we know is crucial to the keeping Covid out – were kept low because the Ministry was lax in actually paying the people doing the testing.

Unsurprisingly this led to "*increased dissatisfaction with the system and at times made for reluctance to increase testing rates, consequently reducing access*". It's little wonder that the official answer for not releasing the report earlier was to give the Ministry time to respond to allegations of serious failings on their part. Other parts of the Government "without exception... expressed concern at their ability to be 'heard' by the Ministry of Health.

WHAT THE GOVERNMENT DID NOT WANT YOU TO KNOW ABOUT ITS COVID RESPONSE

SOURCE: NZ HERALD, 29-DEC-2020 BY RICHARD PREBBLE

What did the Government not want us to know? Despite receiving a report on September 28, Chris Hipkins released it the Friday before Christmas. I [Prebble] googled the report and found out why.

It is called the "Report of the Advisory Committee to oversee the implementation of the New Zealand Covid-19 Surveillance Plan and Testing Strategy". The report reveals our Covid testing plan was written by a veterinary epidemiologist. The plan was flawed. For eight months our borders were wide open.

If the report was released when it was received Labour could never have run a "Covid election".

The advisory committee was chaired by two safe pairs of hands - Heather Simpson, Helen Clark's former Chief of Staff and Sir Brian Roche, a civil service favourite. Both can be relied upon not to criticise any minister.

The report found that the Government did not have testing that was "fit for purpose" and the country needs a "more effective, coordinated and aligned approach" to "safeguarding our borders".

There is "*poor communications both between and within, the Ministry of Health…a lack of appreciation of operational implications of directives; and poorly designed risk targeting of testing regimes, particularly at the border*".

"*It is clear to the Committee that reports of progress on issues did not always reflect concrete action on the ground*." **We were lied to.**

MALLARD MUST GO

Having Trevor Mallard in the position of Speaker while ostensibly trying to combat Parliamentary bullying just discredits the whole effort.

Mallard is also widely rated as one of (if not the) worst ever Parliament Speaker, who shows obvious bias in his position of privilege. His incorrect and highly defamatory calling a Parliamentary staffer "a rapist" is the final straw. Mallard must go.

WHAT YOU NEED TO KNOW ABOUT LABOUR'S IHUMĀTAO DEAL

- *Already stopped 480 much-needed houses being built*
- *Now forking out $30m of taxpayer money to get fewer houses*
- *Calls into question the more than $2 billion spent on full-and-final Treaty settlements*
- *Sets a dangerous precedent for other land occupations across New Zealand, like Wellington's Shelly Bay.*

WHEN IS ENOUGH REALLY ENOUGH

Gang recruitment up by 13% with almost 900 people joining a gang in 2020, police data shows. Labour Ministers need to grow some balls, and get really tough on crime (and gangs in particular). Our Tauranga streets are no longer safe, and we need the police to regain order. Not easy, but the alternative is unacceptable. Our current Government needs to give clear direction – not excuses.

Currently, Labour has used Covid as the reason that it breeched its previous triennium's promise to increase frontline police by 1,800. The truth is that lack of allocated funding is the reason the lack of recruitment.

Law and Order is a huge issue for most New Zealanders, and the increase in serious (often gang related) crime is a blight on this country. We need to ensure that our streets are safe.

HATE SPEECH

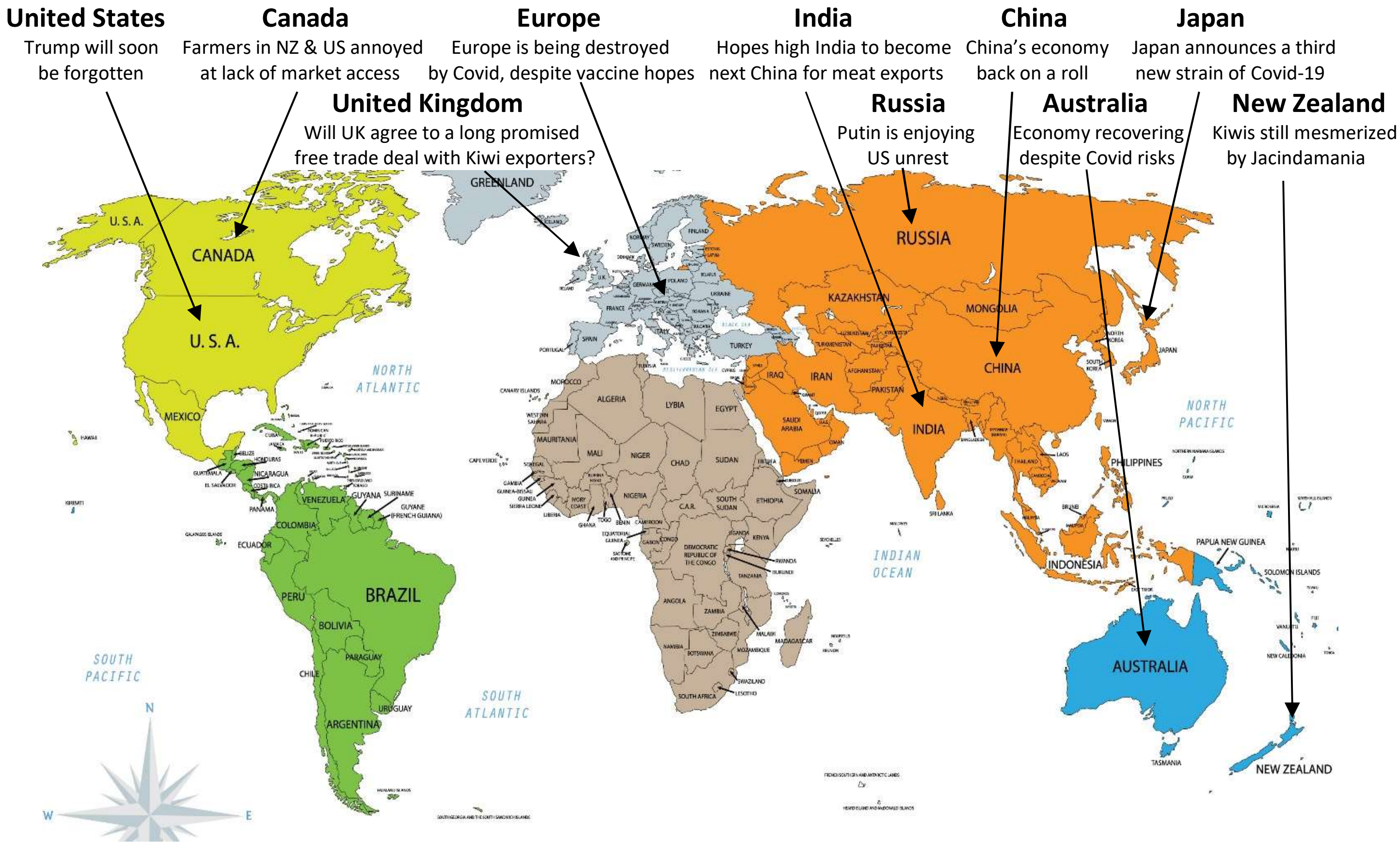
The Christchurch terrorist's goal was to spread fear. Introducing hate speech laws only shows that we fear words, giving him exactly what he wanted. Our Opposition Members of Parliament need to strongly oppose all attempts to enact ineffective legislation that is "all spin and lacks substance".

"It looks like New Zealand will hold the dubious position of the last of the developed countries to administer the COVID-19 vaccine to their high-risk workers."

Dr Parmjeet Parmar

I STRONGLY RECOMMEND THAT YOU "GET OFF THE BEATEN TRACK" IN JAPAN (I DID SO IN THE 80'S). TOKYO IS NOT JAPAN. PLEASE SUPPORT JAPAN CUSTOM TOURS, WHEN YOU CONDITIONS ALLOW – YOU WON'T REGRET IT.

THE WORLD AT A GLANCE



THE GLOBAL ECONOMIC OUTLOOK

A BUMPY RIDE AHEAD

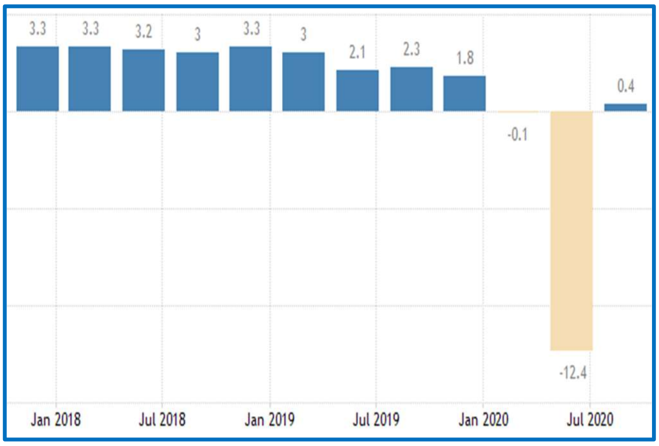
This time, it's different- a somewhat overused phrase, but also one that's strangely apt for the current macroeconomic environment. We're in the midst of a services-led recession, and we're experiencing mild inflation, despite being in the throes of a sharp economic contraction. Globally. government debt is rising at a pace that would be considered untenable just one year ago. During this next period, you can expect the momentum behind the global recovery to slow substantially, creating a more problematic environment for risk assets, as a new suite of challenges emerges.

While the coming months aren't likely to be devoid of tailwinds, you can be sure that they'll be largely defined by headwinds and obstacles. The continued need for social distancing measures will keep a lid on business operating capacity, which will likely translate into further job losses and hurt aggregate demand. Meanwhile, geopolitical tensions continue to escalate globally, and there's a chance that they haven't been fully priced into the markets.

NEW ZEALAND'S ECONOMIC OUTLOOK

New Zealand's GDP expanded 0.4% on an annual basis in the three months to September 2020, following a 12.4% decrease in the previous period, and compared to market expectations of a 1.3% decline. It was the first expansion after two straight declines, as construction rebounded a sharp 8.5% following a 25.8% plunge in the previous three months. Also, manufacturing grew 2.2% after falling 13% in Q2. On an annual basis, GDP expanded at a record pace of 14% after a revised 11% fall in the previous period.

NZ - ANNUAL GDP GROWTH RATE

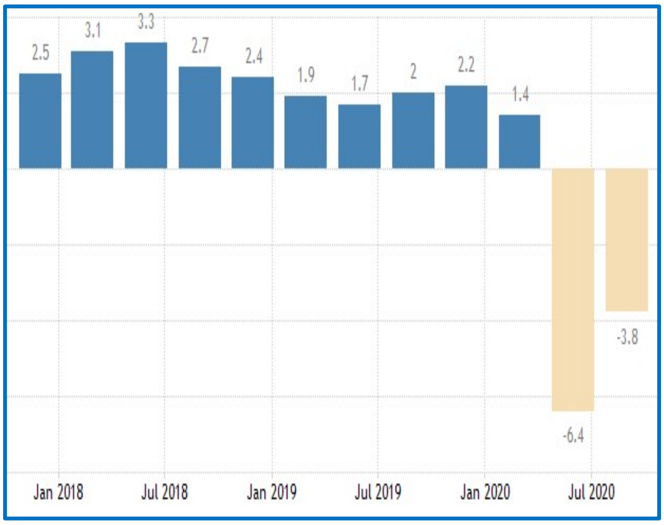


New Zealand's economy bounced back strongly from recession in the third quarter, achieving a so-called V-shaped recovery, as massive fiscal and monetary stimulus fuelled consumer spending. New Zealanders have gone on a spending spree since the nation eliminated community transmission of Covid-19 in May. Treasury's Half-Year Economic and Fiscal Update (HYEFU) featured a significant improvement in the Treasury's forecasts, in light of the economy's faster than expected rebound. Even so, further deficits and rising debt are likely over the next few years, leaving the fiscal accounts in a weak starting point for dealing with the long-term challenges.

AUSTRALIAN ECONOMIC OUTLOOK

China is by far Australia's largest trading partner, accounting for 39.4% of goods exports and 17.6% of services exports between 2019 and 2020. Economic growth in Australia could contract by as much as 2.8% if Beijing continues to pile tariffs on more Australian imports. Australia's economy has been badly hit by escalating trade tensions with China - and it's possible growth might "never return" to its pre-virus levels even when the pandemic is over, according to research firm Capital Economics.

AUSTRALIA - ANNUAL GDP GROWTH RATE



AUSTRALIA'S ONGOING TRADE WAR WITH CHINA

Relations between Canberra and Beijing soured in 2020, after Australia supported a growing call for an international inquiry into China's handling of the coronavirus pandemic. More restrictions by Beijing could come, including exports of gold, alumina – a type of material for industrial usage – and a "vast range of smaller items," the report said.

The one bright spot for Australia is that it is the world's largest producer of iron ore, another commodity that has been under the spotlight as Australia-China tensions rose. However, Iron ore exports would likely continue to be spared, given that half of China's needs are being met by Australia. China imports 60% of its iron ore from Australia, and is heavily dependent on the commodity which is used to make steel. Analysts say the lack of alternatives available could be why iron ore has been spared from the tariff fight so far. Iron ore prices recently spiked as demand from China rose, and have been further stoked by dwindling supply and disruptions caused by storms hitting Australia. China's problem is that It would not be possible for China to source all of its current needs without Australia.

UNITED STATES ECONOMIC OUTLOOK

Last-minute US$900 billion Covid-19 stimulus cheques are set to grow the US economy by as much as 5% of GPG annually. Total US Debt surpassed US$27 trillion in October, with about ⅔ of that held personal debt. This is double what it was in 2010.

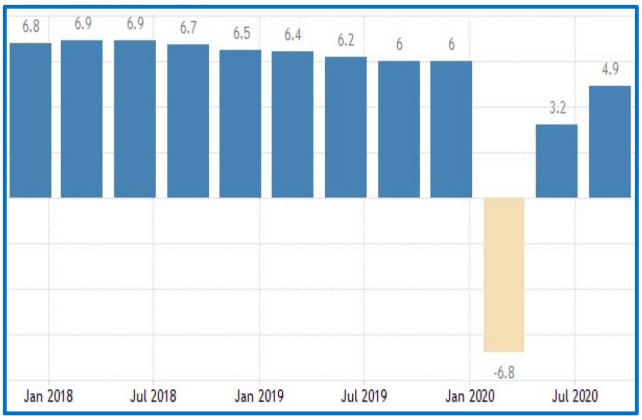
UNITED STATES - ANNUAL GDP GROWTH RATE

Former Vice President Joe Biden has won the presidency and a clear mandate to govern following the highest-turnout election since before universal suffrage. But voters were less kind to his allies in the Democratic Party, apparently reducing their majority in the U.S. House of Representatives to single digits and electing a U.S. Senate that will be evenly divided (following the two run-off elections in Georgia). As a result, Congressional Republicans – who spent the last four years indulging the Trump administration with trillions of dollars in unfunded tax cuts and spending increases – will surely use the unprecedented budget deficits President-elect Biden inherits as pretext to try to stymie his ambitious economic agenda. However, Biden has a unique ability to work across the aisle and demonstrate that his objectives can be accomplished in a fiscally responsible way, in order to overcome this conservative opposition.

Thanks to the pandemic recession caused by the coronavirus, almost one out of every two dollars spent by the federal government in Fiscal Year 2020 was financed with borrowed money instead of tax revenue. This US$3.3 trillion deficit was equivalent to 16% of gross domestic product – the largest deficit since World War II.

CHINESE ECONOMIC OUTLOOK

CHINA - ANNUAL GDP GROWTH RATE



CHINESE AGGRESSIVE MILTARY STANCE

Under Chairman Xi Jinping, China's military capabilities have exploded. It has ramped-up military pressure on Taiwan. It is holding regular large-scale military exercises in the East and South China Seas. Its rhetoric is certainly severe: "*We will not allow anyone, any force to infringe upon and separate China's sacred territories*," its defence ministry declared in November. Trouble is, many of those territories are also sacred to others. History tells us about previous aggression. In 1962, China clashed with India and, just a few months ago, border clashes with India resulted in casualties for both sides. In 1969, a dispute with Russia turned violent. In 1974, it seized Vietnamese islands in the Paracels. This escalated to a major conflict in 1979. The two nations clashed again in 1988, this time in the Spratly Islands.

Stanford University International Studies analyst Dr Oriana Mastro told a Centre for Strategic and International Studies (CSIS) debate she's convinced a clash is coming, soon. "*China does not seem to be preparing for peace*," she says. "*Its weapons are not defensive. Whether it is projecting power with its surface vessels or its commissioning of multiple aircraft carriers, what we can clearly see is they are building a military to use force to take the territory that they consider their own.*

"The leadership is not happy with the status quo. But as China becomes more and more powerful militarily, they've become more and more comfortable using military tools to achieve their goals."

China has sea disputes with the Philippines, Vietnam, Japan, Malaysia, Indonesia, Brunei, South Korea, Singapore and Taiwan. It has land disputes with Russia, India, Nepal, Bhutan, Laos, Mongolia, Tibet and Myanmar. But the intended audience isn't those neighbours. It's the rest of the world. It wants to plant the seed of plausible deniability in the minds of the international community.

China is a rising power that has been ideologically rejected by the US and the West. The countries that have territorial disputes with China also sympathise with each other. If China does decide to go to war with a neighbouring force, the international community will tend to favour the weaker side. Whether or not these moves are justified, the moral risks are high. But does the Communist Party leadership believe the risk is worth it?

Beijing is yet to be deterred from its step-by-step territorial advances. "*The odds are against peace*," Mastro says. "*Chinese platforms will most likely come into contact with those of the United States or its allies. And this will lead to the destruction of property and deaths that – especially in today's political climate – could escalate to war*."

Chairman Xi, like most authoritarians, has built his power on a sense of national pride. To maintain power, he must produce results. We know that Xi Jinping is very nationalistic, and he has said many times, for example, that reunification with Taiwan is a necessity for the rejuvenation of the Chinese nation. This rejuvenation of the Chinese nation has become the source of legitimacy for the Communist Party. It's no longer economic growth alone."

POKING THE STICK AT AUSTRALIA

Beijing has been making a great display of its disagreements with Australia. Its economic coercion tactics have been blatant and extensive. They're tactics they've used before against the likes of South Korea and Japan. China has pursued these activities for two reasons. They're low cost and effective, and they did not have other means of doing so.

Xi Jinping has articulated that during his tenure that he wants to see more than just the status quo, so he has worked very hard with foreign policy, with economic leverage to ensure that the costs would be acceptable in case that he uses force. And those calculations include the United States and the influence of the West in Asia.

At this point, the Chinese military (believes) there are contingencies in which the United States would not involve itself, like against Vietnam or India, and this would hurt the US role in the region. Or where the United States would involve itself, and China would prevail. This is a huge boon and benefit for Xi Jinping.

Southeast Asian nations are being driven together to oppose Mr Xi's assertiveness.

But, while Australia and the United States have declared Beijing's actions in the South China Sea illegal, the rest of the world remains mostly apathetic.

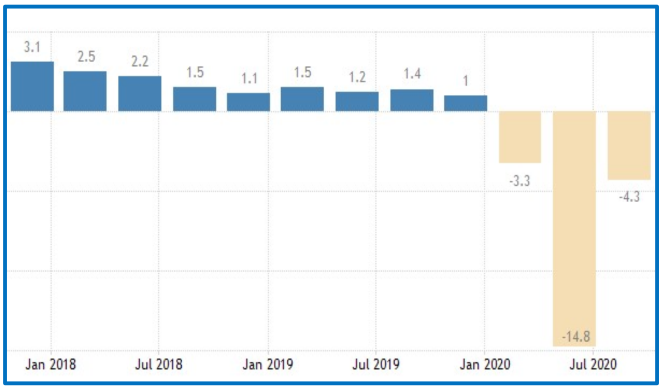
Where does this place New Zealand, who have become so reliant on China for our export earnings?

UNITED KINGDOM ECONOMIC OUTLOOK

Boris Johnson has (against the odds) got Brexit done. However, there will be "*bumpy moments*" for UK businesses and travellers as they get to grips with new EU rules, says government minister Michael Gove. He said there would be "*practical and procedural changes*" with the Brexit transition period having ended on 31 December.

The bottom line is that Britain has bigger short-term problems (this new virulent strain of Covid-19) than just transiting out of the EU. 2021 will not be easy for our English cousins, no matter how you look at it.

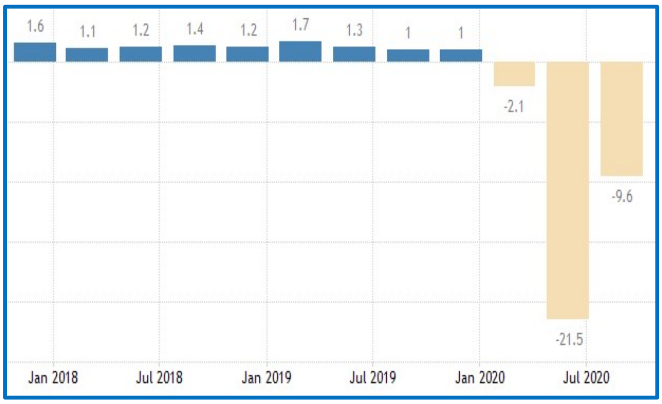
UNITED KINGDOM - ANNUAL GDP GROWTH RATE



EU ECONOMIC OUTLOOK

Macro risks associated with the devastating Covid-19 pandemic have loomed over global markets and economies for nearly a year, and will continue for at least several months. But beyond this dark tunnel, a more normalized environment looms, driven by fundamentals. Economists are predicting a slow but steady reversal for the EU, albeit that it could still remain past 2021 before we see any substantial reversal. This third wave of the pandemic has shaken the Eurozone to its core.

EUROZONE - ANNUAL GDP GROWTH RATE



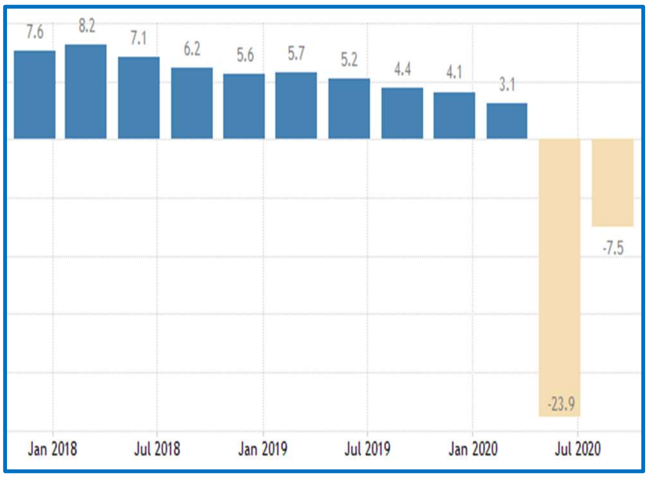
Brexit's biggest disadvantage is its damage to the U.K.'s economic growth. Most of this, however was due to the uncertainty surrounding the final outcome.

The Brexit vote has strengthened anti-immigration parties throughout Europe. If these parties gain enough ground in France and Germany, they could force an anti-EU vote. If either of those countries left, the EU would lose its most robust economies and would dissolve. On the other hand, new polls show that the majority of EU citizens still strongly support the Union. Almost 75% say the EU promotes peace, and 55% believe it supports prosperity. More than a third see the role of the U.K. as diminishing.

INDIAN ECONOMIC OUTLOOK

The Indian Reserve Bank predicts economy stopped shrinking in October-December quarter, projecting growth of 0.1% in Q3 and 0.7% Q4 (January-March 2021. The central bank, however, cautioned that the positive assessment depends a great deal on the spread of coronavirus in coming weeks, and progress on the vaccine development front. In its monetary policy statement, the RBI said that rural demand will drive economic growth, while urban demand will gain momentum as the government unlocks the economy, spurring activity and employment, especially of the labour displaced by COVID-19.

INDIA - ANNUAL GDP GROWTH RATE



CURRENCIES

NZD/USD & NZD/AUD

SOURCE: Westpac, 21st December 2020

COMMODITIES - OIL

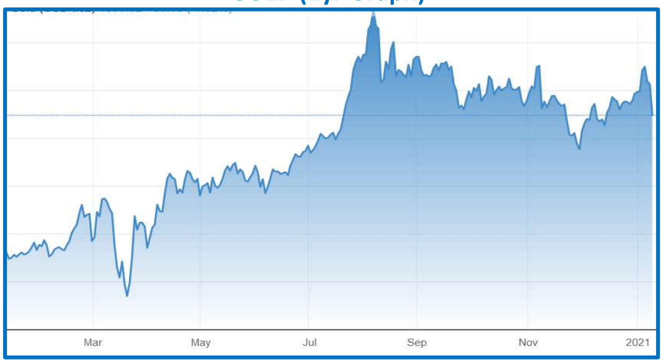
Oil markets have caught some breath in the first week of January, with the international benchmark hovering above $56 a barrel after major oil producers agreed to roll over existing oil output levels into February. Saudi Arabia engaged in voluntary production cuts of 1 million barrels per day in February and March to persuade other members to hold output steady during this period. Supporting prices further were a much bigger-than-expected drop in US crude stocks and a double victory of the Democrats in the Senate in Georgia, which paved the way for more stimulus in the world's largest economy. Also, geopolitical tensions between Tehran and Seoul following the seized of a South Korean Vessel by Iran's Revolutionary Guards in the strait of Hormuz lifted sentiment. As a result, Brent crude has continued its strong rise.

OIL: BRENT CRUDE (ONE YEAR)

GOLD

Gold sank around 3.3% to below $1850 an ounce since New Year, the lowest level in near a month as Senate runoff elections in Georgia and riots in US Capitol pushed the dollar and Treasury yields up. Gold has had a recent reversal, down 2.6%. Still, the precious metal is expected to resume the upward momentum as control by Democrats of both chambers of Congress is paving the way for more fiscal spending to revive the US economy and rise in inflationary pressure.

GOLD (1yr Graph)



BITCOIN

Bitcoin volatility makes investing in this commodity highly risky – if you can find a "safe" investment conduit. Some say that Bitcoin will replace Gold as a "reserve" currency, and JP Morgan is actually predicting Bitcoin could reach US$146,000 over the longer term. This is based on the assumption that the cryptocurrency will grow in popularity as an alternative to gold.

I did try (unsuccessfully I might add) to buy Bitcoin at just over US$4,300 in March 2020 - only to see it pass US$40,000 post Xmas! Unfortunately, the site I selected proved to be a scam site! Fortunately, my $800 trial investment only cost me a loss of $80 !

BITCOIN (5yr Graph)

AGRIBUSINESS – LOOKING FROM THE OUTSIDE IN

HORTICULTURE

Year to 30 June	1994	2002	2003	2005	2007	2009	2011	2012	2014	2017	2019
Total apples (hectares)	15257	11717	12150	10982	9247	9284	8995	8845	8417	8615	9761
Total kiwifruit (hectares)	12174	11841	12271	12071	13080	13287	13066	12757	10979	11705	14922
Total avocados (hectares)	1375	3106	3235	3400	4004	4117	3976	4149	3893	3979	4520
Total wine grapes (hectares)	7160	17300	19646	24793	29616	33422	34060	34562	33761	33981	35970
Total olives (hectares)	..	2612	2732	2433	2173	2016	1792	1657	1325	921	889
Total onions (hectares)	4929	5621	5748	4931	4594	4511	5142	5718	5067	6009	5920
Total potatoes (hectares)	9524	11082	10931	10850	10050	11398	10724	11578	9163	9450	10317
Total squash (hectares)	7509	6560	6804	6981	7774	6825	6467	6837	6501	5794	6783

BEEF CATTLE NUMBERS CONTINUE TO INCREASE

The number of beef cattle increased for the fourth year in a row in 2020, while the national dairy herd and sheep flock have both continued to fall in recent years, Stats NZ said recently.

Provisional figures from the 2020 agricultural production survey showed beef cattle numbers increased 2%, to 4 million in June 2020, returning to levels last seen a decade ago. Beef prices have generally remained strong and supported the increase in beef cattle numbers since 2016. There are now a lot more steers than there were a few years ago, and the beef breeding herd (beef cows and heifers in calf) has increased significantly.

There were 1.2 million steers as at 30 June 2020, an increase of 180,000 or 18% since 2016. In the same period the beef breeding herd increased by 111,000 or 12%. Total beef exports were worth about $3.8 billion in the year ended June 2020, up from $3.3 billion the year before.

DAIRY CATTLE NUMBERS

Dairy cattle numbers peaked at 6.7 million in 2014 but have since fallen by more than half a million to 6.1 million in 2020. The annual value of dairy product exports shot up to almost $16 billion in 2014 when international prices were high, before falling back to about $12 billion in the following few years; returning to more than $16 billion in 2020. However dairy export volumes remained relatively steady in the past five years, despite a smaller dairy herd. The milking herd (the number of dairy cattle in milk or calf) at 30 June 2020 was 4.7 million, down by 3% from the previous year.

SHEEP FLOCK DIPS AGAIN

At 30 June 2020 there were 26.2 million total sheep, down 700,000 or 2% from the previous year. "The number of sheep has been falling since 2012. While there have been increases in the total number of sheep in some years, total sheep has been falling more generally since 1982. Dry summer conditions in several North Island regions contributed to this year's decrease.

New Zealand now has 5 sheep for every person, after peaking at 22 sheep for every person in 1982.

The value of sheep meat exports almost reached $4 billion in the year ended June 2020, up from $3.8 billion in the previous year. Lamb prices per head rose in 2017 with annual average levels higher than earlier in the decade.

GOVERNMENT FALSELY BLAMES FARMING

Our Labour Government has been accused of using selective freshwater quality data and analysis to mislead public opinion on the true health of our waterways.

Federated Farmers says the Government's freshwater quality analysis is so deficient and its public statements so selective that it misleads the public to believe our waterways are worse than they actually are.

Government's "Our Freshwater 2020 report" provides examples of the Ministry for the Environment and Statistics New Zealand using selective data in press statements on reports on the state of freshwater.

Federated Farmers is calling on the MfE and StatsNZ to publicly correct or clarify assertions they have made and to change their methodology. They say a press release related to the 2015 Environment Aotearoa report from the MfE and StatsNZ stated water quality was declining, while headlines in the Freshwater 2020 (FW2020) document from the same agencies asserts freshwater species are in decline and freshwater habitats are degraded.

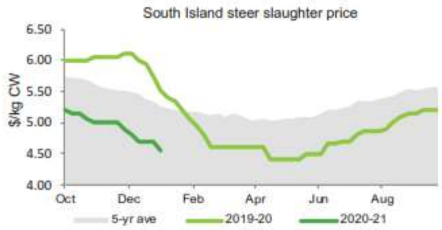
The federation's analysis says these statements are not backed by evidence in the reports.

Primary Industries Export Revenue (NZ$ million)	2015	2016	2017	2018	2019	2020	2021 F	2022 F
Dairy	14,050	13,289	14,638	16,655	18,107	20,135	19,210	20,140
Meat and Wool	9,000	9,200	8,355	9,542	10,176	10,678	9,800	10,090
Forestry	4,683	5,140	5,482	6,382	6,883	5,539	5,990	6,150
Horticulture	4,185	5,000	5,165	5,392	6,134	6,501	7,090	7,200
Seafood	1,562	1,768	1,744	1,777	1,963	1,855	1,830	2,020
Arable	181	210	197	243	236	290	305	310
Processed foods & other	2,417	2,714	2,639	2,709	2,854	3,003	3,280	3,310
Total	38,093	39,337	40,237	44,718	48,372	50,021	47,505	49,220
% Change year on year	-6.8%	3.3%	2.3%	11.1%	8.2%	3.4%	-5.0%	3.6%

Cattle

BEEF

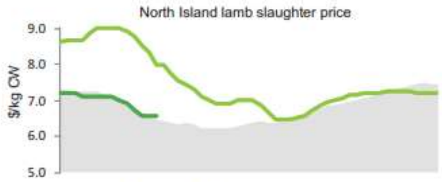
Slaughter price (NZ$/kg)	Last week	Prior week	Last year
NI Steer (300kg)	4.90	5.00	5.70
NI Bull (300kg)	4.90	4.95	5.80
NI Cow (200kg)	3.50	3.60	4.30
SI Steer (300kg)	4.65	4.70	5.40
SI Bull (300kg)	4.70	4.70	5.70
SI Cow (200kg)	3.45	3.50	4.25
Export markets (NZ$/kg)			
US imported 95CL bull	6.94	6.98	8.03
US domestic 90CL cow	6.94	6.44	8.00

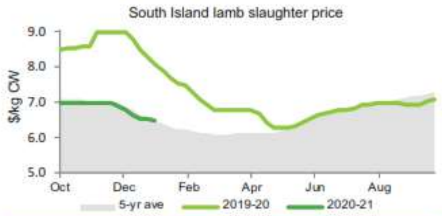


Sheep

SHEEP MEAT

Slaughter price (NZ$/kg)	Last week	Prior week	Last year
NI lamb (17kg)	6.60	6.60	8.00
NI mutton (20kg)	4.85	4.80	5.70
SI lamb (17kg)	6.50	6.55	7.90
SI mutton (20kg)	4.80	4.80	5.55
Export markets (NZ$/kg)			
UK CKT leg	9.49	8.97	11.45





WOOL

(NZ$/kg)	Last week	Prior week	Last year
Coarse xbred ind.	2.02	2.02	2.76
37 micron ewe	-	-	-
30 micron lamb	-	-	-

Deer

VENISON

Slaughter price (NZ$/kg)	Last week	Prior week	Last year
NI Stag (60kg)	5.50	5.50	8.50
SI Stag (60kg)	5.60	5.60	8.50

Fertiliser

FERTILISER

NZ average (NZ$/t)	Last week	Prior week	Last year
Urea	607	607	616
Super	300	300	314
DAP	799	799	787

Dairy

Data provided by NZX

MILK PRICE FUTURES

DAIRY FUTURES (US$/T)

Nearby contract	Last price*	Prior week	vs 4 weeks ago
WMP	3210	3230	3270
SMP	2835	2830	2825
AMF	4140	4100	4050
Butter	3500	3460	3430
Milk Price	7.04	7.04	7.00

* price as at close of business on Thursday

WMP FUTURES - VS FOUR WEEKS AGO

DOLLAR KNOCKS FARM GATE PRICES

As the new year gets underway, there's keen interest in understanding where farm gate prices are at. Simply put, livestock slaughter prices have started off 2021 in a more structured, settled position than this time last year. Prices have shown some marginal downside over the holiday period, but nothing to the extent witnessed this time last year.

Last January there was little awareness of covid-19 or what it meant, but farm gate returns for sheep and cattle were plummeting for other reasons. The overheated export market in December 2019, driven largely by insatiable demand from China, reinforced the theory of what goes up must come down. But, in this case it was in dramatic fashion. There was very little festive cheer 12 months ago. AgriHQ data shows lamb and beef prices were slashed by 50-60c/kg over the Christmas break, as processors scrambled to realign farm gate prices with export prices. Unfortunately, it didn't stop there as processing backlogs ballooned and returns continued to fall week on week.

Fast-forward to now and there is an expectation that having survived 2020, this year can only get better. The relatively stable market environment that we are experiencing is a good start. The overseas markets that NZ's red meat exports rely so heavily on are yet to fully awaken, but the general feeling so far is that things have started off better than expected, although caution remains a key element at this early stage. Overseas beef prices have nudged higher and demand for chilled lamb is gathering pace while being supported by firm interest for frozen cuts and mutton carcases. Current farm gate prices for beef are sitting below average levels, while lamb prices are only just keeping their head above average levels, suggesting prices are nearing the bottom.

NEW ZEALAND EQUITIES

JARDEN'S NZ QUALITY PORTFOLIO

Ticker	Company Name	Weight	Gross Dividend Yield	Sector
ATM	A2 Milk	7.1%	0.0%	Consumer Staples
FPH	Fisher & Paykel Healthcare	6.7%	1.8%	Health Care
FRE	Freightways	8.2%	5.2%	Industrials
GMT	Goodman Property *	7.2%	2.3%	Real Estate
KMD	Kathmandu	5.8%	6.2%	Consumer Discretionary
MEL	Meridian Energy	8.6%	3.4%	Utilities
MFT	Mainfrieght	8.3%	1.5%	Industrials
OCA	Oceania Healthcare	6.4%	2.7%	Health Care
PCT	Precinct Properties *	5.4%	3.8%	Real Estate
POT	Port of Tauranga	6.5%	2.1%	Industrials
SAN	Sanford	3.7%	0.0%	Consumer Staples
SCL	Scales Corporation	5.3%	5.4%	Consumer Staples
SKL	Skellerup	8.0%	5.2%	Industrials
SPG	Stride Property *	5.9%	4.5%	Real Estate
SPK	Spark	6.9%	7.6%	Communication
		100.0%	3.5%	

PERFORMANCE

	Div Yield %*	PE Ratio (x)	Gross Returns %				Since Inception
	Pros	Pros	November	3 Month	6 Month	1 Year	(pa)
NZ Quality Portfolio	3.5	31.2	3.6	8.3	22.1	13.5	20.3
Benchmark **	3.9	29.4	6.2	11.4	21.9	11.9	16.2

Notes: *Dividend yields are 12-months prospective and are gross of tax. **Benchmark is the S&P/NZ50 Portfolio Index Gross with Imputation. Portfolio inception date is 30/4/2019.

INVESTMENT PROCESS

Jarden recommends this portfolio and provides historical performance data for it. However, the data must be seen as historical only and is not necessarily an indicator of future performance.

- The New Zealand Quality Portfolio is reviewed quarterly to consider stock selection and strategy.
- The results of the review will be reflected in the recommended portfolio and communicated quarterly. Portfolio performance updates will be provided monthly.

PORTFOLIO STRUCTURE

- While investment performance is measured against the S&P/NZX50 Portfolio Index Gross with Imputation, the portfolio weightings are expected to deviate significantly from that of the Index.
- Securities are selected to ensure good diversification by sector and market capitalisation. In order to manage
- sector risk and prevent excessive risk the sector exposure of the portfolio versus the benchmark. No sector should deviate from the benchmark by more than +/-12.0%. We want to avoid having a portfolio which is overrepresented by small market capitalisation securities.
- The portfolio is ideally suited for investment amounts of around $250,000 or more.
- The portfolio contains around 15 securities (14-16 securities) on a best endeavours basis to be equally
- weighted (i.e. 6.7% each). However, as the portfolio is not reweighted at each review the weightings will drift up and down over time based on the relative equity performance. When a security's weighting moves above
- or below 6.7%+/-2% then it must be reviewed, with the potential to reweight it back to 6.7%. When a security's weighting moves above or below 6.7%+/-3% then it must be reweighted back to 6.7%.
- The NZ Quality portfolio is created with a focus on "quality" and is constructed to provide diversification.
- There is no focus on valuation. Consequently, it is not unusual for the portfolio to include securities which are rated 'underperform' by Jarden.

HOW TO USE THIS MODEL PORTFOLIO

This model portfolio can either be used as a recommended list or as a guide for portfolio construction.

Jarden doesn't recommend that users of the "Quality" model portfolio constantly adjust portfolio weightings as stock prices change, to the recommended stock weightings. They recommend that a stock weighting be reweighted to the recommended level once the weighting deviates by more than the maximum of 1% or a minimum trade size of around $5,000. Therefore, larger portfolios have more ability to rebalance closer to the recommended weightings.

DEFINING "QUALITY"

There are numerous investment styles employed by investors. Some of the better known investment styles are value, growth, momentum, income, passive, large cap (capitalisation), small cap and quality. In addition, some investors may use a combination of investment styles. Of these investment styles "quality" is probably the hardest to define, as quality criteria tend to be largely subjective.

Warren Buffet once defined quality companies as those companies that can be run by idiots because some day they will be. Other investors will focus on the following four factors relating to the company being considered for investment:

1. The company's market position – How does it distinguish itself from its peers? Does it have a leading market position? Does the industry that it is in offer good growth potential? Is the company well positioned to benefit from global trends in the industry in which it operates?
2. The company's business model – Does it have an established value chain? Does it have a strong product portfolio? What are its competitive advantages? How geographically diverse is it?
3. Corporate governance – How well is the company run? Is the management team experienced and well regarded? What is the management team's track record? How independent is the Board of Directors? Does the Board have an appropriate mix of skills? Are the Directors well regarded? Is there excessive turnover of management personnel?
4. Financial strength – Is the balance sheet robust? Is the profitability of the company sound? Does the company have good cash flow generation? Does the company have quality earnings, or are they inflated by one-off items or fancy accounting? Are the earnings able to be replicated year after year?

PORTER ANALYSIS

Another way of assessing whether a company is "quality" or not is through Porter's analysis. This analysis framework was developed by Michael Porter and considers five forces:

1. Supplier Power – This considers the power that a company's suppliers have over it. Ideally a company wants multiple suppliers and security of supply.
2. Buyer Power – This is the flip side of Supplier Power. Ideally a company doesn't want to be beholden to a few large customers or have customers which can easily switch to a competitor.
3. Market Rivalry – How competitive is the market in which the company operates? How strong is the company to be able to withstand the competitive pressures? What pressure can competitors bring to bear?
4. Threat of New Entrants – What are the barriers to entry for new entrants to the industry?
5. Substitute Products – Are there any products which fulfil a similar need?

We note that Porter Analysis doesn't directly consider corporate governance.

QUANTITATIVE "QUALITY" SCREEN

Rather than following these largely qualitative criteria, the starting point for creating this NZ Equity Quality portfolio was a quantitative screen (described below) of all the companies researched by Jarden. Based on a number of proven "quality" factors we undertook a large amount of back testing to find the factors which worked best in New Zealand and the relative importance of the factors selected.

The most important factors are:

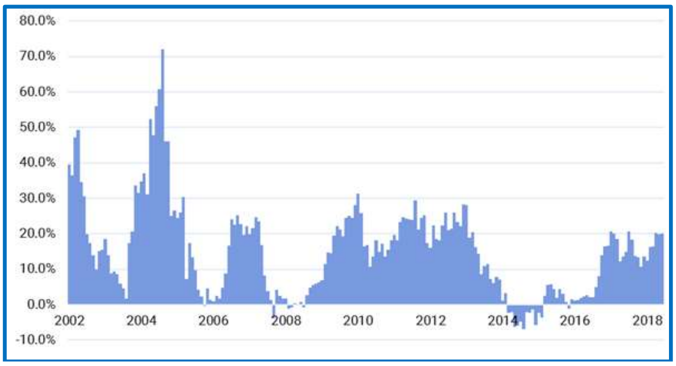
1. The level of gearing as measured by debt/total assets.
2. Share price volatility over the past year.
3. Cash flow variation over the past five years.

The relevant but less important factors are:

1. Cash flow to assets.
2. Accruals relative to the past five-year average accruals.
3. Profit margin (EBIT/sales).

On a purely quantitative basis the back testing of this quality screen produced a 15-stock portfolio which produced the following outperformance relative to the NZ equity market, as measured by the S&P/NZX 50 Gross (NZ50G) index.

ROLLING 12-MONTH OUTPERFORMANCE versus NZ50G



This performance should be viewed as **illustrative only** as it equally weights the equities held and assumes a high level of portfolio turnover. In addition, the portfolio is completely unconstrained.

"QUALITY" PORTFOLIO CONSTRUCTION

The portfolio was selected from those equities which scored highest on the "quality" screen, subject to the equity successfully passing the following constraints and checks. Companies with limited liquidity (defined as median weekly liquidity less than $1 million per week) were excluded. Each of the equities selected was checked to make sure that the screening process hadn't inadvertently thrown up rouge equities which on closer examination could not be regarded as quality. Two types of equities were overrepresented in the screening process – property and electricity generation companies. To ensure adequate diversification the exposure to each of the property and electricity generation sectors was capped at a +/-12% deviation from the benchmark.

DIMINISHED INVESTMENT RETURNS

In May 2020, Jarden published our latest long-term investment return assumptions. The adverse economic impact of the measures taken to supress the spread of Covid-19, the impact of the massive support measures (both by central banks and governments) and the impact on financial markets saw us further reduce their long term return assumptions.

They were not alone in doing this. The lower expected returns pose a quandary for investors, particularly for those who require an investment return that is higher than that expected. Jarden reviews investors options to boost returns below but warn that there is no easy answer.

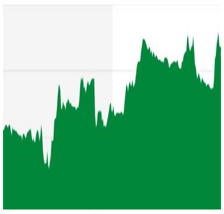
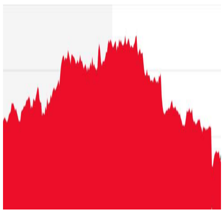
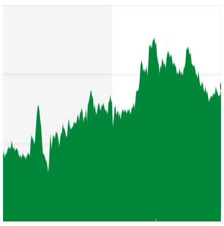
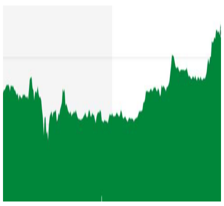
One solution is to increase the proportion of the investment portfolio invested in higher returning assets such as equities. This would be a great solution if the risk (risk reflects the range of potential investment returns that might arise, both positive and negative) associated with investing in equities had reduced. They do not believe that it has. For example, the graph below shows that risk associated with global equities has fluctuated

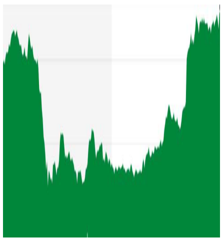
materially over short time periods. However, over the longer term (past seven years or so) Jarden has observed that the long-term risk associated with global equities has been relatively stable at around 14.5%. Furthermore, a sharp bounce in short term volatility over the past two years suggests that the recent trend of falling long term volatility will be short lived. Not surprisingly, a similar pattern is seen for New Zealand and Australian equities.

Therefore, while increasing the proportion of the portfolio invested in equities should result in a higher investment return, it also results in a riskier portfolio. Some investors will have a risk profile which allows them to accept greater risk. However, many investors will not. They should accept that their investment returns will likely be lower as taking on greater risk than they can bare could result in a poor investment outcome.

STOCKS TO WATCH NEW ZEALAND

Prices as at 8th January 2021

ALL GRAPHS ONE YEAR 	**AFT Pharmaceuticals** Despite the tough operating environment, underlying sales growth was still +9% on the pcp. COVID-19 created disruption across the board in addition to the ability to get licensing deals done. Jarden's Target Price is unchanged at $6.50, with their OUTPERFORM rating being retained on valuation support, and continued momentum across the Maxigesic product suite, as well as steady growth in the ANZ product portfolio. Key risks include out-licensing execution, clinical trials, regulatory change, and competition. 2021 P/E: 37.6 2022 P/E: 24.2	**NZX Code:** AFT **Share Price:** $5.20 **12mth Target:** $6.50 **Projected return (%)** Capital gain 25.0% Dividend yield (Net) 2.0% **Total return 27.0%** **Rating: OUTPERFORM** 52-week price range: 3.09-5.65
	**A2 Milk** ATM has issued a material profit warning, cutting its previous 1H21 rev. to $670m (was $725m to $775m) and FY21 rev. to between $1.4bn and $1.55bn (was $1.8bn to $1.9bn). Margin 26-29% (was c.31%). The key issue continues to be the COVID-19 induced disruption to the daigou channel, which is now having some flow on effect on the CBEC channel as well. The only silver lining was MBS volumes continuing to grow well (albeit FX has dented value growth, post Aug), brand health metrics remain strong (but not disclosed), and liquid milk in Australia and the US also performing well. 2021 P/E: 31.3 2022 P/E: 25.3	**NZX Code:** ATM **Share Price:** $11.68 **12mth Target:** $12.20 **Projected return (%)** Capital gain 4.5% Dividend yield (Net) 0.0% **Total return 4.5%** **Rating: NEUTRAL** 52-week price range: 10.46-21.74
	**Chorus** CNU provided opex and capex forecasts for regulated services, indicating where it sees current regulatory revenue. CNU has had differences of view on regulatory inputs through this and previous processes. On the info disclosed Jarden sees potential debate around labour cost apportionment; incentives and level of stay in business capex on a new network. Against their high level input model (they continue to qualify as incomplete) they see the regulatory revenue bucket higher than they were factoring, reducing the value of the non-regulatory business; and opex at around but slightly below what they were factoring with scope to be pushed down through the process next year. 2021 P/E: 50.1 2022 P/E: 55.5	**NZX Code:** CNU **Share Price:** $8.05 **12mth Target:** $7.75 **Projected return (%)** Capital gain -3.7% Dividend yield (Net) 4.9% **Total return 1.2%** **Rating: NEUTRAL** 52-week price range: 5.54-8.05
	**EBOS Group** Jarden likes EBO's modest organic growth outlook and execution track record. Stronger 1H trading vs. Jarden's initial expectations for FY21 coupled with moving to a lower ACC framework has created stronger valuation support to lift their rating to OUTPERFORM (from Neutral). Bolt-on acquisitions, a potential COVID-19 vaccine distribution and the return of daigou for consumer products are all elements of further potential upside. 2021 P/E: 21.2 2022 P/E: 19.9	**NZX Code:** EBO **Share Price:** $28.70 **12mth Target:** $29.20 **Projected return (%)** Capital gain 1.2% Dividend yield (Net) 3.5% **Total return 4.7%** **Rating: OUTPERFORM** 52-week price range: 18.42-29.62



Fletcher Building

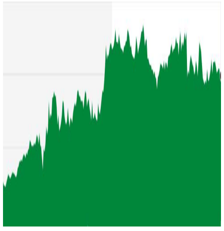
Jarden forecasts $527m EBIT for FY21, implying just $210m 2H EBIT, a little low when the development land sale gains of $35m are accounted for and the current robustness in house prices is reviewed. "*This year our key sales are second half weighted and are likely to include sales of land from two sites in Brisbane and Sydney*". Jarden's outlook that FY4Q21 is going to see a falloff in activity Is being challenged by the current resilience in NZ house pricing. Limited line of site on how the supply of land is going to incrementally increase. The centrist nature of the current government hesitating to disrupt the current pricing cycle. Expect the FBU upgrade cycle to continue for the near term at least.

2021 P/E: 18.0 2022 P/E: 15.4

NZX Code:	**FBU**
Share Price:	**$6.02**
12mth Target:	**$4.91**
Projected return (%)	
Capital gain	-18.0%
Dividend yield (Net)	4.4%
Total return	**-13.6%**

Rating: NEUTRAL

52-week price range: 3.05-6.03



Fisher & Paykel Healthcare

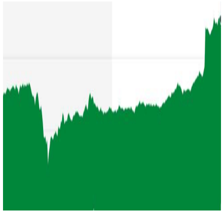
FPH's interim result was strong, with NPAT (+86%) to $226m. Key driver continues to be unprecedented COVID-19 demand through the Hospital division. FY21 guidance still feels conservative. Revenue of ~$1.72bn and NPAT $400-415m assumes Hospital fade from Jan-21 back to normal, which feels conservative and particularly given the ongoing surge in hospitalisations across the US and Europe. Jarden's FY21 NPAT is now $445m and EPS estimates lift +13%/+3%/+1% for FY2123E. Key changes includes stronger installed base and consumables growth, partly offset by higher opex and higher NZD track.

2021 P/E: 45.9 2022 P/E: 40.8

NZX Code:	**FPH**
Share Price:	**$32.55**
12mth Target:	**$31.00**
Projected return (%)	
Capital gain	-4.6%
Dividend yield (Net)	2.0%
Total return	**-2.6%**

Rating: NEUTRAL

52-week price range:21.10-37.89



Infratil

Australia's largest superannuation fund surprise takeover bid for NZX-listed Infratil, offering shareholders a $7.43, and valuing the company at $5.4 billion. The Infratil Board was unimpressed, saying that the offer was well short of Infratil's fair value. IFT holdings includes stakes in Vodafone, Wellington Airport, Trustpower as well as data centres in Australia and renewable energy companies here and in the USA. The offer would have left IFT"s stake in Trustpower with the existing shareholders. Tilt renewables is however up for possible sale. Its stake in Tilt is valued at about $1 billion.

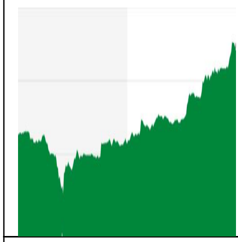
2021 P/E: n.m 2022 P/E: 56.3

NZX Code:	**IFT**
Share Price:	**$7.46**
12mth Target:	**$5.89**
Projected return (%)	
Capital gain	-21.0%
Dividend yield (Net)	2.5%
Total return	**-18.5%**

Rating: OUTPERFORM

52-week price range: 3.00-7.68

IN PLAY - HOLD



Mainfreight

MFT is a diversified transport logistics company, operating in NZ, Australia, USA, Europe and Asia. Mainfreight's competitive advantage in the 2020 year of Covid-19 was to concentrate on looking after its staff. As competitors laid off staff, Mainfreight delivered superior customer service, resulting in a spectacular growth in market share. With MFT continuing to offer an appealing total return 14%, 13% 3-year EPS CAGR, defensive balance sheet and attractive medium-to long term growth prospects.

2021 P/E: 33.7 2022 P/E: 29.3

NZX Code:	**MFT**
Share Price:	**$68.75**
12mth Target:	**$65.00**
Projected return (%)	
Capital gain	-5.8%
Dividend yield (Net)	1.7%
Total return	**-4.1%**

Rating: OUTPERFORM

52-week price range: 24.00-70.00

Port of Tauranga

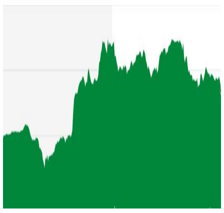
The POT result reflected a turbulent year, but was a strong performance considering the Almost 22% reduction in log exports, and the cancellation of Cruise Liners for the foreseeable future. That said, POT's income is well diversified, with a combination of its monopoly as a key Australasian hub for the Super Container fleet. Its 50% stake in Northport and 100% in Timaru's container terminal, as well as its long-term its agreements with Fonterra and Silver Fern Meats makes POT NZ's key port infrastructure asset. POT should remain a CORE portfolio stock.

2021 P/E: 50.2 2022 P/E: 31.5

NZX Code:	**POT**
Share Price:	**$7.65**
12mth Target:	**$5.20**
Projected return (%)	
Capital gain	-32.0%
Dividend yield (Net)	2.4%
Total return	**-29.6%**

My Rating: BUY ON WEAKNESS

52-week price range: 4.90-8.14



Pushpay Holdings

PPH has allocated an initial investment of resource into developing and enhancing the customer proposition for the Catholic segment of the US faith sector. Focused investment into the Catholic segment represents a significant milestone as it continues to execute on its strategy to become the preferred provider of mission critical software to the US faith sector. PPH expects EBITDAF for FY ending 31 March 2021 of between US$56m and US$60m (previous guidance was US$54m – US458m). In late November, PPH completed the bookbuild for Chris Heaslip and Chris Fowler's $97.9m oversubscribed sell down at a price of $1.79 per share. This followed the 4 for 1 split in November 2020.

2021 P/E: 46.2 2022 P/E: 32.3

NZX Code:	**PPH**
Share Price:	**$1.63**
12mth Target:	**$2.30**
Projected return (%)	
Capital gain	41.1%
Dividend yield (Net)	4.8%
Total return	**45.9%**

Rating: OUTPERFORM

52-week price range: 0.59-2.42

Ryman Healthcare

RYM continues to present an unattractive risk-reward. Retain Underperform. Jarden forecast RYM delivers a broadly flat NPAT result vs FY20 and reflecting their expected b ounce back in sales and earnings in FY22 a 10% 3-year EPS CAGR. However, we believe this attractive near-term growth profile is more than factored into RYM's share price; trading at ~3.1x P/NTA we see RYM as offering an insufficiently attractive entry po int with better relative risk/reward elsewhere in the sector. Their target price decreases to $11.50, from $12.00, reflecting a combination of modest near-term earnings revisions of +2.0%/-0.6%/-2.1% for FY21-23E and higher than expected net debt.

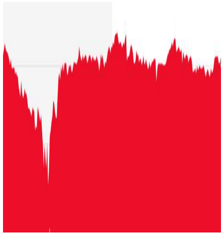
2021 P/E: 31.7 2022 P/E: 25.1

NZX Code:	**RYM**
Share Price:	**$15.75**
12mth Target:	**$11.50**
Projected return (%)	
Capital gain	-27.0%
Dividend yield (Net)	2.0%
Total return	**-25.0%**

Rating: UNDERPERFORM

52-week price range: 6.61-17.10

Scales Corporation



FY20 guidance reaffirmed lower end of $30-36m. Jarden is estimating $31m. As expected, With the earnings mix differing from previous years, with likely a stronger performance in Pet Food offsetting difficulties in horticulture from the lockdown implications on apple prices, particularly in China earlier in the year. SCL will pay a dividend of no less than 19cps (as expected) and in net cash. This should provide some downside support to recent weaker forward guidance. FY21 guidance has also been provided, with Group underlying NPAT of $30-36mn, vs. Jarden of $37.2m. At the midpoint this represents a 10% downgrade to Jarden's current forecasts – the caveat on SCL typically guiding conservatively ahead of the actual happening and given a range of macro factors that inherently difficult to forecast. Key assumptions underlying the FY21 guidance include SCL having sufficient labour to meet requirements, however the industry undertakings for more NZ workers will increase operating costs (RSE supply will relatively less - recent announcement of 6,000 vs. 10,000 at peak periods in previous years). Also Business units expecting similar year on year performance with improved apple market returns in Asia (i.e. price offsetting cost).

2021 P/E: 22.7   2022 P/E: 19.9

NZX Code:	**SCL**
Share Price:	**$4.91**
12mth Target:	**$5.40**
Projected return (%)	
Capital gain	9.5%
Dividend yield (Net)	5.5%
Total return	**15.0%**
Rating: OUTPERFORM	
52-week price range: 3.30-5.35	

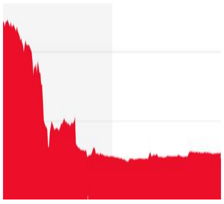
Skycity Entertainment Group

Jarden's 12% Target Price increase to $3.35 reflected a stronger earnings base, time value of money and moving to a revised WACC framework, which assumes lower interest rates for longer, partly offset by lower inflation assumptions including TGR. On the positive side, solid trading momentum, reiteration of current strategy, return to dividends focus vs. the uncertainty created by sudden management changes. Key downside risks include (1) COVID related shutdowns; (2) economic conditions; and/or (3) execution of remaining capital projects/current strategy.

2021 P/E: 28.3   2022 P/E: 22.1

NZX Code:	**SKC**
Share Price:	**$3.18**
12mth Target:	**$3.34**
Projected return (%)	
Capital gain	5.7%
Dividend yield (Net)	5.4%
Total return	**11.1%**
Rating: OUTPERFORM	
52-week price range: 1.14-4.15	

Sky Network Television

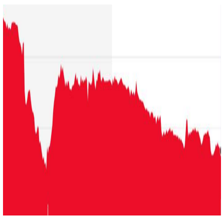


SKT has entered the broadband market with a reasonable prospect of some success. Having resisted it for some time; failed to achieve it through a merger with Vodafone and now finally launching into a mature and reasonably stable broadband market, SKT has t he potential to have some impact. SKT's access inputs on equivalent terms its significant embedded customer base and its likely approach on pricing give it a good chance of achieving success. Encouraging as this shift in guidance is, breaking through the top end of revenue guidance would start to make things more interesting. Jarden sees two catalysts for SKT. The first de-risks the investment proposition and is core revenue stabilisation (ignoring broadband revenue – Jarden sees gross margin breakeven with limited additional operating costs as the financial goal). Jarden remains cognisant of the cannibalisation risk that comes now SKT has a good streaming offering - leveraging broadband to add value to premium subs cannot come soon enough.

2021 P/E: 50.8   2022 P/E: n.m.

NZX Code:	**SKT**
Share Price:	**$0.158**
12mth Target:	**$0.18**
Projected return (%)	
Capital gain	13.9%
Dividend yield (Net)	0.0%
Total return	**13.9%**
Rating: NEUTRAL	
52-week price range: 0.125-0.75	

Synlait Milk



SML has now issued a material profit warning, which factors in the prior warning from key infant formula customer ATM in December (Limited daigou visibility, down to Neutral for ATM). The key driver being the COVID-related daigou disruption with the open question being whether this channel can be re-booted with CBEC improvement and/or additional margin support. The updated guidance from SML includes the following assumptions: (1) IFC volume to be c.35% lower than FY20 at c.32k MT and (2) NPAT down 50% on FY20 to c.$38m. Target Price down from its previous $6.30.

2021 P/E: 22.5   2022 P/E: 15.7

NZX Code:	**SML**
Share Price:	**$5.00**
12mth Target: ↓	**$4.60**
Projected return (%)	
Capital gain	-8.0%
Dividend yield (Net)	0.0%
Total return	**-8.0%**
Rating: NEUTRAL	
52-week price range: 4.36-9.08	

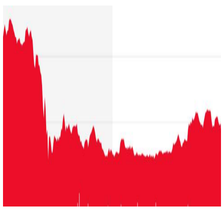
TILT Renewables

Although Jarden didn't expect a potential sale process so soon, they aren't surprised at t he motivation to do so. Very high prices for recent sales of windfarms (including TLT's own Snowtown II) and the IFN takeout by global renewables giant Iberdrola show there is inv estor appetite for these businesses. Strategically, the growing possibility of the Australian states pushing another renewables growth drive means global investor participation is likely to rise, which makes TLT both attractive to entrants and itself at risk of being crowded-out by those same entrants later during the "gold rush" for new build mandates.

2021 P/E: n.m   2022 P/E: n.m.

NZX Code:	**TLT**
Share Price:	**$6.22**
12mth Target:	**$4.38**
Projected return (%)	
Capital gain	-29.9%
Dividend yield (Net)	2.2%
Total return	**-27.7%**
Rating: OUTPERFORM	
52-week price range: 2.70-6.68	
IN PLAY - HOLD	

Z Energy



ZEL markets petroleum products, with petrol (37% of FY20 revenue), diesel (36%), jet fuel (13%) and other products such as LPG, bitumen and lubricants (14% revenue). In November ZEL was rerated following the company's trading update. Covid-19 related impacts were lower than anticipated with total group. Volume had been down 16% in October, primarily driven by continued weakness in Jet volumes. Since then, Z Energy has been a clear beneficiary of economies opening up, supported by positive vaccine related news flow throughout November and December.

2021 P/E: 24.0   2022 P/E: 19.6

NZX Code:	**ZEL**
Share Price:	**$3.14**
12mth Target:	**$4.00**
Projected return (%)	
Capital gain	27.4%
Dividend yield (Net)	10.4%
Total return	**37.8%**
Rating: OUTPERFORM	
52-week price range: 2.50-4.83	

NZ LISTED COMPANIES		Mrkt Cap	Price	Target Price	Price Earnings (x)		Net Yield (%)	
8th January 2021			08-Jan-21					
Source: Jarden, CS Group Estimates	Ticker	(NZ$m)	(NZ$)	(NZ$)	FY20	FY21	FY20	FY21
COMMUNICATION SERVICES								
Chorus	CNU	3,599	8.05	7.75	68.7	51.7	3.0%	3.1%
NZME	NZM	142	0.72	0.80	7.6	6.5	0.00%	6.30%
Sky Network Television	SKT	274	0.16	0.18	4.1	10.3	0.0%	0.0%
Spark NZ	SPK	9,074	4.90	4.62	21.1	22.0	5.10%	5.10%
INFORMATION TECHNOLOGY								
EROAD	ERD	430	5.25	4.64	n.m.	n.m.	0.0%	0.0%
Gentrack Group	GTK	148	1.50	1.40	-7.4	-28.3	0.0%	0.0%
Pushpay	PPH	1,331	1.67	2.30	81.8	39.8	0.0%	0.0%
Serko	SKO	636	5.90	5.44	-65.9	-33.3	0.0%	0.0%
Vista Group International	VGL	370	1.62	2.00	-20.0	37.5	0.0%	0.0%
CONSUMER DISCRETIONARY								
Kathmandu	KMD	908	1.28	1.70	20.1	14.2	0.0%	4.6%
Michael Hill International	MHJ	271	0.75	0.93	20.0	7.2	0.0%	5.7%
Restaurant Brands NZ	RBD	1,435	11.50	12.20	39.5	24.9	0.0%	0.0%
SKYCITY Entertainment Group	SKC	2,417	3.18	3.35	31.9	29.6	3.1%	3.1%
The Warehouse Group	WHS	971	2.80	3.00	12.0	11.2	0.0%	7.1%
Tourism Holdings	THL	366	2.47	2.80	18.3	-14.9	4.0%	0.0%
Turners Automotive	TRA	274	3.20	3.73	13.1	13.9	4.4%	5.3%
CONSUMER STAPLES								
a2 Milk	ATM	8,666	11.67	12.20	22.2	33.2	0.0%	0.0%
Comvita	CVT	217	3.10	3.00	58.4	26.8	0.00%	1.30%
Delegat Group	DGL	1,517	15.00	15.40	24.9	24.2	1.1%	1.2%
Fonterra Shareholders' Fund	FSF	468	4.40	4.20	18.6	14.0	1.1%	3.6%
New Zealand King Salmon	NZK	224	1.61	1.70	19.9	27.0	1.3%	1.0%
PGG Wrightson	PGW	258	3.42	3.30	28.4	17.0	2.6%	4.7%
Sanford	SAN	477	5.10	5.20	22.8	20.2	1.0%	0.0%
Scales Corporation	SCL	699	4.92	5.40	25.9	23.3	3.90%	1.30%
Seeka	SEK	157	4.87	4.53	34.7	20.0	4.8%	7.2%
ENERGY								
NZ Refining	NZR	172	0.55	1.38	-3.4	-6.4	0.0%	1.0%
Z Energy	ZEL	1,638	3.15	4.00	28.6	65.1	5.2%	0.0%
FINANCIALS								
Heartland Group Holdings	HGH	986	1.69	1.33	13.8	11.9	4.1%	4.2%
NZX	NZX	556	2.00	1.50	31.1	30.4	3.2%	3.3%
HEALTH CARE								
AFT Pharmaceuticals	AFT	532	5.13	6.50	94.2	37.1	0.00%	0.00%
Ebos Group	EBO	4,387	28.70	29.20	25.7	22.5	2.7%	3.2%
Fisher & Paykel Healthcare	FPH	18,759	32.55	31.00	65.1	42.1	0.8%	1.4%
Pacific Edge	PEB	725	1.20	1.40	-65.5	n.m.	0.0%	0.0%
Health Care Providers & Services								
Arvida	ARV	949	1.75	1.80	17.1	20.9	3.3%	2.8%
Oceania Healthcare	OCA	929	1.49	1.30	21.2	21.3	2.3%	2.3%
Ryman Healthcare	RYM	7,800	15.60	11.50	32.2	32.7	1.6%	1.5%
Summerset Group Holdings	SUM	2,892	12.64	10.1	31.0	23.7	1.00%	1.30%
TRANSPORT & LOGISTICS								
Air New Zealand	AIR	1,987	1.77	0.80	-31.7	-8.2	6.2%	0.0%
Auckland Airport	AIA	11,766	7.99	5.95	54.2	n.m.	0.0%	0.0%
Freightways	FRE	1,738	10.50	8.50	32.0	25.1	1.4%	3.3%
Mainfreight	MFT	6,920	68.72	65.00	44.3	40.1	0.9%	1.0%
Port of Tauranga	POT	5,210	7.66	5.20	55.7	55.1	1.6%	1.5%
INDUSTRIALS								
Metro Performance Glass	MPG	72	0.39	0.60	6.6	8.3	0.0%	0.0%
Skellerup Holdings	SKL	742	3.80	3.70	25.5	22.4	3.4%	3.8%
BUILDING MATERIALS								
Fletcher Building	FBU	4,962	6.02	4.91	n.m.	17.6	0.0%	1.7%
Steel & Tube	STU	149	0.90	0.82	-39.5	29.5	0.0%	1.7%
REAL ESTATE								
Asset Plus	APL	125	0.35	0.37	11.1	21.4	7.8%	5.2%
Argosy Property	ARG	1,335	1.60	1.55	22.2	20.0	4.0%	4.0%
Goodman Property Trust	GMT	3,151	2.27	2.01	33.7	33.3	2.9%	2.4%
Investore Property	IPL	825	2.24	2.22	29.2	28.5	3.4%	3.4%
Kiwi Property Group	KPG	1,922	1.23	1.28	17.2	19.0	2.9%	4.1%
Precinct Properties NZ	PCT	2,233	1.70	1.87	26.8	26.4	3.7%	3.8%
Property for Industry	PFI	1,456	2.91	2.54	29.0	30.9	2.6%	2.7%
Stride Property Group	SPG	1,111	2.35	2.48	22.8	21.8	4.2%	4.2%
Vital Healthcare Property Trus	VHP	1,699	3.30	2.94	31.7	29.2	2.7%	2.8%
UTILITIES								
Contact Energy	CEN	7,725	10.75	9.03	57.2	50.1	3.6%	3.4%
Genesis Energy	GNE	4,059	3.89	3.45	87.4	55.1	4.4%	4.5%
Infratil	IFT	5,408	7.48	5.89	40.4	n.m.	2.3%	2.3%
Mercury NZ	MCY	10,061	7.39	5.58	61.3	60.0	2.1%	2.3%
Meridian Energy	MEL	23,422	9.14	4.85	73.9	91.2	2.1%	1.9%
TILT Renewables	TLT	2,183	6.22	4.38	5.7	n.m.	0.0%	0.0%
TrustPower	TPW	2,723	8.70	7.04	36.1	32.8	3.7%	3.8%
Vector	VCT	4,260	4.26	3.44	36.1	32.6	3.9%	3.9%
MARKET AVERAGE					**24.8**	**22.9**	**2.1%**	**2.4%**

RANKED BY DISCOUNT / PREMIUM TO VALUATION

LARGEST DISCOUNTS		LARGEST PREMIUMS	
NZ Refining	-60.1%	Air New Zealand	121.3%
Metro Performance Glass	-33.3%	Meridian Energy	93.6%
Kathmandu	-25.3%	Port of Tauranga	44.2%
Pushpay	-24.3%	Tilt	41.6%
Z Energy	-20.5%	Ryman Healthcare	32.6%
Michael Hill International	-19.4%	Auckland Airport	30.6%
AFT Pharmaceuticals	-19.1%	NZX	30.7%
Vista Group	-19.0%	Infratil	29.0%
Pacific Edge	-15.0%	Mercury	29.0%
Turners Automotive	-14.2%	Heartland Group	26.3%

RANKED BY FY21 NORMALISED P/E

LOWEST RATIOS		HIGHEST RATIOS	
Michael Hill International	7.3	Infratil	3454.5
NZME	7.7	Eroad	141.4
Metro Performance Glass	8.5	Meridian Energy	93.7
Sky Network Television	11.7	Z Energy	65.7
Heartland Group	11.8	Mercury	56.5
Turners Automotive	13.9	Genesis Energy	54.4
Fonterra	14.0	Port of Tauranga	53.9
Kathmandu	14.1	Chorus	50.3
Pushpay	14.4	Contact Energy	49.4
The Warehouse	15.6	Fisher & Paykel Healthcare	41.9

RANKED BY EPS GROWTH (CAGR) FY20-22

HIGHEST RETURN		LOWEST RETURN	
Fletcher Building	640.4%	Tilt	-66.1%
Eroad	115.2%	Pacific Edge	-49.5%
AFT Pharmaceuticals	98.4%	Metro Performance Glass	-46.4%
Pushpay	71.4%	Tourism Holdings	-33.5%
Comvita	65.6%	Auckland Airport	-31.2%
Michael Hill International	51.5%	Asset Plus	-29.4%
Genesis Energy	36.4%	Infratil	-26.0%
Kathmandu	33.5%	Synlait	-19.6%
Restaurant Brands	21.9%	Meridian Energy	-16.7%
Fonterra	20.6%	Serko	-15.1%

RANKED BY FY21 EV/EBITDA

LOWEST RATIOS		HIGHEST RATIOS	
Sky Network Television	1.7	Ryman Healthcare	132.9
Michael Hill International	2.4	Auckland Airport	111.2
The Warehouse	2.9	Summerset	107.7
NZME	3.2	Arvida	56.6
Metro Performance Glass	3.2	Gentrack	55.4
Fonterra	3.9	Oceania Healthcare	50.0
Steel & Tube	4.2	Heartland Group	43.4
Air New Zealand	5.7	Pushpay	36.2
Fletcher Building	6.1	Meridian Energy	34.1
Kathmandu	7.4	Infratil	33.4

RANKED BY FY21 RETURN ON EQUITY

HIGHEST RETURN		LOWEST RETURN	
AFT Pharmaceuticals	46.4%	Pacific Edge	-72.4%
Pushpay	46.1%	Serko	-21.6%
Fisher & Paykel Healthcare	39.9%	Air New Zealand	-20.1%
NZX	28.0%	NZ Refining	-8.0%
Spark New Zealand	27.1%	Tourism Holdings	-7.6%
Michael Hill International	23.2%	Gentrack	-3.3%
a2 Milk	20.6%	Tilt	-0.7%
Freightways	19.7%	Auckland Airport	-0.6%
Skellerup	17.6%	Infratil	0.1%
Mainfreight	16.7%	Steel & Tube	2.6%

RANKED BY PEG RATIO*

LOWEST RATIOS		HIGHEST RATIOS	
Fletcher Building	0.0	Stride Property	112.2
Michael Hill International	0.1	Argosy Property Limited	41.3
Pushpay	0.2	New Zealand King Salmon	30.2
AFT Pharmaceuticals	0.4	The Warehouse	25.3
Comvita	0.4	Goodman Property	17.5
Kathmandu	0.4	Precinct Properties	8.8
Fonterra	0.7	Spark New Zealand	7.9
Sanford	1.0	Investore	7.7
Heartland Group	1.1	Port of Tauranga	7.4
Eroad	1.2	Mercury	7.0

NOTE: Jarden has removed stocks with negative Pes and negative earnings growth, as well as large positive & large negative values, in order to avoid misrepresentation.

COMPANY	PRICE (NZ$)	PE RATIO 2021F	RETURN ON CAPITAL 2021F	RETURN ON CAPITAL 2022F	RETURN ON EQUITY 2021F	RETURN ON EQUITY 2022F	EV/EBITDA 2021F
AFT Pharmaceuticals	5.26	38.1	30.2%	37.1%	46.4%	46.2%	30.2
Auckland Airport	7.78	n.m.	0.0%	2.3%	-0.6%	1.5%	111.2
Air New Zealand	1.77	n.m.	-9.7%	2.9%	-20.1%	-0.9%	5.7
Asset Plus	0.35	21.6	5.1%	3.0%	4.6%	3.5%	19.6
Argosy Property Limited	1.60	20.0	5.3%	5.1%	5.9%	5.1%	21.1
Arvida	1.76	21.0	1.6%	2.0%	6.3%	8.3%	56.6
a2 Milk	11.66	33.2	122.7%	142.0%	20.6%	20.8%	20.7
Contact Energy	10.60	49.4	7.2%	6.2%	5.9%	4.8%	17.4
Chorus	7.83	50.3	7.3%	7.0%	7.6%	7.1%	9.2
Comvita	3.12	26.9	5.1%	6.1%	3.8%	4.7%	10.6
Delegats	15.25	24.6	14.4%	14.2%	14.7%	13.9%	15.1
Ebos	29.40	24.8	17.5%	18.2%	14.2%	14.4%	15.7
Eroad	5.12	141.4	5.7%	7.6%	3.4%	5.0%	14.7
Fletcher Building	5.94	17.4	12.7%	11.8%	7.8%	7.0%	6.1
Fisher & Paykel Healthcare	32.40	41.9	58.5%	46.9%	39.9%	29.9%	27.4
Freightways	10.70	25.6	21.5%	22.1%	19.7%	19.7%	11.2
Fonterra	4.39	14.0	7.7%	8.0%	7.4%	7.8%	3.9
Goodman Property	2.28	33.5	3.9%	3.9%	3.8%	3.7%	30.7
Genesis Energy	3.84	54.4	5.6%	6.6%	3.8%	4.9%	12.8
Gentrack	1.47	n.m.	-5.5%	-2.7%	-3.3%	-1.4%	55.4
Heartland Group	1.68	11.8	2.2%	2.3%	11.5%	11.6%	43.4
Infratil	7.60	3454.5	2.4%	4.7%	0.1%	3.5%	33.4
Investore	2.25	28.6	5.0%	4.5%	4.4%	4.0%	24.2
Kathmandu	1.27	14.1	11.5%	14.4%	7.9%	9.5%	7.4
Kiwi Property Group	1.23	19.1	5.1%	5.2%	5.0%	4.9%	19.0
Mercury	7.20	58.5	6.0%	6.8%	4.5%	5.1%	21.6
Meridian Energy	9.40	93.7	6.7%	5.9%	5.1%	4.6%	34.1
Mainfreight	68.19	39.8	23.3%	25.5%	16.7%	17.0%	15.6
Michael Hill International	0.75	7.3	35.3%	26.6%	23.2%	17.9%	2.4
Metro Performance Glass	0.40	8.5	14.3%	8.8%	10.7%	3.6%	3.2
New Zealand King Salmon	1.67	28.0	6.2%	8.0%	4.5%	6.0%	11.9
NZME	0.73	7.7	18.6%	22.3%	15.2%	16.1%	3.2
NZ Refining	0.55	n.m.	-6.4%	-2.9%	-8.0%	-5.3%	8.4
NZX	1.96	30.2	38.4%	38.2%	28.0%	29.1%	16.2
Oceania Healthcare	1.46	20.9	1.0%	1.6%	6.9%	8.5%	50.0
Precinct Properties	1.73	26.8	4.2%	4.2%	4.3%	4.5%	26.3
Pacific Edge	1.19	n.m.	-1146.3%	-147.5%	-72.4%	-25.0%	n.m.
Property For Industry	2.91	28.9	5.2%	4.8%	4.6%	4.1%	23.8
Port of Tauranga	7.50	53.9	8.7%	9.5%	8.1%	9.1%	32.2
Pushpay	1.74	14.4	49.7%	78.7%	46.1%	46.0%	36.2
Restaurant Brands	11.40	39.1	13.3%	16.0%	14.3%	17.5%	16.4
Ryman Healthcare	15.27	32.0	0.9%	1.2%	9.9%	11.7%	132.9
Sanford	5.10	20.2	5.2%	6.1%	3.8%	4.7%	9.8
Scales Corporation	4.91	25.8	16.3%	18.1%	7.5%	8.3%	9.9
Seeka	4.86	34.6	6.7%	8.2%	3.1%	5.4%	7.4
Skellerup	3.68	21.7	22.7%	24.1%	17.6%	18.5%	12.0
Serko	5.75	n.m.	-80.3%	-25.8%	-21.8%	-8.0%	n.m.
Sky Network Television	0.16	11.7	11.4%	-3.5%	6.1%	-2.8%	1.7
Synlait	5.05	26.6	6.3%	8.4%	5.2%	6.8%	12.3
Stride Property	2.34	21.7	5.3%	5.9%	5.2%	5.1%	23.7
Spark New Zealand	4.72	21.2	21.4%	23.3%	27.1%	29.1%	9.2
Steel & Tube	0.91	29.7	7.7%	9.1%	2.8%	3.6%	4.2
Summerset	12.65	31.0	1.3%	1.6%	7.7%	9.1%	107.7
Tourism Holdings	2.50	n.m.	-6.9%	4.0%	-7.8%	2.9%	26.7
Tilt	6.20	n.m.	0.8%	2.3%	-0.7%	0.8%	27.7
Trustpower	8.60	32.5	8.5%	9.6%	7.2%	8.1%	16.9
Turners Automotive	3.20	13.9	7.3%	8.2%	8.6%	10.3%	11.1
Vector	4.25	32.5	5.6%	5.6%	5.6%	5.9%	13.2
Vista Group	1.62	37.5	10.2%	13.4%	5.6%	7.1%	12.4
Vital Healthcare	3.28	29.1	4.6%	4.6%	4.5%	4.4%	26.3
The Warehouse	2.75	15.6	45.5%	42.5%	15.5%	19.4%	2.9
Z Energy	3.18	65.7	6.2%	10.0%	3.2%	8.3%	9.8

COMPANY	PRICE (NZ$)	FORWARD PE		PEG RATIO	EPS GROWTH FY19-21	VALUATION	DISC/PREM TO VALUATION
		FRD 12m	FRD 24m				
Auckland Airport	7.78	n.m	49.5	n.m.	-31.2%	5.95	30.8%
Air New Zealand	1.77	n.m	16.9	n.m.	n.m.	0.80	121.3%
Gentrack	1.47	n.m	n.m	n.m.	n.m.	1.40	5.0%
Infratil	7.60	n.m	52.4	-123.3	-28.0%	5.89	29.0%
Meridian Energy	9.40	n.m	58.4	-5.6	-16.7%	4.85	93.8%
NZ Refining	0.55	n.m	n.m	n.m.	n.m.	1.38	-60.1%
Pacific Edge	1.19	n.m	86.5	n.m.	-49.5%	1.40	-15.0%
Serko	5.75	n.m	n.m	n.m.	-15.1%	5.44	5.7%
Tourism Holdings	2.50	n.m	19.0	n.m.	-33.5%	2.80	-10.7%
Tilt	6.20	n.m	n.m	n.m.	-86.1%	4.38	41.6%
Eroad	5.12	84.1	34.7	1.2	115.2%	4.64	10.3%
Contact Energy	10.60	55.6	59.8	-9.4	-5.2%	9.03	17.4%
Mercury	7.20	54.2	42.7	7.0	8.4%	5.58	29.0%
Chorus	7.83	53.0	53.2	5.2	9.6%	7.75	1.0%
Sky Network Television	0.16	50.8	n.m	n.m.	n.m.	0.18	-11.7%
Port of Tauranga	7.50	50.2	31.5	7.4	7.3%	5.20	44.2%
Genesis Energy	3.84	49.9	39.8	1.5	36.4%	3.45	11.3%
Fisher & Paykel Healthcare	32.40	45.9	40.8	2.5	17.0%	31.00	4.5%
Mainfreight	68.19	35.7	29.9	3.1	12.7%	65.00	4.9%
Goodman Property	2.28	32.8	27.7	17.5	1.9%	2.01	13.4%
Vector	4.25	31.7	24.2	4.2	7.7%	3.44	23.5%
Property For Industry	2.91	30.9	26.9	5.6	5.1%	2.54	14.6%
NZX	1.96	29.8	19.5	4.0	7.6%	1.50	30.7%
a2 Milk	11.66	29.5	25.5	-3.7	-8.9%	12.20	-4.4%
Trustpower	8.60	28.9	22.6	2.5	12.9%	7.04	22.2%
Vital Healthcare	3.28	27.9	22.7	3.6	8.1%	2.94	11.6%
Vista Group	1.62	27.6	28.3	n.m.	n.m.	2.00	-19.0%
Investore	2.25	27.6	26.3	7.7	3.7%	2.22	1.4%
AFT Pharmaceuticals	5.26	26.7	19.9	0.4	98.4%	6.50	-19.1%
Ryman Healthcare	15.27	26.5	18.0	2.7	11.7%	11.50	32.8%
Precinct Properties	1.73	26.2	26.8	8.8	3.0%	1.87	-7.8%
Steel & Tube	0.91	25.5	18.8	n.m.	n.m.	0.82	11.0%
Restaurant Brands	11.40	24.7	22.0	1.8	21.9%	12.20	-6.6%
Freightways	10.70	24.2	17.8	1.4	18.9%	8.50	25.9%
Delegats	15.25	24.0	22.6	6.3	3.9%	15.40	-1.0%
Z Energy	3.18	24.0	19.8	3.4	19.5%	4.00	-20.5%
Ebos	29.40	23.9	22.3	2.4	10.3%	29.20	0.7%
Summerset	12.65	23.7	16.7	5.3	5.8%	10.10	25.2%
Comvita	3.12	23.7	18.8	0.4	65.6%	3.00	4.0%
New Zealand King Salmon	1.67	23.3	18.2	30.2	0.9%	1.70	-1.8%
Scales Corporation	4.91	23.2	22.4	-3.9	-6.6%	5.40	-9.1%
Synlait	5.05	22.5	15.7	-1.3	-19.8%	4.60	9.8%
Stride Property	2.34	22.4	23.1	112.2	0.2%	2.48	-5.6%
Asset Plus	0.35	22.4	18.9	-0.7	-29.4%	0.37	-5.4%
Argosy Property Limited	1.60	21.5	20.0	41.3	0.5%	1.55	3.2%
Skellerup	3.68	20.7	19.3	1.9	11.5%	3.70	-0.5%
Spark New Zealand	4.72	20.1	18.3	7.9	2.7%	4.62	2.2%
Seeka	4.86	20.0	15.4	1.8	19.6%	4.65	4.5%
Kiwi Property Group	1.23	19.1	18.2	-3.8	-5.0%	1.28	-3.9%
Sanford	5.10	18.8	15.4	1.0	20.1%	5.20	-1.9%
Fletcher Building	5.94	18.0	15.4	0.0	840.4%	4.91	21.0%
Oceania Healthcare	1.46	17.7	12.3	1.6	13.4%	1.30	12.3%
Metro Performance Glass	0.40	16.9	19.9	-0.2	-46.4%	0.60	-33.3%
Arvida	1.76	16.0	13.0	2.9	7.2%	1.80	-2.2%
The Warehouse	2.75	13.6	12.2	25.3	0.6%	2.90	-5.2%
Fonterra	4.39	13.4	11.8	0.7	20.6%	4.20	4.5%
Kathmandu	1.27	12.7	14.5	0.4	33.5%	1.70	-25.3%
Turners Automotive	3.20	11.8	12.3	1.8	7.9%	3.73	-14.2%
Heartland Group	1.68	11.5	8.5	1.1	10.7%	1.33	26.3%
Pushpay	1.74	10.8	10.9	0.2	71.4%	2.30	-24.3%
Michael Hill International	0.75	8.0	10.9	0.1	51.5%	0.93	-19.4%
NZME	0.73	6.6	7.1	1.6	4.7%	0.80	-8.8%
WEIGHTED AVERAGE*		**34.4**	**35.4**	**-1.5**			**24.6%**

*Please note that as negative PEs are not considered meaningful we consider the ranking of these stocks arbitrary. We exlude negative PE stocks from the weighted average Forward PE and PEG Ratio calcuations

JARDEN'S NZ LISTED COMPANIES GROSS DIVIDEND YIELD

AS AT 7TH JANUARY 2021

COMPANY	RATING	PRICE (NZ$)	GROSS DIVIDEND YIELD				DIVIDEND COVER				NET DEBT/ EQUITY
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2	CURRENT
Michael Hill	O	$0.73	0.0%	8.0%	10.0%	11.4%		2.4	1.6	1.4	6.7%
Asset Plus	O	$0.35	11.7%	7.8%	7.8%	7.8%	1.2	0.9	0.9	1.2	6.0%
Turners	O	$3.22	6.0%	7.3%	8.0%	8.6%	1.7	1.4	1.5	1.5	128.1%
Spark	N	$4.80	7.0%	7.2%	7.2%	7.2%	0.9	0.9	1.0	1.0	89.0%
The Warehouse Group	O	$2.78	0.0%	7.0%	9.5%	9.5%	0.0	1.3	1.2	1.2	-23.9%
Seeka	N	$4.86	6.9%	6.9%	10.3%	6.1%	0.7	0.6	0.7	1.4	53.9%
PGG Wrightson	N	$3.26	3.8%	6.8%	7.9%	8.1%	1.3	1.3	1.1	1.1	20.6%
Stride	O	$2.32	6.4%	6.4%	6.4%	6.4%	1.0	1.1	1.0	1.1	26.9%
Argosy Property	O	$1.59	6.0%	6.1%	6.1%	6.1%	1.1	1.2	1.1	1.2	58.5%
Kiwi Property Group	N	$1.24	4.3%	6.0%	7.4%	8.0%	2.0	1.3	1.1	1.1	51.0%
Genesis Energy	O	$3.85	5.9%	6.0%	6.1%	6.2%	0.3	0.4	0.5	0.5	63.9%
Heartland Group	N	$1.67	5.8%	5.9%	9.4%	10.3%	1.7	2.0	1.3	1.3	606.9%
Trustpower	N	$8.05	5.6%	5.7%	5.8%	5.9%	0.7	0.8	0.9	0.9	46.5%
Precinct Properties	N	$1.74	5.4%	5.6%	5.7%	5.9%	1.0	1.0	1.0	1.0	44.7%
Scales Corporation	O	$4.91	5.4%	5.4%	5.5%	5.9%	1.3	1.0	1.1	1.2	-31.8%
Investore Property	N	$2.25	5.0%	5.0%	5.0%	5.2%	1.0	1.0	1.1	1.1	36.2%
Skellerup	O	$3.66	4.4%	4.9%	5.2%	5.7%	1.1	1.2	1.2	1.2	12.7%
Freightways	N	$10.27	2.0%	4.7%	5.5%	5.8%	2.2	1.2	1.1	1.1	46.7%
Contact Energy	O	$8.90	4.8%	4.7%	4.5%	4.6%	0.5	0.6	0.5	0.4	41.5%
NZX	N	$1.96	4.4%	4.6%	4.7%	5.4%	0.9	1.0	1.0	1.0	9.4%
Kathmandu	O	$1.28	0.0%	4.6%	7.9%	8.5%	0.0	1.5	1.2	1.2	-2.8%
Sky City	O	$3.11	4.5%	4.5%	5.4%	7.1%	1.0	1.1	1.1	1.1	35.0%
Chorus	N	$7.85	4.2%	4.4%	4.9%	4.5%	0.5	0.6	0.5	0.4	274.3%
Vector	U	$4.21	4.4%	4.4%	4.4%	4.4%	0.7	0.8	0.8	0.9	147.6%
Vital Healthcare	N	$3.29	4.0%	4.2%	4.4%	4.9%	1.2	1.2	1.2	1.3	57.1%
Property For Industry	U	$2.89	3.9%	4.0%	4.1%	4.2%	1.1	1.3	1.2	1.2	42.1%
Fonterra	N	$4.35	1.1%	3.7%	3.9%	4.4%	4.7	2.0	2.0	2.0	68.8%
Goodman Property	U	$2.34	4.2%	3.4%	3.5%	3.8%	1.0	1.3	1.3	1.2	28.2%
Mercury	N	$7.00	3.1%	3.4%	3.6%	3.7%	0.8	0.7	0.8	0.8	31.0%
Ebos	O	$28.51	2.8%	3.2%	3.5%	3.7%	1.4	1.4	1.4	1.4	21.6%
Arvida	N	$1.76	3.3%	2.8%	3.3%	4.2%	1.8	1.7	2.0	2.0	47.2%
Meridian Energy	U	$8.53	2.6%	2.5%	2.5%	2.5%	0.6	0.6	0.5	0.5	32.5%
Infratil	O	$7.52	2.5%	2.5%	2.6%	2.7%	1.1	0.0	0.5	0.6	162.9%
Fletcher Building	N	$5.67	0.0%	2.4%	4.4%	5.4%	0.0	3.4	1.8	1.4	8.6%
Oceania Healthcare	O	$1.45	2.4%	2.4%	3.1%	4.0%	2.0	2.0	2.0	2.0	50.6%
Port of Tauranga	U	$7.47	2.3%	2.1%	2.4%	2.6%	1.1	1.2	1.2	1.2	42.4%
Fisher & Paykel Healthcare	U	$33.25	1.1%	1.9%	2.0%	2.5%	1.8	1.7	1.4	1.3	-7.7%
Comvita	N	$3.19	0.0%	1.7%	2.2%	3.5%	0.0	2.9	2.9	2.2	9.4%
Steel and Tube	U	$0.93	0.0%	1.6%	3.1%	3.5%	0.0	2.0	1.4	1.4	-16.5%
Ryman Healthcare	U	$15.18	1.6%	1.6%	2.0%	2.1%	2.0	2.0	2.0	2.0	82.9%
Delegat's Group	N	$15.40	1.5%	1.6%	1.8%	1.9%	3.5	3.5	3.3	3.3	53.9%
New Zealand King Salmon	N	$1.66	1.7%	1.4%	3.4%	4.3%	4.0	3.8	2.0	2.0	18.4%
Mainfreight	O	$68.70	1.2%	1.3%	1.7%	1.9%	2.6	2.6	2.4	2.4	7.8%
Summerset	O	$12.70	1.1%	1.0%	1.3%	1.4%	3.4	3.2	3.3	3.3	59.1%
AFT Pharmaceuticals	O	$5.25	0.0%	0.0%	2.0%	3.7%	0.0	0.0	2.0	2.0	60.5%
Auckland Airport	U	$7.75	0.0%	0.0%	1.2%	3.0%	0.0	0.0	1.0	1.0	23.9%
Air New Zealand	U	$1.78	8.6%	0.0%	0.0%	6.0%	-0.5	0.0	0.0	1.3	141.7%
a2 Milk	N	$11.65	0.0%	0.0%	0.0%	0.0%	0.0	0.0	0.0	0.0	-77.2%
Eroad	N	$5.12	0.0%	0.0%	0.0%	0.0%	0.0	0.0	0.0	0.0	-8.0%
Gentrack	N	$1.52	0.0%	0.0%	0.0%	2.5%	0.0	0.0	0.0	1.2	-10.4%
Metro Performance Glass	O	$0.40	0.0%	0.0%	0.0%	7.6%	0.0	0.0	0.0	1.5	54.6%
NZME	N	$0.74	0.0%	0.0%	8.4%	8.4%	0.0	0.0	2.4	2.5	35.7%
New Zealand Refining Company	O	$0.56	5.0%	0.0%	1.3%	11.9%	0.7	0.0	-15.6	-0.8	49.5%
Pacific Edge	O	$1.18	0.0%	0.0%	0.0%	0.0%	0.0	0.0	0.0	0.0	-88.2%
Pushpay	O	$1.82	0.0%	0.0%	4.8%	9.6%	0.0	0.0	2.0	1.2	-5.1%
Restaurant Brands	N	$11.40	0.0%	0.0%	0.0%	0.0%	0.0	0.0	0.0	0.0	71.1%
Sanford	N	$5.10	1.4%	0.0%	1.4%	2.7%	4.5	0.0	6.5	3.8	29.2%
Serko	N	$5.76	0.0%	0.0%	0.0%	0.0%	0.0	0.0	0.0	0.0	-71.0%
Sky Network Television	N	$0.16	0.0%	0.0%	0.0%	0.0%	0.0	0.0	0.0	0.0	-12.4%
Synlait	N	$5.06	0.0%	0.0%	0.0%	0.0%	0.0	0.0	0.0	0.0	42.9%
Tilt	O	$6.29	0.0%	0.0%	2.2%	2.2%	0.0	0.0	0.1	0.0	37.8%
Vista Group	O	$1.68	0.0%	0.0%	0.0%	2.5%	0.0	0.0	0.0	2.0	-32.6%
Z Energy	O	$3.17	7.2%	0.0%	10.4%	12.3%	0.7	0.0	0.7	0.8	60.4%
MEDIAN			**2.4%**	**2.5%**	**3.6%**	**4.4%**	**0.8**	**1.0**	**1.1**	**1.2**	**36.2%**

Source: Jarden, CS Group Estimates

NOTE: 1. The Net Debt/Equity ratio is calculated as Gross Debt less cash holdings divided by Total Equity. Negative ratios indicate a net cash position.
2. Ratings: O – Outperform, N – Neutral, U – Underperform, R – Restricted.
3. FY0 represents the current financial year.

Australian Forecasts 11-January-2021 Source: CSFB estimates	Ticker	Market Cap (A$m)	Price 11-Jan-21 (A$)	Target Price (A$)	Price Earnings (x) FY20	Price Earnings (x) FY21	Net Yield (%) FY20	Net Yield (%) FY21
COMMUNICATION SERVICES								
carsales.com.au	CAR	4,834	19.62	18.80	40.5	34.5	2.4%	2.6%
Nine Entertainment	NEC	4,025	2.36	2.80	28.5	20.2	3.0%	3.4%
REA Group	REA	19,582	148.22	123.50	72.7	61.6	0.7%	0.9%
Seek	SEK	9,811	27.79	28.50	108.4	166.1	0.5%	0.0%
Telstra Corporation	TLS	35,918	3.02	3.85	19.7	21.1	5.3%	5.3%
TPG Telecom	TPG	12,811	6.89	7.40	52.2	27.9	0.6%	2.6%
INFORMATION TECHNOLOGY								
Afterpay	APT	33,078	116.00	124.00	n.m.	n.m.	0.0%	0.0%
Altium	ALU	4,091	31.24	42.00	58.1	55.8	1.2%	1.2%
Appen	APX	2,870	23.46	26.00	45.9	34.8	0.4%	0.5%
Computershare	CPU	7,556	13.97	13.90	16.7	20.5	3.3%	2.8%
Link Administration Holdings	LNK	2,488	4.65	Res	17.5	20.3	2.2%	2.0%
NEXTDC	NXT	5,565	12.21	11.70	n.m.	n.m.	0.0%	0.0%
WiseTech Global	WTC	9,217	28.47	28.00	140.9	94.6	0.1%	0.2%
Xero	XRO	20,918	142.61	119.00	n.m.	n.m.	0.0%	0.0%
CONSUMER DISCRETIONARY								
Aristocrat Leisure	ALL	20,242	31.70	37.60	42.4	30.1	0.3%	1.4%
Crown	CWN	6,772	10.00	10.35	42.3	-80.5	3.0%	0.0%
Domino's Pizza Enterprises	DMP	7,435	85.93	58.71	50.8	44.7	1.4%	1.6%
JB Hi-Fi	JBH	5,723	49.82	53.02	17.7	14.7	3.8%	4.5%
Star Entertainment Group	SGR	3,403	3.71	3.85	28.1	24.3	2.8%	0.0%
Tabcorp Holdings	TAH	9,002	4.06	4.40	30.2	27.8	2.7%	1.7%
Wesfarmers	WES	58,790	51.85	55.83	28.2	27.3	2.9%	3.7%
CONSUMER STAPLES								
Coca-Cola Amatil	CCL	9,412	13.00	Res	29.9	25.8	2.4%	3.2%
Coles Group	COL	25,091	18.81	21.04	26.8	20.8	3.1%	4.0%
Treasury Wine	TWE	6,767	9.38	11.00	21.4	28.9	2.9%	2.0%
Woolworths	WOW	51,298	40.54	40.80	31.8	25.7	2.3%	2.8%
FINANCIALS								
ANZ Banking Group	ANZ	67,838	23.84	26.20	19.3	15.8	2.5%	3.4%
Bank of Queensland	BOQ	3,658	8.03	7.60	16.9	16.9	1.5%	2.7%
Bendigo and Adelaide Bank	BEN	5,185	9.76	7.00	18.4	23.4	3.2%	2.4%
Commonwealth Bank Australia	CBA	151,916	85.63	74.80	21.1	21.4	3.5%	2.4%
Macquarie Group	MQG	50,999	140.95	128.00	18.3	22.3	3.1%	2.8%
National Australia Bank	NAB	76,988	23.35	22.00	20.3	16.6	2.6%	3.2%
Westpac	WBC	74,399	20.28	20.60	28.4	15.1	1.5%	3.5%
DIVERSIFIED FINANCIAL SERVICES								
AMP	AMP	5,533	1.61	Res	12.9	14.6	6.2%	2.5%
ASX	ASX	14,084	72.75	73.00	27.4	29.9	3.3%	3.0%
Magellan Financial Group	MFG	9,313	50.70	58.50	21.0	21.1	4.2%	4.3%
Challenger Limited	CGF	4,506	6.67	6.00	14.2	17.5	2.6%	2.9%
INSURANCE								
Medibank Private	MPL	8,290	3.01	3.00	22.6	21.7	4.0%	3.8%
HEALTH CARE								
Ansell Limited	ANN	4,502	35.03	45.00	19.6	17.7	2.1%	2.4%
CSL	CSL	127,507	280.25	325.00	40.8	40.7	1.0%	1.0%
ResMed Inc.	RMD	50,762	27.42	31.00	42.4	37.6	0.8%	0.8%
Cochlear	COH	12,178	185.24	225.00	71.9	55.4	0.3%	0.9%
HEALTH CARE PROVIDERS & SERVICES								
Ramsay Health Care	RHC	13,911	60.78	69.00	39.0	30.3	1.0%	1.2%
Sonic Healthcare	SHL	16,207	33.92	39.00	30.1	16.3	2.5%	4.3%

	Ticker	Market Cap (A$m)	Price 11-Jan-21 (A$)	Target Price (A$)	Price Earnings (x) FY20	Price Earnings (x) FY21	Net Yield (%) FY20	Net Yield (%) FY21
COMMERCIAL SERVICES & SUPPIERS								
ALS	ALQ	5,056	10.48	10.40	26.9	28.2	1.7%	1.8%
Brambles	BXB	15,581	10.58	12.25	22.5	21.8	2.5%	2.6%
Cleanaway Waste Management	CWY	5,165	2.51	2.45	34.2	31.0	1.6%	1.8%
Downer EDI	DOW	4,039	5.76	4.70	21.0	19.2	2.4%	3.4%
Reliance Worldwide	RWC	3,145	3.98	4.75	24.0	17.0	0.0%	0.0%
TRANSPORTATION & LOGISTICS								
Atlas Arteria	ALX	6,003	6.26	7.90	-57.8	22.1	1.8%	4.2%
Aurizon	AZJ	7,267	3.91	5.40	14.4	14.8	7.0%	6.8%
Qantas	QAN	9,279	4.92	3.00	-3.8	-9.7	0.0%	0.0%
Qube Holdings	QUB	5,670	2.98	3.20	48.0	42.5	1.9%	1.9%
Sydney Airport	SYD	17,056	6.32	4.50	-67.3	n.m.	0.0%	1.7%
Transurban	TCL	36,478	13.33	12.60	n.m.	-147.0	3.5%	2.4%
MATERIALS & PACKAGING								
Amcor	AMC	24,237	14.94	16.00	15.5	14.4	4.5%	4.7%
Boral	BLD	6,018	4.91	4.60	26.3	22.5	1.9%	0.0%
Incitec Pivot	IPL	4,739	2.44	2.70	22.5	23.9	0.0%	2.2%
James Hardie Industries	JHX	16,372	36.86	39.00	31.6	27.0	0.4%	1.8%
Orica	ORI	6,259	15.42	15.91	20.5	18.6	2.1%	3.3%
Orora	ORA	2,481	2.66	2.80	20.2	17.9	18.5%	4.1%
METALS & MINING								
Alumina	AWC	5,499	1.90	2.10	22.0	18.5	3.9%	5.3%
BHP Group	BHP	219,555	46.67	40.00	17.5	14.3	3.7%	4.8%
BlueScope Steel	BSL	9,370	18.60	19.50	26.9	12.5	0.8%	0.8%
Evolution Mining	EVN	8,475	4.96	5.50	20.9	17.5	3.2%	2.5%
Fortescue Metals Group	FMG	78,021	25.34	16.50	11.1	8.2	6.7%	8.0%
Newcrest Mining	NCM	22,276	27.28	34.65	19.4	12.5	1.3%	0.8%
Northern Star Resources	NST	9,766	13.18	14.75	31.5	17.0	1.3%	1.5%
Rio Tinto	RIO	183,661	124.01	95.00	12.3	11.7	5.1%	5.8%
South 32	S32	12,287	2.57	2.80	43.7	23.1	1.8%	1.7%
REAL ESTATE								
Charter Hall Group	CHC	6,493	13.94	13.96	20.1	26.0	2.6%	2.7%
Dexus	DXS	9,932	9.12	9.92	16.6	16.1	5.5%	5.5%
Goodman Group	GMG	33,974	18.39	19.84	32.0	29.1	1.6%	1.6%
GPT Group	GPT	8,688	4.46	4.83	18.9	16.1	4.6%	5.3%
Lend Lease	LLC	8,955	13.01	14.81	-25.3	18.5	2.6%	2.7%
Mirvac Group	MGR	10,159	2.58	2.69	19.6	21.3	3.5%	3.7%
Scentre Group	SCG	14,689	2.83	2.73	19.8	15.9	3.3%	4.4%
Stockland Group	SGP	9,883	4.14	4.05	14.2	15.0	5.8%	5.7%
Vicinity Centres	VCX	7,102	1.56	1.61	12.6	14.3	4.9%	5.6%
ENERGY								
Ampol	ALD	7,144	28.61	29.37	35.3	20.7	1.7%	2.9%
Beach Energy	BPT	4,369	1.92	1.95	9.5	13.3	1.0%	1.0%
Oil Search	OSH	8,872	4.27	3.10	99.7	19.6	0.0%	1.3%
Origin Energy	ORG	9,017	5.12	5.80	8.8	19.9	4.9%	3.9%
Santos	STO	14,540	6.98	6.40	26.0	19.4	0.7%	1.2%
Woodside Petroleum	WPL	23,873	24.81	24.57	36.6	23.5	2.1%	3.4%
WorleyParsons	WOR	6,620	12.68	11.70	19.0	18.1	3.9%	4.1%
UTILITIES								
AGL Energy	AGL	7,520	12.07	12.60	9.5	11.7	8.1%	8.5%
APA Group	APA	11,610	9.84	10.70	36.6	37.8	5.1%	5.1%
AusNet Services	AST	6,861	1.81	1.95	22.9	19.0	5.7%	5.3%
Spark Infrastructure Group	SKI	3,737	2.15	2.65	53.0	89.7	6.5%	4.7%
Market Average	*PE ratios exclude: XRO	*Net Yields exclude: ORA			**26.9**	**22.2**	**2.5%**	**2.7%**

JARDEN'S AUSTRALIAN EQUITY FOCUS LIST

AS AT 17TH DECEMBER 2020

Stock Code	Date Added to Focus List	Price When Added to Focus List $	ASX 100 Index When Added	Return Since Added to Focus List	Index Return Since Added	Over / (Under) Performance
AMC	13/05/2020	14.39	15,062	9.0%	24.9%	-15.9%
ANZ	16/12/2020	23.55	18,805	0.0%	0.0%	0.0%
ALL	2/04/2019	25.50	16,584	21.3%	13.4%	7.9%
BHP	24/06/2020	35.90	16,580	20.6%	13.4%	7.2%
CIM	24/06/2020	24.28	16,580	5.4%	13.4%	-8.0%
GMG	16/01/2020	14.46	19,374	27.1%	-2.9%	30.0%
JHX	3/09/2019	22.75	17,879	70.3%	5.2%	65.1%
MFG	22/05/2018	23.47	15,398	157.3%	22.1%	135.2%
NST	14/08/2020	14.24	17,085	-13.0%	10.1%	-23.1%
RMD	20/05/2019	16.35	17,349	70.3%	8.4%	61.9%
STO	4/10/2019	7.28	17,799	-11.7%	5.7%	-17.4%
WTC	14/08/2020	19.93	17,085	52.3%	10.1%	42.2%
XRO	14/09/2020	90.81	16,538	65.9%	13.7%	52.2%

Source: IRESS, Credit Suisse, Jarden

Note: The above information summary on the subject companies does not, and does not attempt to, contain everything material there is to be said about the companies or the business of the companies.

Index / Stock Name	Stock Code	Current Price $	Target Price $	Target Gross Return %	Gross Stock Performance %			
					Fortnight	Month	Quarter	Year
ASX100 Index	ASX100	18,805			1.4	3.0	12.7	-0.2
Amcor	AMC	15.18	16.00	9.7%	-2.4	-5.2	0.5	2.4
ANZ Banking Group	ANZ	23.55	26.20	14.7%	1.1	10.2	36.6	-4.7
Aristocrat Leisure	ALL	30.49	37.60	24.8%	-5.3	-6.2	4.7	-13.4
BHP	BHP	42.55	40.00	-0.8%	8.2	16.6	12.0	10.8
Cimic	CIM	25.60	34.00	35.9%	-2.0	9.8	30.0	-26.3
Goodman Group	GMG	18.23	19.84	10.5%	-1.6	-6.7	-1.7	33.5
James Hardie	JHX	38.62	39.00	2.6%	1.2	-1.3	24.6	37.9
Magellan Financial Group	MFG	55.49	58.50	9.3%	-5.1	-9.0	-6.9	0.9
Northern Star	NST	12.19	14.75	22.7%	-6.3	-19.6	-18.8	28.1
Resmed	RMD	27.65	31.00	12.9%	-2.2	-6.6	14.3	23.9
Santos	STO	6.32	6.40	2.0%	1.3	7.8	22.0	-23.9
Wisetech	WTC	30.34	28.00	-7.5%	-1.6	-4.7	8.8	26.7
Xero	XRO	150.66	119.00	-21.0%	15.3	25.0	62.6	85.9

BHP (BHP)

BHP, along with the other iron-ore miners, are benefiting from record prices that are currently around US$150/ton. The strong prices reflect greater demand out of China, a modest recovery in rest of the world, and lowered annual production guidance from Vale creating a squeeze on the supply side.

Cimic (CIM)

CIM recently announced it has approved a further buyback of up to 10% over the next 12 months. The company said it is aiming to boost shareholder returns and capital efficiency. On 19 October 2020, CIM agreed to sell a 50% stake in its mining unit Thiess for cash proceeds of A$1.7$1.9 billion. The deal valued Thiess at A$4.3 billion.

James Hardie Industries (JHX)

James Hardie reported adjusted net operating profit, which strips out asbestos liabilities, of US$120.5 million in 2Q21, up 22%. The company said it plans to reduce gross debt by US$400 million by the end of March and reinstate a FY21 dividend to be announced in May 2021.

Northern Star Resources (NST)

On 27 October 2020, Northern Star said its first-quarter gold sales were 227,532 troy ounces of gold, close to the top end of guidance for between 207,000 and 233,000 ounces. Management said the outcome was driven by strong performances at its Yandal operations in Australia and at the Pogo mine in Alaska.

Santos (STO)

On 1 December 2020, Santos raised its annual production guidance to produce between 87-89 million barrels of oil equivalent this year. That compared to a prior output goal of 83-88 million barrels. Santos subsequently announced a 10-year agreement with a unit of Japan's Mitsubishi for the supply of liquefied natural gas from its proposed Barossa development in Australia. Santos aims to make a final investment decision on the low-cost Barossa project in the first half of next year after earlier deferring that decision due to the sudden drop in crude-oil prices and the impact of Covid-19.

Wisetech (WTC)

On 26 November 2020, Wisetech reiterated FY21 revenue guidance for between A$470-$510 million (representing growth of 9-19%) and earnings guidance for between A$155-$180 million (representing growth of 22-42%). The business had been recovering since June, with momentum improving and continuing into FY21. User numbers on its platform were close to pre-Covid-19 levels by late July and have since been trending upwards and above historical averages.

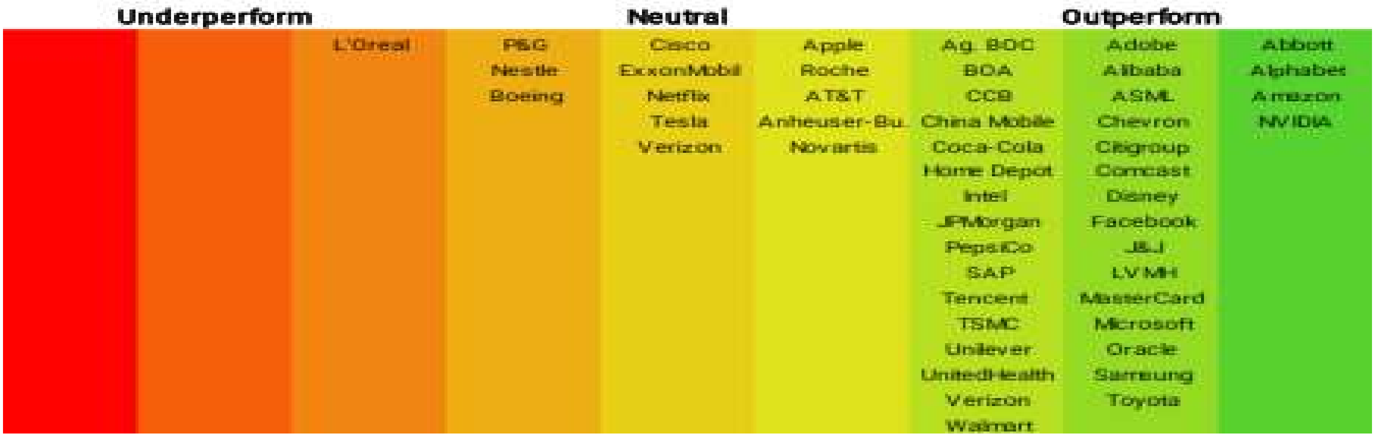
Xero (XRO)

On 12 November 2020, Xero reported 1H21 net profit of $34.5 million, compared with $1.3 million a year earlier. Revenue growth remains robust, up 21% to $409.8 million. While the company added 396,000 new subscribers since its FY20 result. Its total subscriber base now stands at 2.45 million.

JARDEN'S AUSTRALIAN EQUITY RECOMMENDATIONS *AS AT 11TH JANUARY 2021*

UNDERPERFORM	NEUTRAL	OUTPERFORM
AGL Energy (AGL)	Amcor (AMC)	Afterpay (APT)
ASX (ASX)	Ampol Limited (ALD)	ALS Ltd (ALQ)
Domino's Pizza Enterprises (DMP)	APA Group (APA)	Altium (ALU)
Oil Search (OSH)	Appen (APX)	Alumina (AWC)
OZ Minerals (OZL)	AusNet Services (AST)	Ansell (ANN)
Qantas (QAN)	Bendigo and Adelaide Bank (BEN)	ANZ Banking Group (ANZ)
Sydney Airport (SYD)	Boral (BLD)	Aristocrat Leisure (ALL)
Transurban (TCL)	carsales.com.au (CAR)	Atlas Arteria (ALX)
	Charter Hall Group (CHC)	Aurizon (AZJ)
	Cochlear (COH)	Bank of Queensland (BOQ)
	Commonwealth Bank Australia (CBA)	Beach Energy (BPT)
	Computershare (CPU)	BHP Group (BHP)
	Fortescue Metals Group (FMG)	BlueScope Steel (BSL)
	Goodman Group (GMG)	Brambles (BXB)
	GPT Group (GPT)	Challenger (CGF)
	James Hardie Industries (JHX)	Cleanaway Waste Management (CWY)
	Lend Lease (LLC)	Coles Group (COL)
	Macquarie Group (MQG)	Crown (CWN)
	Magellan Financial Group (MFG)	CSL (CSL)
	NEXTDC (NXT)	Dexus (DXS)
	Orica (ORI)	Downer EDI (DOW)
	Origin Energy (ORG)	Evolution Mining (EVN)
	Orora (ORA)	Incitec Pivot (IPL)
	Ramsay Health Care (RHC)	JB Hi-Fi (JBH)
	REA Group (REA)	Medibank Private (MPL)
	Rio Tinto (RIO)	Mirvac Group (MGR)
	Santos Ltd (STO)	National Australia Bank (NAB)
	Stockland Group (SGP)	Newcrest Mining (NCM)
	TPG Telecom (TPG)	Nine Entertainment (NEC)
	WiseTech Global (WTC)	Northern Star Resources (NST)
	Woolworths (WOW)	Qube Holdings (QUB)
	Xero (XRO)	Reliance Worldwide (RWC)
		ResMed (RMD)
		Scentre Group (SCG)
		Seek (SEK)
		Sonic Healthcare (SHL)
		South 32 (S32)
		Spark Infrastructure Group (SKI)
		Star Entertainment Group (SGR)
		Tabcorp Holdings (TAH)
		Telstra Corporation (TLS)
		Treasury Wine (TWE)
		Vicinity Centres (VCX)
		Wesfarmers (WES)
		Westpac (WBC)
		Woodside Petroleum (WPL)
		WorleyParsons (WOR)

JARDEN'S GLOBAL EQUITY RECOMMENDATIONS



JARDEN'S GLOBAL DIRECT EQUITY PORTFOLIO

PORTFOLIO CONSTITUENTS AS AT 16TH DECEMBER 2020

Ticker	Security Name	Weight	Sector
BABA.US	Alibaba	6.4%	Cons Discretionary
AMZN.US	Amazon	8.5%	Cons Discretionary
AAPL.US	Apple	9.3%	Info Tech
ASML.NA	ASML Holding	7.8%	Info Tech
T.US	AT&T	4.1%	Comm. Serv
BP/.LN	BP	3.2%	Energy
C.US	Citigroup	7.7%	Financials
MC.FR	LVMH	5.0%	Cons Discretionary
MA.US	Mastercard	5.8%	Info Tech
MRK.US	Merck & Co	6.2%	Health Care
MSFT.US	Microsoft	6.4%	Info Tech
MS.US	Morgan Stanley	7.2%	Financials
SCHN.FP	Schneider Electric	4.0%	Industrials
ULVR.LN	Unilever	4.3%	Cons Staples
UNH.US	UnitedHealth Group	8.0%	Health Care
DIS.US	Walt Disney	6.1%	Comm. Serv
		100.0%	

Source: Jarden

The attraction of introducing Alibaba (BABA.US) into the Global Direct Equities portfolio is gaining exposure to its diversified digital ecosystem which it has successfully woven into the fabric of the daily lives of millions of Chinese consumers as a means of buying and selling goods and making payments. Alibaba's Core Commerce division is by far the largest contributor to the group, generating 86% of group revenue. This division consists of the two retail platforms: Taobao Marketplace (China's largest mobile commerce destination with a large and growing social community) and Tmall (the world's largest third-party online and mobile commerce platform for brands and retailers). While Alibaba operates a wholesale platform through 1688.com (China's leading integrated domestic wholesale marketplace), the second largest division within the group is Cloud Computer. While only representing 8% of group revenue, the division is growing revenue at 62% per annum and currently has 43% market share in China's public cloud market. As a result, it is the world's third largest and AsiaPacific's largest infrastructure as a service provider by revenue.

Alibaba is currently riding the structural shift to online consumption. The near-term catalysts which could provide further valuation support include: 1) the recovery in apparel (the largest and most profitable category on Taobao/ Tmall); 2) a much stronger 11-11 day with two major transaction days (1-Nov and 11-Nov) capturing more consumer demand; 3) a newly launched Taobao interface and market tools which should improve monetisation; and 4) its Cloud business turning profitable and its logistics business Cainaio turning cashflow positive.

In addition, Alibaba has recently increased its exposure to the hypermarket operator Sun Art to gain further ground in China's retail market. The company paid US$3.6 billion to take a controlling 72% stake of the chain which has 484 physical retail locations in China. It has now integrated the enterprise into its Taoxianda and Tmall Supermarket platforms for groceries, as well as Ele.me and Cainiao, its on-demand food delivery app and logistics businesses. For customers, this means faster deliveries and larger selections, while giving Alibaba more sources of data it can use to improve its supply chain and business operations.

The recent weakness in Alibaba's share price appears to reflect the delayed listing of ANT Group, which owns Alipay, the largest electronic payment processing company in China with more than 1 billion users. Alibaba holds a 33% interest in ANT Group. The listing, which was expected to value the company at around US$300 billion, was delayed by the introduction of new regulations. While this is expected to create a delay of at least six months, it appears to be well reflected in the share price which is currently trading around US$250, down from US$300+ before the regulatory threat. New regulation introduced by the Chinese government to ensure a level playing field for transaction-based internet companies have also contributed to the share price weakness. Although Jarden assesses that the impact should be modest. In the meantime, Alibaba maintains a strong balance sheet and robust cash flow generation that provides an abundant war chest to tap into new areas of growth and further market consolidation.

WHY I LIKE ALIBABA

SOURCE: FISHER FUNDS

One of the key things we [Fisher Funds] look for in a potential investment is whether company management is focussed on long-term value creation as opposed to being driven more by short-term performance. Alibaba took this to the extreme when founder Jack Ma stated, "we aspire to be a good company that will last for 102 years". While 102 years seems like an odd target, it would mean the company spans three different centuries following its founding in 1999. This long-term focus coupled with a customer first ethos is one of the reasons Alibaba is a core holding in our international portfolio.

To achieve this goal, Alibaba is constantly innovating and investing to create and build out new products and services. The company describes this process as planting seeds for new businesses that could grow into material growth drivers five, ten or even twenty years later, even if it means lower profits today or disrupting an existing business.

Alibaba recently hosted its annual investor day, which not only highlighted the resilience of the business model during the pandemic, but also the breadth of long-term growth opportunities ahead of the business. Over the course of three days, company management set out their vision and strategy for the next ten years based around three core growth engines: domestic consumption, cloud computing and globalisation.

CONTINUING TO DRIVE THE DIGITALISATION OF CHINESE CONSUMPTION

Despite already having over 700 million users on its Chinese ecommerce marketplaces, Alibaba estimates the addressable domestic market is 1.2 billion users, indicating large potential for further penetration. Coupled with increasing monetisation from new advertising formats and improved merchant tools, there is still years of strong growth remaining in what is Alibaba's most mature business. Beyond that, Alibaba has several opportunities to further leverage the digitalisation of Chinese domestic consumption through its chain of Freshippo supermarkets, Cainiao logistics business, and food delivery and local services businesses. These three businesses are in the early stages of development and are all growing strongly, supported by the wider Alibaba ecosystem.

LEADER IN UNDERPENETRATED CLOUD MARKET

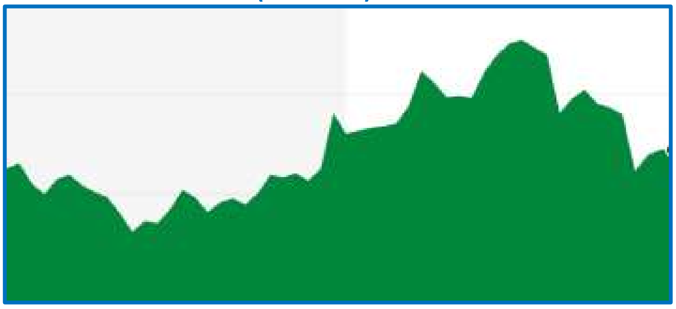
On cloud computing, Alibaba continues to dominate the emerging and fast-growing Chinese cloud market with 42% market share. Alibaba Cloud is moving beyond the provision of basic cloud infrastructure into more value-added services from middle office solutions (digitalization, collaboration, and 'internet of things'), right through to industry specific solutions. The combination of strong market growth and higher value-add is driving 60% revenue growth and improved profitability, with the cloud business expected to turn profitable in the next year.

CONNECTING BRANDS AND SMALL BUSINESSES FROM ALL OVER THE WORLD

The globalisation opportunity is led by the Lazada business, a leading ecommerce marketplace in Southeast Asia. Ecommerce penetration in the region is below 5%, well behind China and other developed markets, however it is growing rapidly. Orders placed on the Lazada platform have quadrupled over the last two years. Alibaba continues to invest in infrastructure and user experience to build on its strong position in this fast-growing market.

We left the [October] investor day with renewed confidence on the strength of the Alibaba business and ecosystem, the depth of the management team and the long-term growth opportunity. At the conclusion of the presentations, management reiterated its goal of two billion global consumers, 100 million jobs created, and 10 million profitable SMEs by 2036. Looking at the breadth of growth drivers and the company's track record to date, we should expect Alibaba to achieve these lofty goals, even as it plants the seeds that will grow into the new products and services that will take the business towards its 102-year target.

ALIBABA (BABA.US) ONE YEAR GRAPH



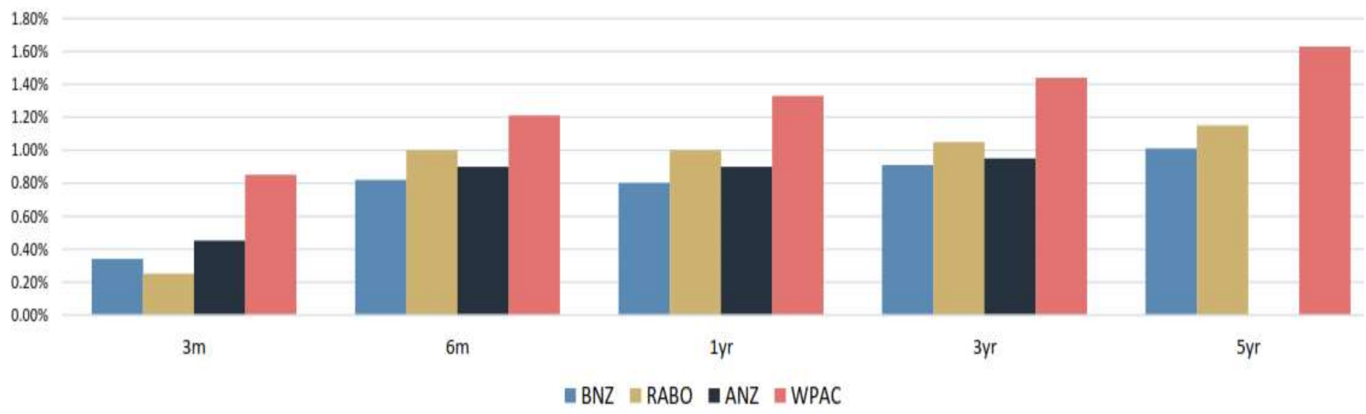
Chinese e-commerce leader **Alibaba** (NYSE:BABA) has had an eventful few months since its billionaire founder Jack Ma made a speech in October that the Chinese government didn't appreciate. The stock has slid 20% since then. Jack Ma may not be a household name in the U.S, but the Alibaba founder is one of the richest people in the world and an icon in China, where Alibaba is one of the biggest and most admired companies. Chinese regulators did not take kindly to the speech, and ultimately blocked the IPO of the Ant Group, the former financial arm of Alibaba that was spun off by the tech giant, in November. Then, last month, officials announced an antitrust investigation into Alibaba erasing US$100 billion from its valuation and sending the stock down 13%.

On top of the domestic troubles the company founder is having, the US government has indicated it may require the delisting of some Chinese companies with ties to China's military and security services. Alibaba has since been on investors' radar as potentially being included in that ban. However, the latest list of companies tied to China's military doesn't include the Alibaba company, according to a StreetInsider report citing Bloomberg.

BBB+, BBB, BBB-

Issuer	NZDX Code	Coupon	Maturity Date	CPN Freq	Credit Rating	Type	Min. Size	Best Offer Yield	Best Price/ $100	Best Indicative Volume	Total Depth Within 10 BP
Chorus	CNU010	4.120	6/05/2021	4	BBB	Senior	5,000	0.720	101.83	710,000	2,227,000
Wellington Intl Airport	WIA020	7.500	15/05/2021	2	BBB	Senior	10,000	1.600	103.19	30,000	546,000
Kiwi Property Group Limited	KPG010	6.150	20/08/2021	2	BBB+	Senior	5,000	1.356	105.30	123,000	238,000
Z Energy	ZEL040	4.010	1/11/2021	4	BBB-(NR)	Senior	5,000	1.510	102.78	20,000	20,000
Contact Energy	CEN030	4.400	15/11/2021	4	BBB	Senior	5,000	0.641	103.65	127,000	2,127,000
TrustPower	TPW140	5.630	15/12/2021	4	BBB-(NR)	Senior	5,000	1.600	104.12	44,000	44,000
Precinct Properties	PCT010	5.540	17/12/2021	2	BBB+(NR)	Senior	5,000	1.600	104.01	25,000	581,000
Genesis Power	GNE030	4.140	18/03/2022	2	BBB+	Senior	5,000	0.668	105.40	1,000,000	1,000,000
GMT Bond Issuer	GMB030	5.000	23/06/2022	2	BBB+	Senior	5,000	1.130	105.61	92,000	92,000
Heartland Bank	HBL010	4.500	8/09/2022	4	BBB	Senior	5,000	1.155	105.90	35,000	640,000
Air New Zealand	AIR020	4.250	28/10/2022	2	BBB	Senior	5,000	-	-	-	-
Contact Energy	CEN040	4.630	15/11/2022	4	BBB	Senior	5,000	0.960	107.42	25,000	1,036,000
TrustPower	TPW150	4.010	15/12/2022	4	BBB-(NR)	Senior	5,000	1.558	104.95	7,000	7,000
Meridian Energy	MEL030	4.530	14/03/2023	2	BBB+	Senior	5,000	0.820	109.46	30,000	170,000
Wellington Intl Airport	WIA030	4.250	12/05/2023	2	BBB	Senior	10,000	-	-	-	-
Summerset	SUM010	4.780	11/07/2023	4	BBB-(NR)	Senior	5,000	-	-	-	-
GMT Bond Issuer	GMB050	4.000	1/09/2023	2	BBB+	Senior	5,000	-	-	-	-
Kiwi Property Group Limited	KPG020	4.000	7/09/2023	2	BBB+	Senior	5,000	-	-	-	-
Z Energy	ZEL050	4.320	1/11/2023	4	BBB-(NR)	Senior	5,000	-	-	-	-
Meridian Energy	MEL040	4.880	20/03/2024	2	BBB+	Senior	5,000	1.052	113.50	5,000	1,115,000
Heartland Bank	HBL020	3.550	12/04/2024	4	BBB	Senior	5,000	1.305	107.13	229,000	229,000
Investore Property	IPL010	4.400	18/04/2024	4	BBB(NR)	Senior	5,000	1.829	107.99	60,000	963,000
Christchurch International Airport	CHC010	4.130	24/05/2024	2	BBB+	Senior	5,000	-	-	-	-
GMT Bond Issuer	GMB040	4.540	31/05/2024	2	BBB+	Senior	5,000	1.420	110.60	10,000	107,000
Wellington Intl Airport	WIA040	4.000	5/08/2024	2	BBB	Senior	10,000	-	-	-	-
Contact Energy	CEN050	3.550	15/08/2024	4	BBB	Senior	5,000	1.161	108.95	625,000	625,000
Z Energy	ZEL060	4.000	3/09/2024	4	BBB-(NR)	Senior	5,000	-	-	-	-
Precinct Properties	PCT020	4.420	27/11/2024	2	BBB+(NR)	Senior	5,000	1.850	109.73	109,000	1,408,000
Property for Industry	PFI010	4.590	28/11/2024	4	BBB(NR)	Senior	5,000	1.755	111.16	1,000,000	1,100,000
Kiwi Property Group Limited	KPG030	4.330	19/12/2024	2	BBB+	Senior	5,000	1.705	110.23	750,000	750,000
Vector Limited	VCT090	3.450	27/05/2025	4	BBB	Senior	5,000	1.412	109.06	1,000,000	1,002,000
Wellington Intl Airport	WIA050	5.000	16/06/2025	2	BBB	Senior	10,000	-	-	-	-
Meridian Energy	MEL050	4.210	27/06/2025	2	BBB+	Senior	5,000	1.301	112.74	20,000	57,000
Summerset	SUM020	4.200	24/09/2025	4	BBB-(NR)	Senior	5,000	2.029	109.92	62,000	162,000
Property for Industry	PFI020	4.250	1/10/2025	4	BBB(NR)	Senior	5,000	1.900	110.71	15,000	304,000
Kiwi Property Group Limited	KPG040	4.060	12/11/2025	2	BBB+	Senior	5,000	1.653	110.64	44,000	44,000
Argosy Property	ARG010	4.000	27/03/2026	4	BBB+(NR)	Senior	5,000	2.136	109.34	70,000	1,265,000
Trustpower	TPW160	3.350	29/07/2026	4	BBB-(NR)	Senior	5,000	1.650	109.67	100,000	100,000
Wellington Intl Airport	WIA070	2.500	14/08/2026	2	BBB	Senior	10,000	2.000	103.66	18,000	18,000
Metlifecare	MET010	3.000	30/09/2026	4	BBB-(NR)	Senior	5,000	2.376	103.42	38,000	53,000
Argosy Property	ARG020	2.900	29/10/2026	4	BBB+(NR)	Senior	5,000	2.190	104.45	1,000,000	1,121,000
Ryman Healthcare	RYM010	2.550	18/12/2026	4	BBB-(NR)	Senior	5,000	2.150	102.40	100,000	100,000
Investore Property	IPL020	2.400	31/08/2027	4	BBB(NR)	Senior	5,000	2.300	100.90	25,000	275,000
Mercury NZ	MCY030	1.560	14/09/2027	2	BBB+	Senior	5,000	-	-	-	-
Summerset	SUM030	2.300	21/09/2027	4	BBB-(NR)	Senior	5,000	2.160	101.01	16,000	16,000
Oceania Healthcare	OCA010	2.300	19/10/2027	4	BBB-(NR)	Senior	5,000	2.441	99.04	250,000	1,250,000
Argosy Property	ARG030	2.200	27/10/2027	4	BBB+(NR)	Senior	5,000	2.433	99.00	1,000,000	1,694,000
Chorus	CNU030	1.980	2/12/2027	4	BBB	Senior	5,000	2.015	100.00	931,000	1,714,000
GMT Bond Issuer	GMB0928	2.262	4/09/2028	2	BBB+	Senior	50,000	-	-	-	-
Chorus	CNU020	4.350	6/12/2028	4	BBB	Senior	5,000	1.600	120.61	10,000	510,000
Trustpower	TPW170	3.970	22/02/2029	4	BBB-(NR)	Senior	5,000	2.066	114.56	66,000	363,000
Wellington Intl Airport	WIA060	4.000	1/04/2030	2	BBB	Senior	10,000	-	-	-	-
GMT Bond Issuer	GMB0930	2.559	4/09/2030	2	BBB+	Senior	50,000	-	-	-	-
Chorus	CNU040	2.510	2/12/2030	4	BBB	Senior	5,000	2.597	99.53	40,000	1,540,000

TERM DEPOSIT RATES



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