

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

INVESTMENT STRATEGIES

Andrew von Dadelzen
Volume 73

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Authorised by AJ von Dadelzen, 115 Fourth Avenue, Tauranga

September 2022

DON'T FORGET - I NEED YOUR VOTE

NZ'S DEMOCRACY IS IN DANGER

New Zealanders really have had enough of this government. While surveys are showing a slight rise in confidence, the reality is that this Labour Government is arrogant, tired and "just doesn't get things done". They are great on spin, but are not "outcome driven".

New Zealanders are tired – tired of this "winter of discontent". We want ACTION on social issues – not just rhetoric. Jacinda came to power in 2017 on the back of the housing crisis. She pledged that ending homelessness was a priority for her Government. But brushing it under the carpet is not the same as fixing the problem.

Ardern will tell us that she is still aspirational about fixing homelessness, and will bristle at any notion that she hasn't done enough. But it's obvious to most people that she has simply put the problem in the "too hard basket", unwilling to grapple with what it would take to genuinely deal with an urgent problem. This is typical "ardernism".

Ardern's insidious socialist drive is destroying the fabric of New Zealand's society. We need to take back our country before it is too late.



VERSUS



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STATISTICS NZ DATA

Estimated population at 1-August-2022	5,158,489
Estimated population at 7-September-2022	↓ 5,127,994
Fertility Rate (births per woman)	1.69
Births 30-Jun-22 year	↓ 60,009
Deaths 31-March year	↑ 36,726
Natural Increases (Births minus Deaths) June year	23,283
Net Migration Jun-22 year (49,235 in; 60,713out)	-11,478
Annual GDP Growth Mar-22 year	5.1%
Quarterly GDP Mar-22 quarter	-0.2%
Inflation Rate (CPI) Jun-22 year (from 6.9% in Mar yr)	7.3%
Debt per person (public+private) 2022 (↑9%yoy)	\$140,861
Minimum wage from 1-Apr-22 (+\$48/week)	\$21.20
Annual Wage Inflation Mar-22 Year	3.0%
Wages average per hour Mar-22 qtr (↑4.8% yoy)	\$36.18
Employment rate June-22 qtr	↓ 68.5%
Unemployment June-22 year	↑ 3.3%
Underutilisation rate June-22 qtr	9.2%
Beneficiaries (Job seeker/Solo/Supported living)	368,172
(8.9% of working-age population)	
Size of Māori Economy 2020 (2013: \$42bn)	\$70bn
Size of NZ Economy Mar-22 year	\$355bn

NZX50 INDEX (1 yr)





IT'S NEARLY LOCAL GOVERNMENT ELECTION TIME - I NEED YOUR VOTE

Yes, it's that time again. Voting papers will be out from 16th September, with final postal voting day being 8th October.

DEMOCRACY IS AT RISK IN THIS COUNTRY – AND I NEED YOUR SUPPORT TO ENSURE THAT WE RETAIN “ONE PERSON, ONE VOTE”

✓ RE-ELECT Andrew von Dadelnszen

TAURANGA'S STRONG VOICE ON BAY OF PLENTY REGIONAL COUNCIL

- ✓ Proven Track Record
- ✓ Action – Not Words
- ✓ One person, One vote
- ✓ Strong Governance
- ✓ Committed to making Public Transport work



Vote von Dadelnszen in the upcoming local government elections



**This is our City
Our Harbour**

**Together, let's
manage it - for
ourselves, our
children and our
grandchildren**

Qualified with an MBA, I understand the need for –

STRONG GOVERNANCE

I have a proven track record in governance and leadership in business, public and not-for-profit sectors.

I am a qualified Resource Management Hearings Chair.

I bring my passion for science-based decision making to my role as Chair of the Tauranga Rotary Centennial Trust for the Kopurererua Valley Restoration.

STOP WASTEFUL BUREAUCRACY ONE LAW FOR ALL BETTER ROADS BETTER BUSES

✓ vote von Dadelnszen for your Regional Council

LOCAL ISSUES

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.

FOUR DAYS FOR 88,000 SUBMISSIONS!

Parliament received an overwhelming 88,324 public submissions on the Water Services Entities Bill, so National suggested a time extension to consider them.

A Parliamentary committee has spend only four days travelling the country to hear submissions in-person from concerned communities – but wouldn't even come to Tauranga.

Over 10,000 people asked to make an oral submission. The Government obviously has no intention of allowing people to have their say in person.

I submitted, and asked to be heard. There was no opportunity for Tauranga citizens to be heard in our City (the fifth largest in New Zealand) – this is not a fair democratic process. So much for “transparency”!!!



THREE WATERS – BIG ISN'T ALWAYS BETTER

The Government proposed amalgamation of the country's water service providers into giant entities under the Three Waters reforms, while promising billions of dollars in savings through efficiency gains, is not a valid determination.

If Auckland City's amalgamation 12 years ago had delivered those benefits, projected efficiencies in administrative support in water services might look slightly less implausible.

An Infrastructure Commission report finds no evidence of economies of scale in council services and suggests countries do better when local councils have more, rather than less, responsibility for infrastructure provision. Better to refocus efforts in water services away from contentious forced amalgamations when improved infrastructure funding and financing options hold more promise.

AUDITOR-GENERAL SOUNDS ALARM OVER THREE WATERS BILL

The Auditor-General's submission on Labour's proposed “reform” of Three Waters is a telling read. It gets to the heart of the problems with what the Government is doing, which is a loss of accountability, and a total lack of transparency.

It should be noted that WSEs can't be held to account by ratepayers like local authorities are, nor can they be held accountable by Parliament, because they are not Crown entities. So they will be accountable to neither ratepayers nor taxpayers.

This is a serious diminution in accountability to the public for a critical service. Overall, as currently drafted in the Bill, the accountability arrangements and potential governance weaknesses, combined with the diminution in independent assurance, could have an adverse effect on public accountability, transparency, and organisational performance.

The Auditor-General thinks the reforms will result in weak governance, diminished independent assurance and adversely impact accountability and transparency.

Of course, from the Government's point of view, diminished accountability and transparency might be a feature, not a bug!

FROM DEMOCRACY TO ETHNO-NATIONALISM

SOURCE: Professor Elizabeth Rata, University of Auckland, YouTube: <https://www.youtube.com/watch?v=zuQ2wByHerE>



Professor Rata gave a compelling presentation to the recent ACT “Real Change” event, saying: *“New Zealand has enjoyed 170 years of democracy. However, the 1985 Treaty Amendment Act moved NZ from democracy to cultivated tribalism. A corporate tribal elite has privatised public resources, acquired political power, and attained governance entitlements. Activist Judges have created treatyism, a new interpretation of the Treaty of Waitangi as a governance partnership. Intellectuals have supplied the supporting racialised two world views ideology.”*

“The question we must ask is this: “How has a small group of individuals, both Māori and non-Māori, managed to install a racialised ideology into our democracy.”

It is interesting that the late Speaker of the NZ Parliament, Sir Peter Tapsell FRCS, often warned that tribalism is no basis for modern life.

LOCAL GOVERNMENT REVIEW

Local government review chair Jim Palmer and panel member Penny Hulse did offer attendees at the Local Government NZ conference a few clues. Major changes are needed to address local funding constraints, they say. Rates will remain the key tool, but other mechanisms should include new revenue generation, Government co-investment and a war-chest for climate change.

The review panel signalled its intent to lower the voting age to 16. They spoke of the importance of strengthening the involvement of iwi, hapū and Māori,

and the need for collaboration in order to tackle “gnarly challenges”.

Tauranga voters need to think carefully about whether you want left-wing (undemocratic) ideology to creep into local government. I am all for collaboration, but we need councillors that uphold the principal of a western style democracy (one person, one vote).

Ardern’s government seems to have left “democracy” behind, and we need strong representation at the local government level to ensure that democracy is maintained. This is a big issue, and we are on a slippery path at present, with BOPRC staff pushing hard on 50/50 co-governance.



The flyer features a yellow header with the name **ANDREW VON DADELSZEN** in black. Below this is a portrait of Andrew von Dadelzen, a man with grey hair and glasses wearing a pink shirt. To the right of the portrait is a blue section with the text **RE-ELECT REGIONAL COUNCIL** in white, accompanied by a white checkmark icon. Below the blue section is a cyan section with the text **ACTION NOT WORDS** in black. At the bottom is a dark blue section with the website **vond.co.nz** in yellow and the text **Authorised by A von Dadelzen, www.vond.co.nz** in white.

You can help my campaign by:

- **Helping deliver my flyers**
- **Ring me if my signage is damaged**
- **Donating to my Campaign**
- **Telling your friends to VOTE VOND**

Just call me - 021 762 440

I NEED YOUR SUPPORT – PLEASE VOTE VOND

OUR POLITICAL CLIMATE

LATEST POLITICAL POLLS

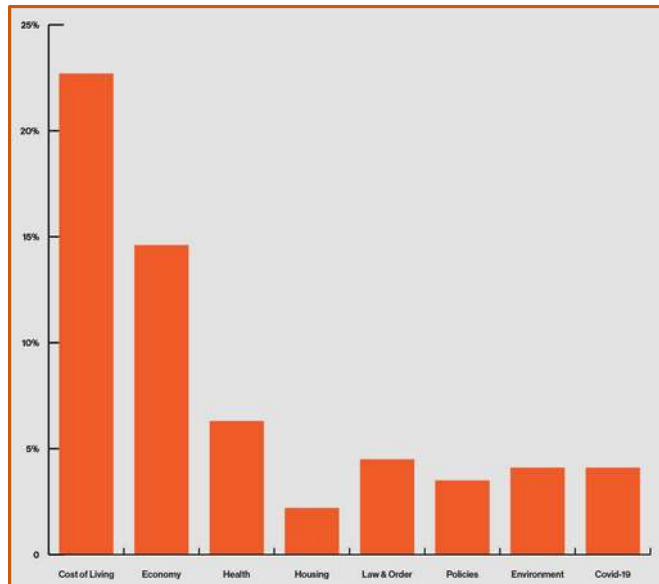
CURIA/TAXPAYERS' UNION AUGUST 2022 POLL				
	Vote	Change*	Seats	Change**
National	34.0%	(3.0%)	44	11
Labour	35.2%	0.5%	45	(20)
Act	11.0%	1.0%	14	4
Green	9.5%	1.0%	12	1
māori	3.5%	(0.2%)	5	3
NZ First	2.6%	(0.7%)	-	-
Other	4.7%	1.4%	-	-

* Change from June ** Change since election

Polling Period: 3rd to 11th August 2022

In terms of what issues respondents identify as their major voting issue, COVID-19 continues to fade in importance. Focus on the cost of living has also eased off.

MAJOR VOTING ISSUES



In the latest One News/Kantar Political Poll Jacinda Ardern's Labour Party is in big trouble. Not only is Labour down in the polls, but so is Ardern as preferred Prime Minister.

ONE NEWS/KANTAR POLL - AUGUST 2022				
Party	Vote	Change*	Seats	Change**
National	37%	(2%)	48	15
Labour	33%	(2%)	44	(21)
Act	11%	4%	14	4
Green	9%	(1%)	11	1
māori	2%	nc	3	1
NZ First	3%	2%	-	-

* Change from May 2022 ** Change since election

Polling Period: 30th July to 3rd August 2022



SEATS IN PARLIAMENT



On this Poll, National & ACT could form a government, without relying on the Māori Party.

ROY MORGAN JULY 2022 POLL

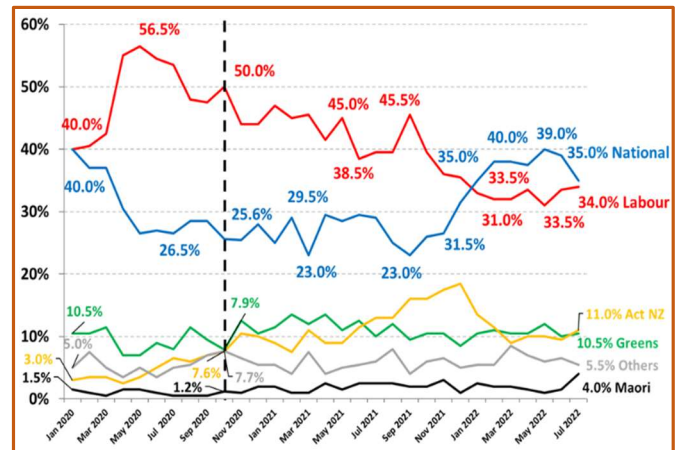
Party	Vote	Change*	Seats	Change**
National	35.0%	(4.0%)	45	12
Labour	34.0%	0.5%	43	(22)
Act	11.0%	1.5%	14	4
Green	10.5%	0.5%	13	3
māori	4.0%	2.5%	5	3
TOP	2.5%	0.5%	-	-
New Conserv	1.0%	0.5%	-	-

* Change from June ** Change since election

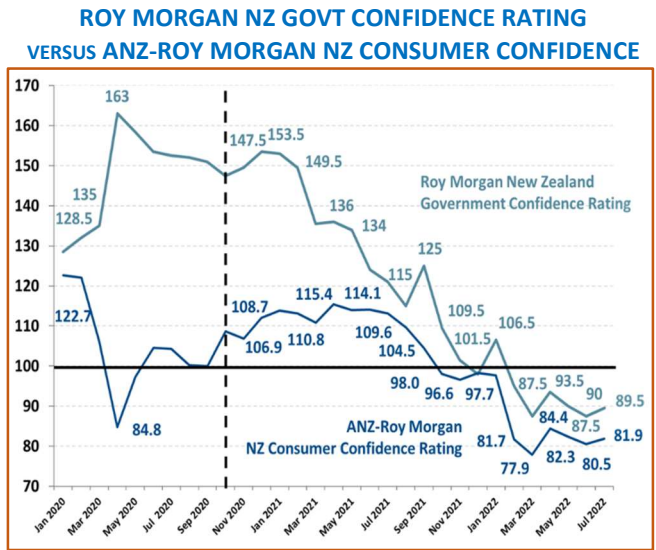
Roy Morgan Poll: Party Vote analysis by Gender & Age

	Total	Women			Men		
		All	18-49	50+	All	18-49	50+
Labour	34	40	31.5	48.5	27.5	21	34.5
Greens	10.5	10.5	17	4.5	10.5	16.5	4
Labour/ Greens	44.5	50.5	48.5	53	38	37.5	38.5
National	35	33	30	37	37	34.5	40.5
Act NZ	11	7	7.5	6	14.5	15	14.5
Maori Party	4	5	9	1	3.5	4	2
National/ Act NZ/ Maori Party	50	45	46.5	44	55	53.5	57
Others	5.5	4.5	5	3	7	9	4.5
Total	100	100	100	100	100	100	100

ROY MORGAN POLL NEW ZEALAND PARTY VOTE 2020 TO 2022



Roy Morgan Government Confidence Rating							
Right Direction	40.5	42	38.5	43	39	38.5	39.5
Wrong Direction	51	48	49.5	49	54.5	54.5	54.5
Government Confidence Rating	89.5	94	89	94	84.5	84	85
Can't say	8.5	10	12	8	6.5	7	6
Total	100	100	100	100	100	100	100



Higher inflation provides a windfall for government revenues, as wage rises push workers into higher tax bands, spending on pricier products increases the GST take – and we all drown our sorrows with CPI-indexed beer, wine and spirits.

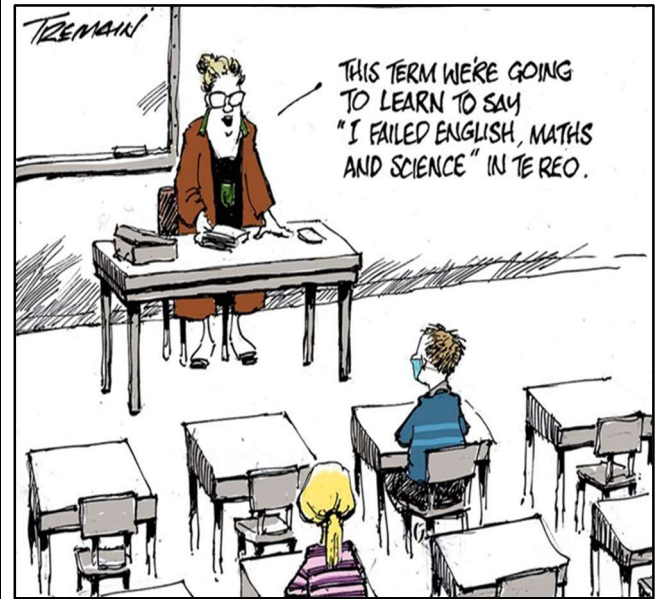
This all contributes to a budgeted \$12.7b hike in 2022-25 Crown revenue, compared to previous forecasts.

But windfalls are caused by stormy weather. And the same gusts of inflation that are blowing cash through the corridors of the Inland Revenue Department are also tearing the roof from those government agencies responsible for big infrastructure projects. Housing, schools, hospitals, roads and railways – the Govt is experiencing cost blowouts everywhere.

Construction costs (in pink, below) are increasing faster than CPI, and govt is commissioning more building work than the entire private sector, combined.



In turn, the Reserve Bank's latest monetary policy statement says acute labour and materials shortages in the construction sector have constrained activity and added to "very high" inflationary pressures. Construction costs are a massive 18.3% component in the last quarter's inflation.



LABOUR LEGISLATES FOR HUGELY REDUCED SENTENCES FOR REPEAT VIOLENT AND SEXUAL OFFENDERS

SOURCE: KIWIBLOG

This Labour Government has now passed a law massively reducing prison times for repeat serious violent and sexual offenders.

The criminals affected by this law have on average 42 convictions (for second strikers) and 74 convictions for third strikers. 91% of the affected criminals have been assessed by the Department of Corrections as being at a high risk of reoffending – and they are the ones Labour has legislated to get shorter stays in prison in future. The majority (56%) of them already offend while on bail or parole so giving them more parole will mean more victims.

The Three Strikes law actually saw a drop in the reoffending rate. Labour's law change will see more reoffending and more victims. Labour continues to prove – **THEY ARE SOFT ON CRIME**

HEALTH – ED WAITING TIMES AT RECORD LENGTH

SOURCE: KIWIBLOG

The previous National Government introduced a target of 95% of Emergency Department patients being seen within 6 hours. This resulted in the percentage rising from 86% to 95%, before remaining steady in the 93% to 94% range for several years.

Labour came to power in 2017, and abandoned the setting of targets. Since them (without set targets) the

drop from the 6 hour "target" has seriously eroded year on year:

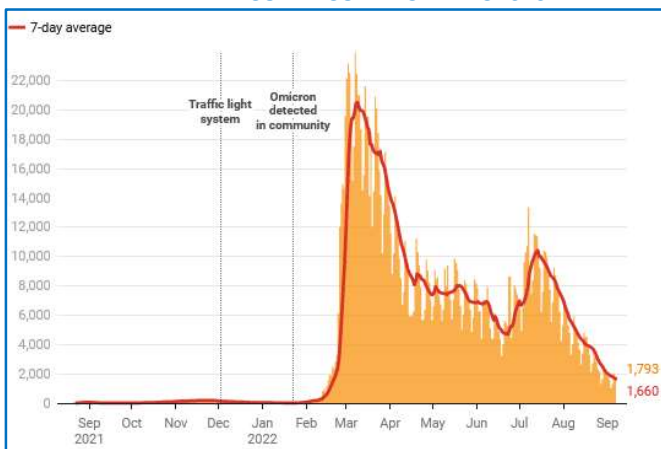
- Sept 2018 89.1%
- Sept 2019 84.8%
- Sept 2020 86.6%
- Sept 2021 80.2%
- May 2022 74.0%

Note that this drop off began well before the Covid pandemic, and has continued to drop through it.

COVID APPEARS TO BE YESTERDAY'S STORY

Much to Jacinda's "Mother knows best" climate of fear, the evidence is that Covid is on a serious decline. The issue, of course, is that our hospitals (now x DHB's) remain ill equipped to cater for the Doctor and Nursing crisis that we have, means Jacinda will need to find a new "fear" story to frighten our most vulnerable.

DAILY NEW COVID COMMUNITY CASES



THE ONLY ELECTION QUESTION IN MY MIND - HOW BADLY WILL LABOUR LOSE?

SOURCE: Mike Hosking, NZ Herald, 25th August



Mike Hosking is always a good read, and very aligned to my thinking!

He writes: With roughly a year to go to the next election there is little, if any, doubt in my mind the Government has already lost. The only debate is how badly.

Small disclaimer - a lot can happen in a year. But barring the

opposition parties shooting themselves in the foot, Labour is going to lose.

The polls tell only part of the story, the rest is there for all to see on a daily basis. The fact the discussion has already begun over Jacinda Ardern's future tells a lot of the story. The numbers on personal popularity have tanked, and I suspect have further to fall.

Speculation as to whether, as one headline put it, "She goes down with the ship" (or bails) is a damning report card in the winter of 2022.

Some simple questions give you a guide as to why this is the way it is. Name me one substantive thing that is going well for them.

THE ECONOMY? Record inflation, record domestic inflation. In case you just answered: "Oh it's the war."

The number of people living in cars, we learned last week, has exploded, despite the promises to sort it. Record levels of demand for social housing.

MASSIVE DISSENT OVER THREE WATERS from dozens of councils, not to mention ratepayers over, 1, a poor idea, and 2, a poor idea badly handled.

A CENTRALISED POLYTECH that's failed to get off the ground, has a deficit that's possibly more than \$100 million, and a bloke who ran the place while not running the place, on full pay, until he quit.

A HE PUAPUA PROGRAMME THAT HASN'T GONE TO CABINET because the minister knows he can't get it past them because the Māori who have been consulted (the rest of us haven't been) want something so radical he knows it's dead in the water.

A CRIME SCENARIO THAT TOUCHES EACH AND EVERY ONE OF US as gangs run rampant, as do kids who failed to go to school, and as a result decided driving cars through shop windows was their future.

AN IMMIGRATION POLICY THAT'S LETTING NEXT TO NO ONE IN, so employers continue to scream at 1, the fact no one is arriving and therefore there are few if any to fill the ludicrous gaps in every sector of this country, and 2, pulling their hair out at the paperwork required and timeframe to even become accredited employers.

A HEALTH SYSTEM THAT COULDN'T HANDLE WINTER, and health staff in crisis the likes of which we haven't seen in years, despite the promises to address it, the backlog for elective surgery up more than 250 per cent.

A ROADING-COME-CLIMATE-CHANGE-COME-TRANSPORT IDEOLOGY that sees hundreds of millions of dollars wasted on projects that are late, over budget, and don't work even if they do get finished.

CENTRAL CITIES THAT AREN'T BEING FREQUENTED because of these polices and the ensuing businesses that suffer because of it. Presumably, the opposition parties are totting up the myriad working groups and investigations that have been launched over the past five years that 1, haven't even reported back, and 2, those that have, that have changed what?

THE COVID RESPONSE THAT STILL PERVADES OUR DAILY LIFE with masks and orange settings that few, if any, now follow, due to the realisation that so much of it was a panicked reaction early to a health system that couldn't cope, and two years on, as mentioned, still can't.

That covers a bit, but not all of it, and that's before we come to [POOR OLD GAURAV SHARMA](#), who in essence confirmed what many of us knew or suspected already. That all the talk of kindness and being open honest and transparent was essentially a con. The fact they handled his expulsion the way they have, is another sign of when it comes to delivery whether it be policy or discipline, they can't organise themselves out of a wet paper bag.

So back to the question, what's the bit that's firing? Poverty stats? Climate change progress? Consumer confidence? You could argue the jobless stats, but most countries have low unemployment by default.

[THE WINTER OF DISCONTENT](#) the Government refers to by way of excuse is not because it's winter, but because the people running this country are fundamentally incompetent and that's why you can sit here in August of 2022 and know what will unfold this time next year.

This second term of Labour is frighteningly similar to the third term of the last Labour government when they imploded through arrogance and hubris.

RESERVE BANK STAFF NUMBERS OUT OF CONTROL



National Party's Deputy Leader, Nicola Willis has released some interesting Reserve Bank stats, acquired via an Official Information Act (OIA). This included:

"Despite a huge increase in the Reserve Bank budget and runaway inflation, the Bank has massively increased its

central office communications functions while failing to bolster its core economics function," says National's Finance Spokesperson Nicola Willis.

Data released to National under the shows worrying trends in where the Reserve Bank is focusing its money and resources.

Total staff numbers at the Bank have exploded from 255 in June 2018 to 454 (up 78%) in June 2022.

Despite this hiring spree, the core economics function of the Bank is receiving less money this year than it did in 2013. The number of economics staff employed by the bank is now lower as a proportion of total staff than at any time on record. In 2013, 34 economic staff were employed by the Bank, whereas today that number is 32 (down 2%).

The Reserve Bank has instead more than tripled the number of communications staff, up from six in 2013 to 20 today (up 233%). Similarly, the number of staff in the HR team has leapt from five in 2017 to 24 today (up 380%), while staff in the Governor's office has increased from six in 2017 to 21 today (up 250%).

"New Zealanders are suffering from the double whammy of rapidly rising prices and interest rates climbing more steeply than at any time in 30 years. These issues should be the Reserve Bank's focus. I'll bet taxpayers would prefer their money being spent on economics advice rather than spin and corporate PR," Nicola said.

"Inflation has exceeded the Bank's target for more than a year, and by the Bank's admission won't be under control until at least March 2024. There must be an examination of how we got here and accountability for any failures."

\$1.2 BILLION ON MOTEL & EMERGENCY HOUSING

A shameful outcome for Ardern, as this Labour Government has now spent over \$1.2 billion on housing people in motels and emergency facilities. This is an indictment on a government that refuses to build enough state houses for vulnerable people who are the biggest victims of the housing crisis. But what's more, the staggering \$1 million spent each day on emergency housing has also been a social disaster, the scale of which is becoming too apparent for the Government to ignore.

The scandal of the \$1.2bn emergency housing programme has become most visible in Rotorua, where the homelessness problem is particularly acute, and the rorts of substandard motel accommodation are stark.

NATIONAL'S SCANDAL MANAGEMENT

SOURCE: NZ Herald, Richard Prebble, 17-Aug-2022

Be assured, Sam Uffindell has my 100% support. Whatever he did as a 16 year old, he has paid for his indiscretion – if you don't think the humiliation of being asked to leave a Boarding School is enough, then you don't understand human frailties. Sam is not that 16 year old, and he has the ability to be an outstanding Member of Parliament for Tauranga.

Prebble wrote: What is it with National Party leaders destroying their own MPs' careers? Now Christopher Luxon has thrown his new MP under a bus.

I wrote last week that this election is Luxon's to lose. I pointed to his lack of experience. He does not know the rules of Tammany Hall.

Rule number one: "For my friends, anything. For my enemies, an inquiry".

Never call for an inquiry into yourself.

The Uffindell affair could have been a one-day issue. All Luxon had to say was, "the people of Tauranga have elected Sam Uffindell. In the next 16 months the MP has to face re-selection and re-election. If the party or voters want to hold him accountable for things that may have happened years ago, they can. My task as leader is to hold Mr Uffindell accountable for his actions as an MP, which have been exemplary."

A CEO may be able to shift an issue off to the lawyers. But in politics, the buck stops with the leader.

JOYCE ON THE KIWISAVER GST STUFF-UP

SOURCE: NZ Herald, Steven Joyce

The suggestion seems to be that the decision to charge GST on KiwiSaver fees slipped into the regular tax bill without the top echelons of government being fully aware of the ramifications of it. And that the failure to mention it in the press release announcing the bill was an unfortunate oversight. ...

Unless all the officials involved were incompetent, which is highly unlikely, and the Prime Minister and Finance Minister can't read, also unlikely, there is no way they didn't understand that the Inland Revenue were lodging a bill to increase the tax take by \$200 million and reduce people's KiwiSaver balances accordingly.

So unless there is a total breakdown of the normal decision-making processes within government, which is highly unlikely, this decision and the underhand way it was announced was premeditated.

They knew what its impact would be, and made a deliberate decision not to include it in the press release, hoping no-one would notice!

Whatever the final cause of the Government's awry political antennae, it appears very likely the die has been cast and the public have made up their minds about this lot, and ministers increasingly know it.

For the evidence of that, see Grant Robertson's regular personal attacks on Opposition leader Christopher Luxon. It is likely Robertson realises the public's perception of his government as out of touch and ineffective is now baked in, and the only chance they have of surviving next year is to make the alternative government look as shop-worn as their crowd.

Expect to see much more attacking of the opposition over the next 12 months. Labour's strategists may not have been able to work out that adding GST to KiwiSaver this way was political poison, but they are aware that the only way to level the playing field for the next election is to drag the alternative government down and create as much doubt about them as there is about Labour. It's the 2005 and 2008 playbook all over again. And it won't be pretty.

FROM WELFARE TO PRISON

It's been hiding in plain sight for decades but now the Royal Commission on Abuse in Care has confirmed what many have always known - a major percentage of those who went through the welfare system as children ended up filling the country's jails.

ESTIMATED INCARCERATION RATE



The Royal Commission heard the same story over and over again: *"You might look normal outside, but inside you're like a hurricane. That's how bad it is. When you get into that state, you just can't trust anybody. Even your own family, your kids, your missus. We can't trust anyone."*

Hohepa Taiaroa told the Commission that the path that the welfare system sent him on robbed him of his ability to be a good father. Taiaroa went through Kohitere and then Waikeria borstal in the 1970s, and said the incarceration was as much psychological as physical. He said the violence and solitary confinement he experienced in Kohitere as a child led to him self-isolating and building a protective wall around himself because he couldn't trust anyone, not even his family.

"The education that we got was only to improve our criminal activity. So it was highly likely that we were going to be incarcerated in the near future.

"You can be a criminal, or you can be a father, but you can never ever be both."

NATIONAL'S EXCELLENT POLICY ON GETTING YOUNG PEOPLE OFF WELFARE & INTO WORK

Christopher Luxon announced this significant policy in his Christchurch Annual Conference speech.

There are 50,000 more people on the jobseeker benefit than when Labour took office. And for those aged under 25 it has gone from 23,000 to 34,000. Also of concern is the number who have been on the benefit for greater than 12 months is up 84%.

CONSECUTIVE YEARS ON BENEFIT: 18-24-YEAR-OLD JOBSEEKERS

Time on Jobseeker	Sep 2017	Jun 2022	% Increase
1-2 years	4,110	6,252	52%
2-3 years	1,719	4,020	134%
3-4 years	783	1,839	135%
4-5 years	330	768	133%
5 years +	321	504	57%
Long term total (1 year +)	7,263	13,383	84%

The key elements of this policy are:

- Community providers contracted to provide 18–24-year-old Jobseekers with a dedicated Job Coach to help get them into work
- Funding linked to keeping young people off welfare.
- Jobseekers will get a proper assessment of their barriers to finding work, and an individual job plan to address them
- Those who fail to follow their plan will face sanctions, such as money management or benefit reductions

Long-term under 25 Jobseekers who get into work and stay off benefit for 12 months will receive a \$1,000 bonus.

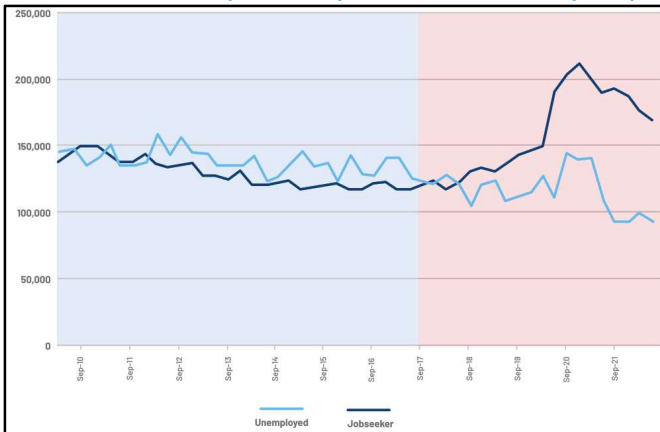
This policy hits all the key elements of good policy:

- A well-defined problem
- A partnership between government and community
- Funding tied to actual results or outcomes
- Resourcing to solve the problem
- A mixture of both carrot and stick

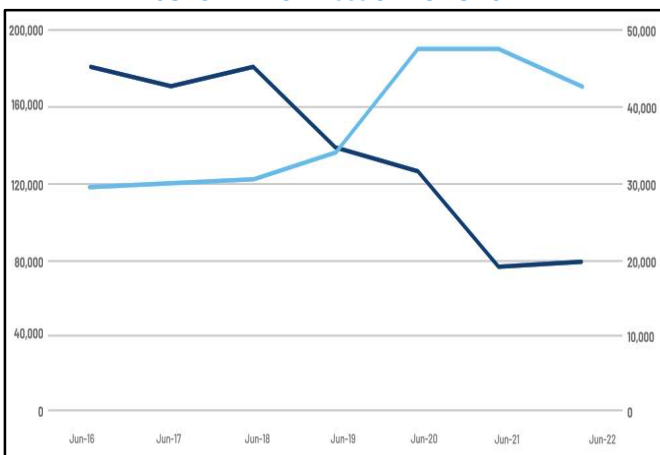
The policy is costed at around \$120 million over four years, with 20,000 young people to be assisted. If this policy works for even 20% of these young unemployed, it will be a great (social) investment.

There is absolutely no good reason welfare numbers should have increased so much, as official unemployment levels are so low. Having a work capable 18 year old spending a decade on welfare is not kind – it is plainly cruel.

UNEMPLOYMENT (STATS NZ) VERSUS JOBSEEKERS (MSD)



JOBSEEKERS VERSUS SANCTIONS



OPTIMUM POPULATION - GOVT IMMIGRATION STATEMENT SHOULD ALLOW 4M MORE PEOPLE

SOURCE: Newsroom Pro

The Government is preparing to respond this year to a Productivity Commission inquiry encouraging more rapid immigration. It is likely to look favourably on the recommendation that it draft a Government Policy Statement, outlining the population forecasts and the infrastructure strategies necessary to respond.

How many migrants does NZ want? The Productivity Commission report and late August's Reserve Bank monetary policy statement warn that workforce shortages are a major handbrake on economic growth and a contributor to inflation – both say more immigration would help address those.

Immigration Minister Michael Wood has announced sweeping changes to the settings for short-term migrants, with the doubling of the working holiday scheme capacity. The move will see 12,000 extra workers able to enter the country and help sectors such as tourism.

But the changes have raised concerns about whether Immigration NZ is sticking to its immigration rebalance goal, which purported to shift the economy away from an over-reliance on short-term, low-waged migrant labour.

Low-productivity industries such as horticulture, hotels, restaurants, textiles and admin have high shares of migrants, but also, several high-productivity industries such as finance, chemical manufacturing and telecoms also rely on migrant labour.

IMMIGRATION REMAINS KEY TO ECONOMIC GROWTH

For migrant arrivals in the June 2022 year, New Zealand citizens were the largest group, with 20,000 (\pm 400) arrivals. The next largest groups were citizens of:

- India: 5,300 (\pm 100)
- Australia: 2,500 (\pm 300)
- Philippines: 2,500 (\pm 100)
- China: 2,400 (\pm 100)
- United Kingdom: 1,800 (\pm 100)
- South Africa: 1,600 (\pm 100)
- Samoa: 1,500 (\pm 100)
- United States: 1,100 (\pm 100).

For migrant departures in the June 2022 year, New Zealand citizens were the largest group, with 24,600 (\pm 500) departures. The next largest groups were citizens of:

- China: 5,300 (\pm 100)
- United Kingdom: 4,500 (\pm 100)
- India: 4,300 (\pm 200)
- United States: 2,600 (\pm 100)
- Australia: 2,400 (\pm 200).

The provisional net migration loss of 11,500 in the year ended June 2022 was driven by net losses of 6,900 non-New Zealand citizens and 4,600 New Zealand citizens.

The annual net loss of non-New Zealand citizens continues a reversal of historical patterns. New Zealand has usually had an annual net migration gain of non-New Zealand citizens and an annual net migration loss of New Zealand citizens.

MONTHLY MIGRATION

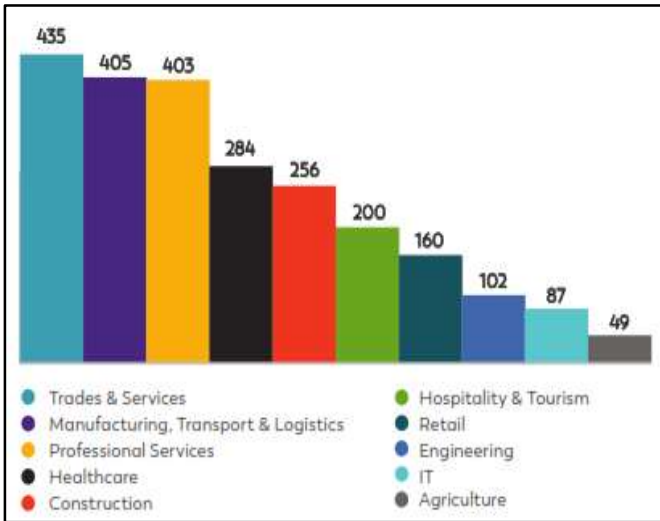
Provisional estimates for June 2022 compared with June 2021 were:

- migrant arrivals: 5,800 (± 500), up 21%
- migrant departures: 6,700 (± 500), down 1%
- monthly net migration: loss of 900 (± 700), up from a net loss of 1,900 (± 40).

PRIORITY ONE'S ECONOMIC MONITORING REPORT - ADVERTISED JOB TYPES

A mid-July snapshot of a given week, in the Western Bay of Plenty, shows on average, nearly half of jobs advertised in that week in July were across: Trades & Services; Manufacturing, Transport & Logistics and Professional Services. There have also been a steady number of jobs in the Healthcare and Construction sectors advertised across SEEK and TradeMe.

MID-JULY PRIORITY ONE SNAPSHOT



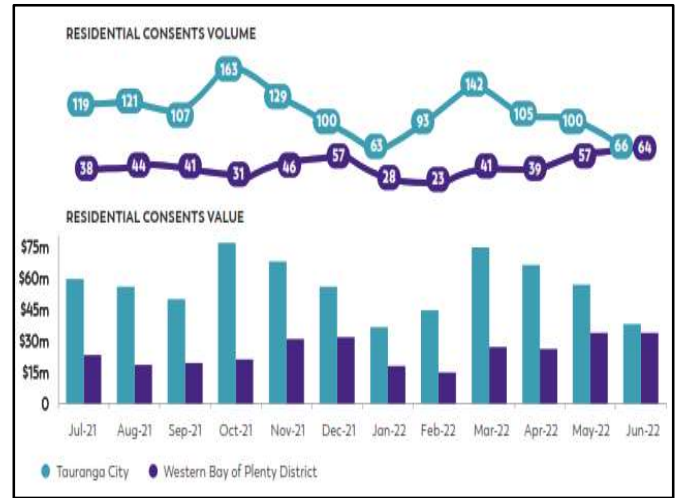
RESIDENTIAL CONSENTS VOLUME

The volume of residential consents in Tauranga City has been easing this year as developable land dries up and interest rates rise.

RESIDENTIAL CONSENTS VALUE

The value of residential consents in Tauranga City and Western Bay of Plenty District were \$54million and \$21million, respectively, in April.

RESIDENTIAL CONSENTS IN THE WESTERN BAY



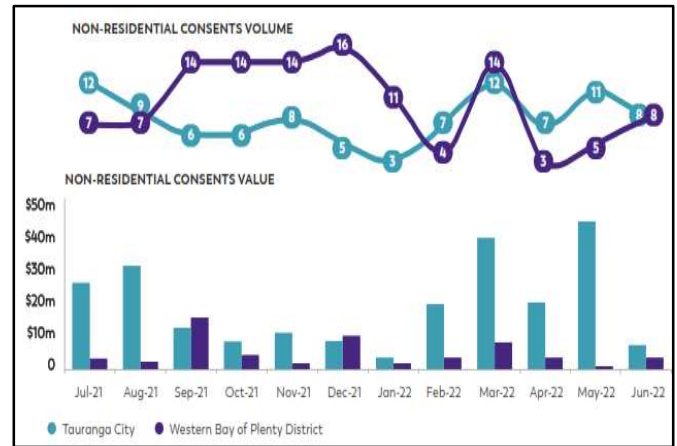
NON-RESIDENTIAL CONSENTS VOLUME

The number of non-residential consents for Tauranga City Council has gradually overtaken those of Western Bay of Plenty Council in the past six months.

NON-RESIDENTIAL CONSENTS VALUE

Non-residential consent values in Tauranga City experienced two peaks; \$38million in March due to the Quest development in Mount Maunganui and the relocation and development of Brookfield School, and \$43million in May owing to the Pāpāmoa College new classroom construction and the North Power warehouse development in Tauriko.

NON-RESIDENTIAL CONSENTS IN THE WESTERN BAY



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email: herbal@jpp.co.nz

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WHEN DID WE, AS A COUNTRY, DECIDE THAT THE TREATY TRUMPS DEMOCRACY?

SOURCE: Bassett, Brash & Hide; 14th August



Hon Paul Goldsmith came into Parliament in 2011, and is the current National Party's Justice spokesperson. This article challenges New Zealanders to determine whether it is racist to defend our current democracy.

The Māori Party are very open that they want Parliament to not have equality of suffrage, but instead to be 50/50 based on race. At least

they are honest about it, which is more than we can say for Ardern's Labour Party. Ardern and her Māori Caucus last year leaked the He Puapua Report, and have ever since been altering our democracy by stealth. It is time to put it to a referendum – and let all New Zealanders have the final say on this. I consider this a very timely penned article.

Paul wrote this article:

Labour's Māori Development Minister, Willie Jackson, infamously said on Q&A recently that the nature of our democracy has changed. He's backed it up in a New Zealand Herald opinion piece declaring, "We live in a new democracy", while stating that politicians questioning the changes are engaging in "racist dog-whistles".

What's going on? Last week Labour, the Greens and the Māori Party passed the Canterbury Regional Council (Ngāi Tahu Representation) Bill.

Under this Bill, the people of Canterbury will elect 14 councillors. Everyone gets a vote – Māori, Pakeha and everyone else. And then something extraordinary happens. Ngāi Tahu appoints two more councillors. No voting and no election.

This is not a Māori ward, allocated proportionately to the population. These are additional appointments made by an independent entity – Ngāi Tahu. Something like the English aristocracy of old, or the Fijian Great Council of Chiefs.

National has opposed the Bill and will repeal it, if re-elected next year, because it offends two basic principles – equal voting rights for all New Zealanders, and basic accountability at the ballot box.

Ministry of Justice advice to the Government on the Bill points out that this clearly discriminates against non-Māori. Yet extraordinarily, the Ministry also says in a couple of loose paragraphs that the Treaty justifies this change.

This is a dramatic and radical change to the way we choose our government in New Zealand. When did we,

as a country, decide that the Treaty trumps democracy? We haven't.

The idea of equal suffrage – equal voting rights, regardless of gender, class and ethnicity – has been a pillar of our democracy for decades. Remember Kate Sheppard? All New Zealanders should have an equal say in who governs them; an equal say in appointing the people that make the decisions that affects their lives.

Equally fundamental to our system is the ability to throw poor performers out at the next election – that is the bedrock accountability in our democracy. But not under this Bill. Ngai Tahu's representatives could never be thrown out.

Why this Labour Government thinks they can casually move away from these principles without a broad national discussion or clear mandate is beyond me.

Where are the legal profession; the constitutional experts, the Human Rights Commission, the usual noisy crowd? The silence is deafening.

Kiritapu Allan, the Minister of Justice, says incoherently that "equal voting rights are critically fundamental to New Zealand's democracy" and that she nevertheless supports giving Ngai Tahu the ability to appoint councillors, after they've already enjoyed equal voting rights. She makes no attempt to reconcile the two.

Some Labour MPs have said that Ngai Tahu is a special case; other Labour MPs (Tamati Coffey) have said: "I put a pānui out to all of those other iwi that are listening: Ngāi Tahu have opened the door."

It's clear that the argument for the Canterbury legislation will be extended to every other regional council, then unitary councils, then the rest.

If we as a country no longer think that equal voting rights apply at one level of government, pressure will build for change in national elections.

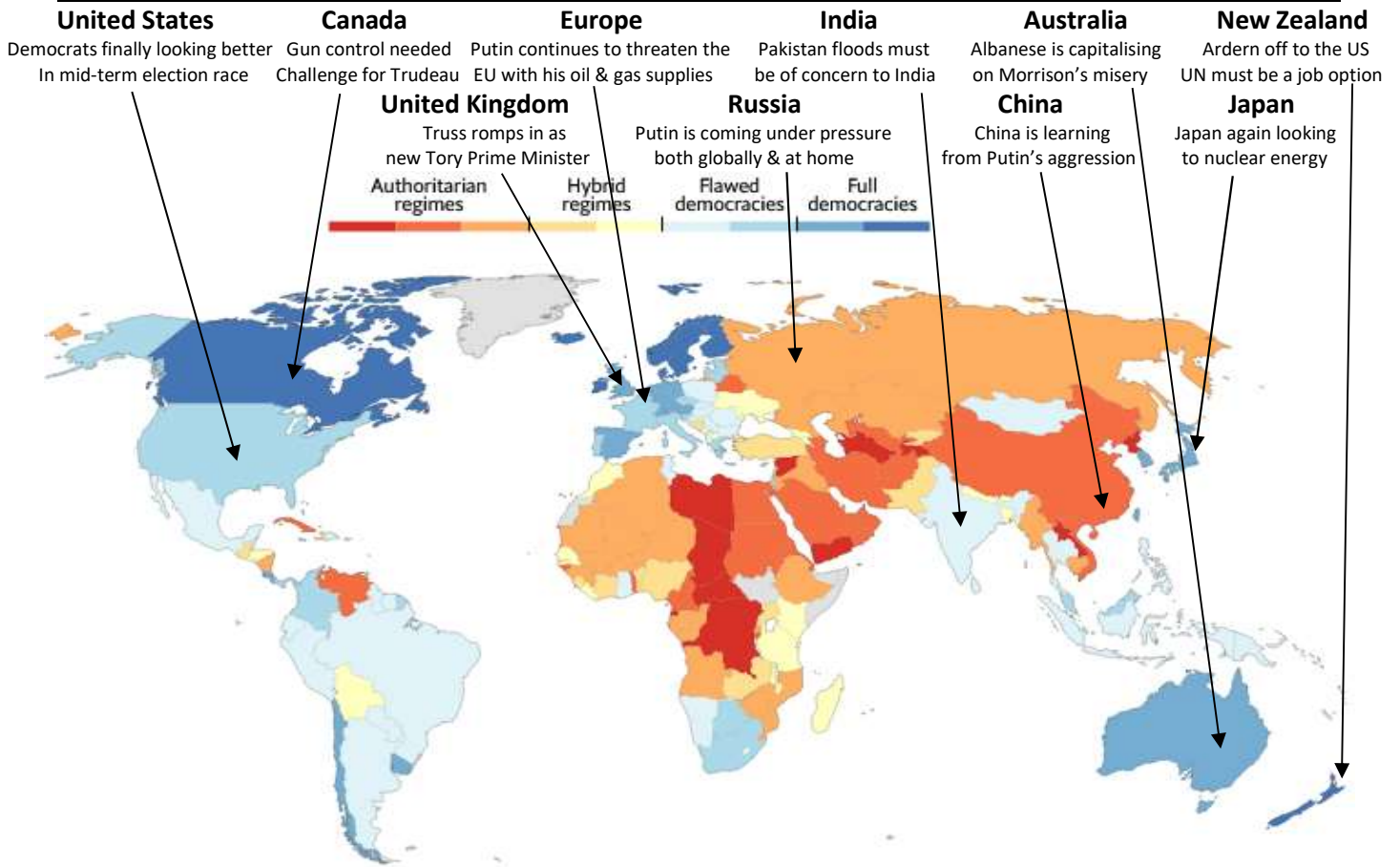
I can't think of a more divisive agenda for any government to run.

In the absence of any comments from the Prime Minister on the topic, New Zealanders can rightly conclude it is the agenda of the Labour Party to change our democracy away from equal voting rights and accountability to one that points to two classes of citizens.

If Jacinda Ardern and her government Ministers no longer think that Kiwis should have equal voting rights, then they should make the case and ask New Zealanders whether they agree.

If it is dog-whistling to question these things, then we are all lost.

THE WORLD AT A GLANCE GLOBAL DEMOCRACY INDEX



THE GLOBAL ECONOMIC OUTLOOK

GLOBAL OUTLOOK



A global recession remains entirely avoidable. True, the odds of a downturn are much higher than usual in Europe, which has been hit hard by reduced supplies of Russian natural gas; China, where COVID-19 lockdowns already turned growth negative in the second quarter; and other countries, including emerging-market economies with debt troubles. Even the US economy is experiencing a slowdown. The two consecutive quarters of negative GDP growth reported by the US Bureau of Economic Analysis do not signify that a US recession started in the first part of 2022, according to President Biden.

He says that there are three reasons for this. First-quarter GDP will be revised on September 29, and second-quarter GDP on August 25; other indicators like

gross domestic income (GDI) and employment were positive; and the recession ruling is up to the National Bureau of Economic Research. But rising interest rates and the gloomy outlook among America's trading partners do mean that a US recession is more likely than usual at some point over the next two years. But a "global recession"? The United States is not the only place where a negative growth rule is not an agreed criterion for defining recession. Consider global GDP. It has been rare in the postwar period for global growth to fall below zero even for a single quarter, let alone two. Not even the severe downturns of 1974 and 1981 qualified. Even in times of apparent recession, negative growth in advanced economies is usually outweighed by still-positive growth among emerging-market and developing economies. (Two exceptions were the 2008 global financial crisis and the 2020 pandemic-induced recession.) The International Monetary Fund now projects that global GDP growth will slow from 6.1% in 2021 to 3.2% in 2022 and 2.9% in 2023. That is a momentous deceleration. **But it still leaves world growth unlikely to meet a two-negative-quarters threshold. Even by laxer criteria like GDP growth below 2.5%, global recession remains very far from inevitable.**

NEW ZEALAND'S ECONOMIC OUTLOOK

POPULATION: 5.2 MILLION

HOW ARE NZ COMPANIES ADDRESSING THEIR EMISSIONS

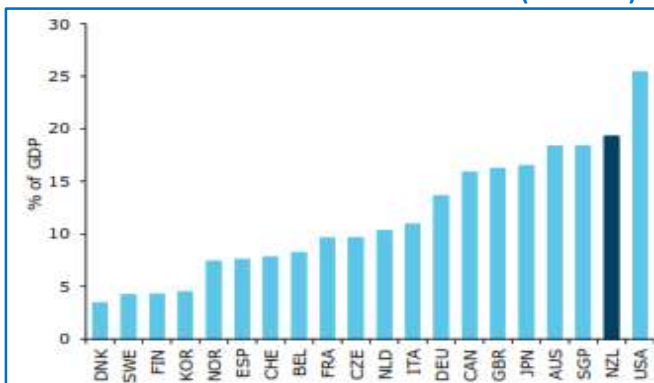
While many of NZ's biggest companies talk "the big game" on emission reduction, often the truth is more obscure.

For instance, **Genesis Energy** is still burning coal at Huntly – its carbon dioxide levels were up 82% last year. And NZ Refining (now rebranded as **Channel Infrastructure**) claims that by closing Marsden Point oil refinery, it's cut more than 1 million tonnes of carbon dioxide emissions, delivering one third of NZ's first emissions reduction budget. What it doesn't say is that every tonne of that will simply be shifted to overseas refineries, and it's Channel that will be importing much of that fuel. It's just creative climate accounting to move the emissions off NZ's balance sheet.

ANZ SAYS NZ ECONOMY REMAINS FINELY BALANCED

ANZ Bank forecasts have the NZ economy avoiding recession, but that's only because they've pencilled in a strong recovery in net exports (as over-stimulated demand for imported goods wanes and exports of services recover). But from a domestic (gross national expenditure) perspective, ANZ Bank does expect a contraction over the first half of 2023. If international tourism and education don't pick up as quickly as they're hoping, the whole economy could easily slip into recession. But for the RBNZ, given the low likelihood of a sharp supply-side recovery (ANZ has downgraded their outlook for net migration), and very strong wage growth, the task of taming inflation hasn't got any easier. ANZ may have downgraded their outlook for activity, but a decent slowdown will be needed to bring inflation under control. Hopefully, it will take an OCR of only 4% to achieve it. But 7% wage growth certainly takes the edge off the tightening delivered so far. Their conclusion is that unemployment will need to rise for inflation to slow.

DISCRETIONARY FISCAL RESPONSE TO COVID (TO MID 21)



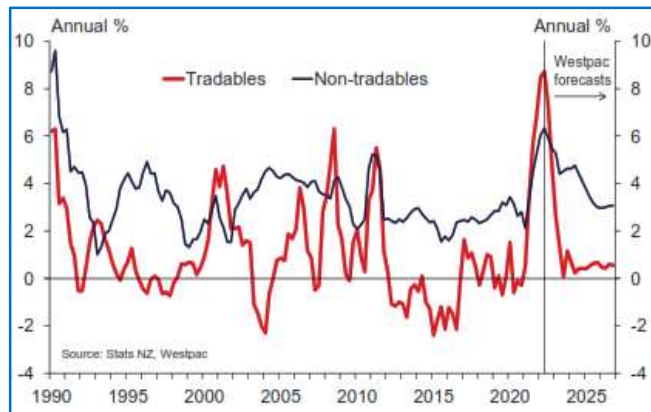
SOURCE: IMF, ANZ Bank

INFLATION

While the global component of inflation is set to ease, the domestically-driven component has further to go. To a large extent, price pressures in this category reflect the tightness of the labour market. On that front, wage growth, often a lagging feature of the economic cycle, is

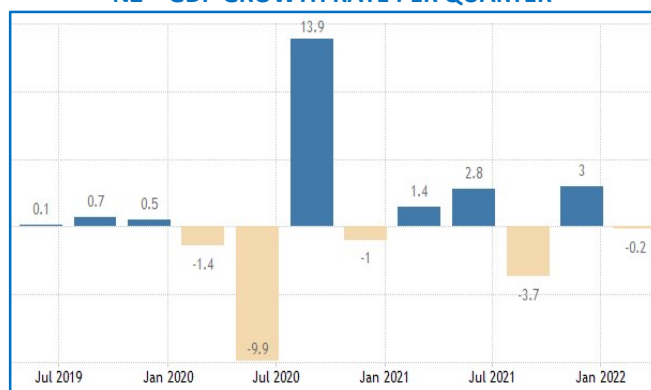
now gaining some real momentum. Average hourly earnings rose 6.4% in the year to June, the fastest pace since 1990.

BREAKDOWN OF CONSUMER PRICE INFLATION

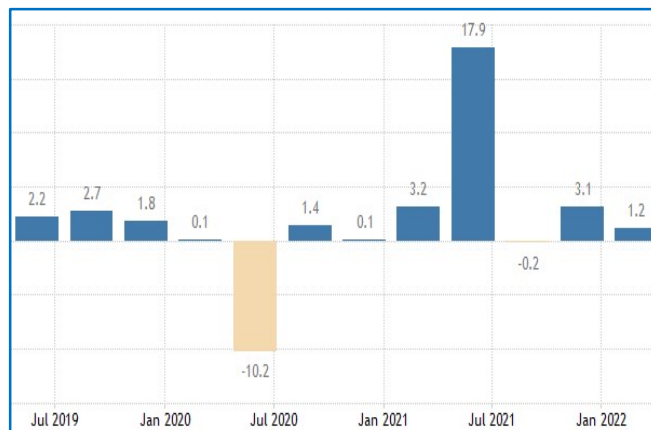


Globally-driven inflation is likely to recede, but homegrown inflation pressures remain strong.

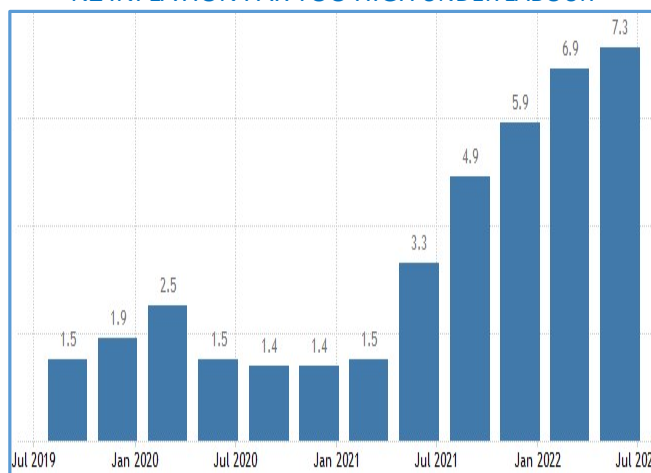
NZ – GDP GROWTH RATE PER QUARTER



NZ – ANNUAL GDP GROWTH RATE



NZ INFLATION FAR TOO HIGH UNDER LABOUR

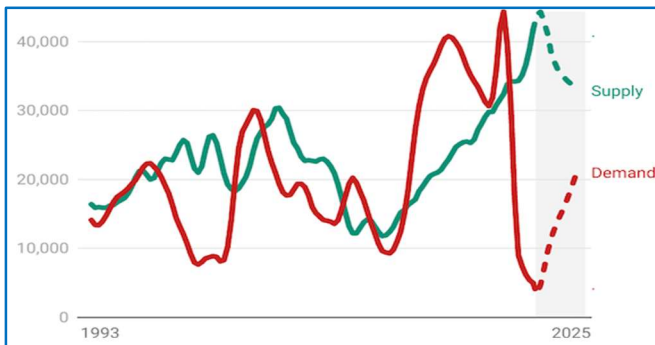


NZ's HOUSING DOWNTURN

The Housing Supply & Demand chart (below) shows the sudden about-turn that means new housing supply far exceeds an "anaemic rise" in new housing demand over the past year, according to Kiwibank economist Jeremy Couchman. That supply increase means NZ was short just 23,000 homes by June – but it won't last.

There is a cloud hanging over future building activity, with the current housing market not being conducive to property development. Some indicators, such as net new residential electricity connections, point to the potential for downward revisions to already published supply data.

FORECAST CHANGE IN HOUSING SUPPLY & DEMAND

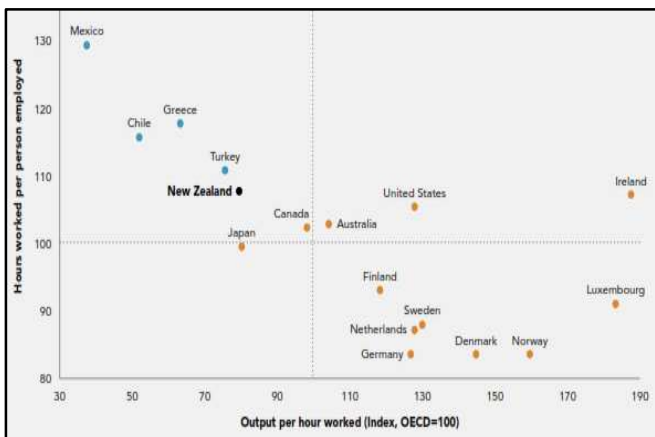


SOURCE: Stats NZ, Kiwibank

NEW ZEALAND HAS A PRODUCTIVITY ISSUE



NZ PRODUCTIVITY VERSUS OECD

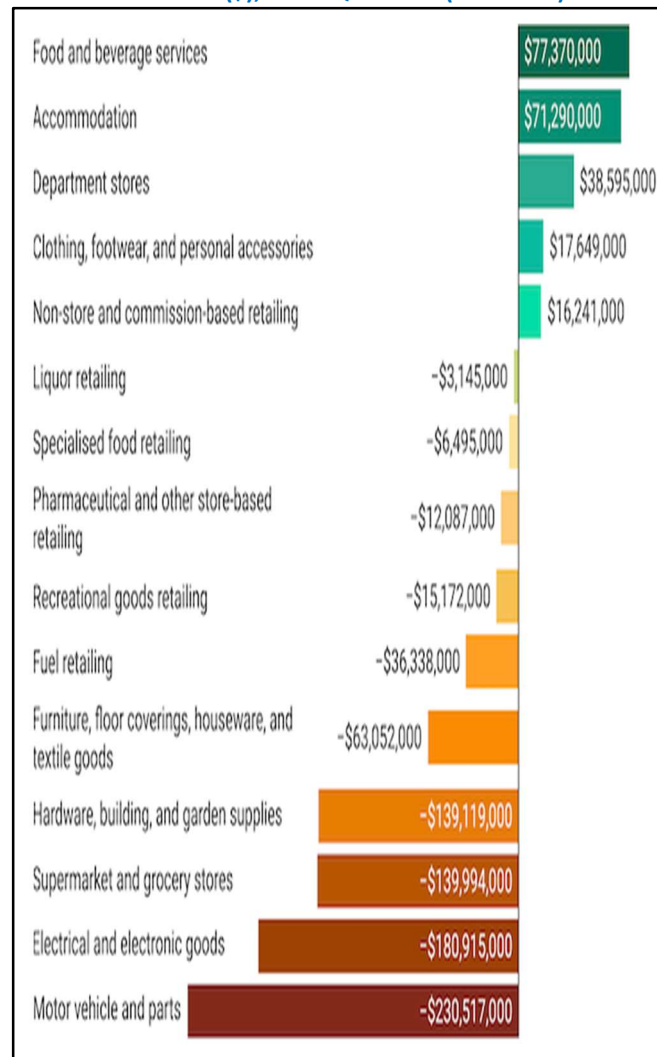


SOURCE: NZ Productivity Commission

RETAIL SPENDING SLUMP PUTS NZ ON 'THE ROAD TO RECESSION'

Act Party leader David Seymour recently claimed retail spending statistics, combined with rising interest rates and a growing regulatory burden, shows NZ is likely headed for recession. That's a view that is not (yet) widely embraced by economists, though they admit being "stunned" by the downturn after most forecast a gain in retail volumes. To make matters worse, Stats NZ also revised its Q1 figures downwards significantly, all adding up to a terrible 2022.

SEASONALLY ADJUSTED RETAIL SALES VOLUME BY INDUSTRY (\$), JUNE QUARTER (STATS NZ)



ECONOMIC OUTLOOK



HSBC chief economist for Australia and New Zealand, Paul Bloxham - who famously dubbed New Zealand a "rock star" economy in 2014 - says we can no longer claim that title. He sees New Zealand dipping into recession early next year, whereas his forecast for Australia is to avoid recession.

"There is a slowdown coming in both markets as interest rates rise. And the big issues, on both sides of the Tasman, are: inflation and labour shortages", Bloxham said. That sounds ominous for Kiwi companies

fearful that worker shortages here will only get worse as our workers are drawn to Australia's job opportunities - and its typically higher wage rates. "The brain drain does present New Zealand with challenges. Both countries have super tight labour markets at the moment and both face this labour shortage challenge. And in Australia's case, the border's reopened and we are getting workers starting to flow."

AUSTRALIAN ECONOMIC OUTLOOK

POPULATION: 27.1 MILLION

MINERAL BOOM RE-EMERGING

Australia has long been considered "the lucky country" because of its mineral wealth. The rise in renewable energy will see demand explode for the likes of lithium (needed for the production of the likes of car batteries). Australian experts now say that Lithium mining will grow 40x to meet demand by 2040. Likewise Nickel, Cobalt and Graphite will all grow 20x over the same period. It certainly looks rosy for a continued Aussie mineral boom.

THE AUSTRALIAN ECONOMY

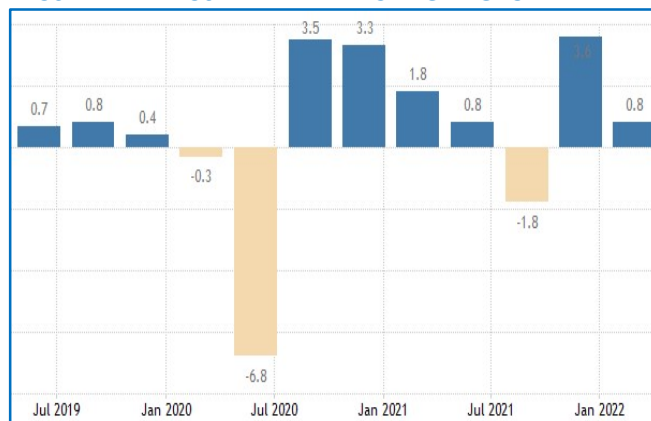
While higher rates have had a clear impact on house prices and new home lending, we are yet to see them impact other areas like retail sales, or the labour market. Indeed, despite 175bps of rate hikes and recessionary sentiment, the Australian consumer appears to be holding up well with July retail sales up 1.3% m/m, well ahead of Bloomberg consensus expectations (+0.3%). One possible explanation for this could be that households are more resilient than feared, supported by significant buffers built up over the last two years. However, Jarden thinks a more plausible explanation is that most households are only just beginning to feel the impact of first rate hikes now.

FASTER RATE HIKES SEE HOUSE PRICE FALLS ACCELERATE WE PULL FORWARD HOUSING CORRECTION

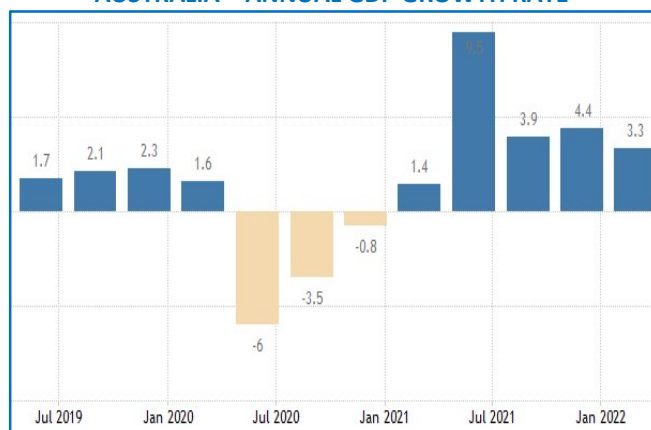
National house price falls accelerated further in July, led by large falls in Sydney and Melbourne (albeit still lagging behind our recent mortgage broker feedback of 10-15% price falls already). Auction clearance rates have also moderated to 52% in July, from 73% in Jul-21, albeit off continued strong volumes. Looking forward, we continue to expect a peak-to-trough decline in house prices of 15-20% - the largest correction since the 1980s. However, given the faster pace of rate hikes and accelerating house price falls, Jarden now expects falls to occur faster with prices down 10% in 2022 (was -5%) and 5-10% in 2023 (was 10-15%). While the recent change to Jarden's RBA view (to 3.1% by end-22 vs 2.5% previously) implies a 27% reduction in borrowing capacity, and downside risk to their house price forecasts, they expect APRA lowering the serviceability buffer from 3% to 2% to provide some support. Indeed, Jarden sees the policy response from regulators being the key determinant of how far

prices fall, with easing from APRA/RBA in 2023 key to avoiding larger 20%+ falls and putting a floor under the housing market. Importantly, Sydney and Melbourne are likely to fare worse given stretched affordability and the likely large impact of rate hikes. Continue to expect the housing correction to weigh on housing-exposed stocks such as the Banks, Platforms (REA, DHG, PXA), Discretionary Consumption, and Building Materials. However, some sectors are now largely pricing in this downside risk.

AUSTRALIA – AUSTRALIA – ANNUAL GDP GROWTH RATE



AUSTRALIA – ANNUAL GDP GROWTH RATE



UNITED STATES ECONOMIC OUTLOOK

POPULATION: 335.2 MILLION

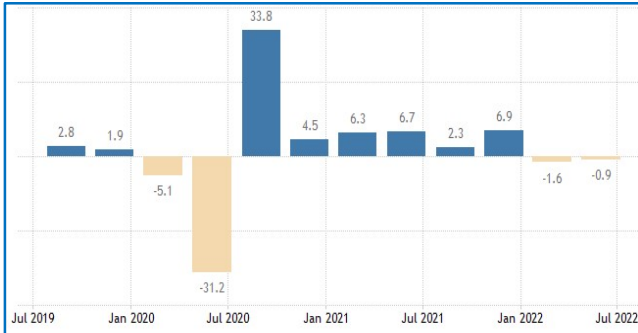
It is predicted that there are at least a further 10.3m undocumented (illegal) migrants in the US currently.

HAS INFLATION PEAKED?

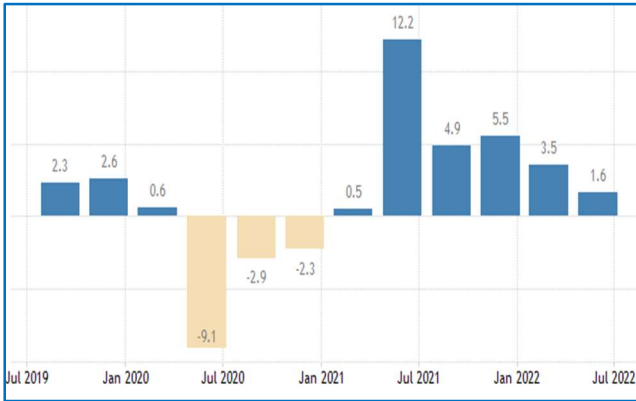
In the US, the annual change in the headline consumer price index (CPI) fell to 8.5% in July, down from a multi-decade peak of 9.1% the previous month. Oil is sitting at around US\$90 a barrel today, almost 25% down from early June when it was above US\$120. These are the lowest levels since February, just before the Russian invasion of Ukraine. Similarly, the Bloomberg Commodity Index (which tracks a much broader range of commodities) is almost 10% below its highs from 3 months ago.

There's been little sign of wage growth slowing, however. That alone will keep central banks focused on curbing activity, which means policy interest rates are still headed higher for now.

UNITED STATES – GDP GROWTH RATE PER QUARTER



UNITED STATES – ANNUAL GDP GROWTH RATE



CHINESE ECONOMIC OUTLOOK

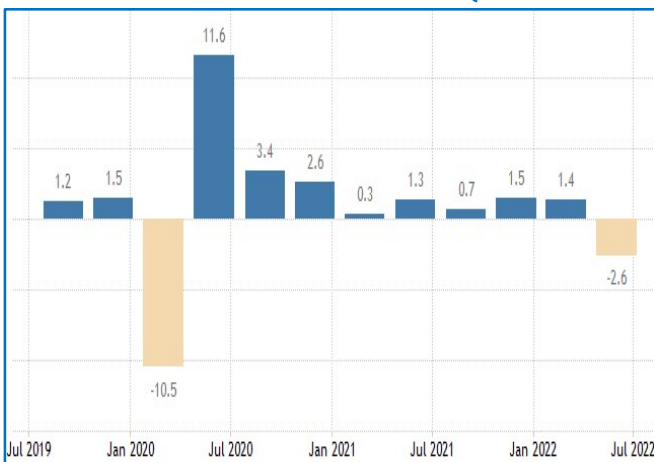
POPULATION: 1.43 BILLION

India is set to overtake China as the world’s most populous country next year, according to UN forecasts. Between 1990 and 2022, China’s population rose by 24%, whereas India’s jumped 63% from 861m to 1.41bn.

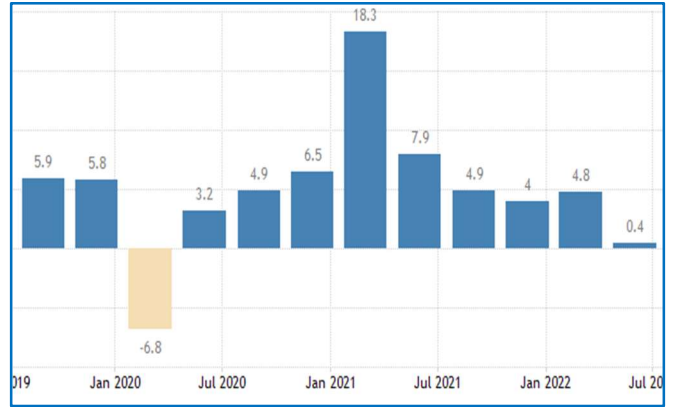
THE CHINESE ECONOMY

The Chinese economy advanced 0.4% yoy in Q2 of 2022, slowing sharply from a 4.8% growth in Q1. This just adds to the rising “*risk of stagflation in the world economy*” and tightening monetary policy overseas. For the first half of the year, China’s economy grew 2.5%. Beijing has targeted the country’s GDP to grow around 5.5% this year, after a 8.1% expansion in 2021 which was the steepest pace in nearly a decade, and following a 2.2% growth in 2020. Meantime, activity data for June showed some improvement, as the Chinese government has rolled out a raft of measures, cutting taxes for businesses and channeling more money into infrastructure projects.

CHINA – GDP GROWTH RATE PER QUARTER



CHINA – ANNUAL GDP GROWTH RATE



UNITED KINGDOM ECONOMIC OUTLOOK

POPULATION: 68.4 MILLION

BREAKING - TRUSS IS THE NEW TORY PRIME MINISTER



Foreign Secretary **Liz Truss** is to become UK’s next Prime Minister – winning 57% of the vote. It was always going to be a big ask for former Treasury chief **Rishi Sunak** to win this race, which was announced on 5th September (UK time).

WHO IS SHE, AND WHAT DOES SHE STAND FOR?

Mary Elizabeth Truss was born into a middle-class family in Oxford in 1975. Her father, John, was a professor of mathematics; her mother, Priscilla, was a nurse and teacher. Both were staunchly left-wing, supporting unilateral nuclear disarmament, and raising their daughter to despise Margaret Thatcher.

Truss, a liberal free-marketeer, has taken a tough line against Russian President Vladimir Putin, and remains the favourite of the 180,000 Conservatives' right wing Party membership. Truss has made cutting taxes from her first day in office the central plank of her leadership pitch to members.

Truss has been able to “sell herself as the ordinary girl who grew up in unfashionable Paisley and Leeds – in contrast to her opponent, the ‘posh boy’ who went to Winchester”.

Truss was born in Leeds to Labour-supporting parents, and was president of the Liberal Democrats society while at Oxford, where she called for the abolition of the monarchy. But after shifting to the political right, Truss has served as the Conservative MP for South West Norfolk since 2010. She was appointed to one of the great offices of state as foreign secretary in September 2021 and, despite being a late convert to Brexit, was also appointed by Boris to oversee Brexit negotiations.

Rishi Sunak, however, had vowed to run the economy like Thatcher if he became the next PM. “*We will cut taxes and we will do it responsibly. That’s my economic*

approach. I would describe it as common-sense Thatcherism. I believe that's what she would have done." Yet he "faces an uphill struggle" to convince grassroots Conservative members to back him over Truss.

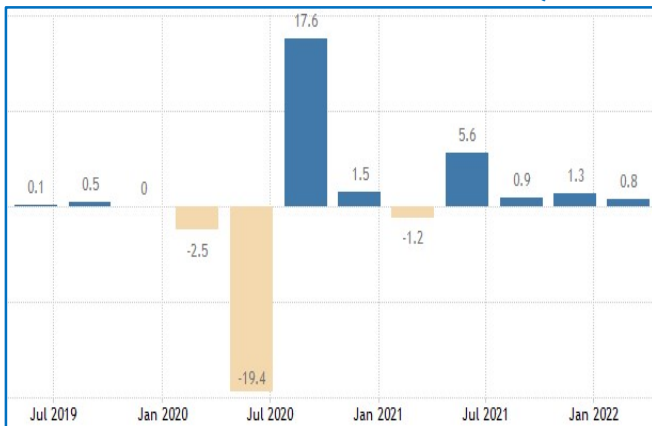
The Tory election race has been going on for so long it's easy to forget what a "ground-breaking event" it is. If Liz Truss wins, as seems likely, she'll be the first prime minister to be installed almost solely on the say-so of party members. Party members have repudiated the choice made by MPs: a mere 50 of the 357 Tory MPs voted for her in the first round, and she won none of the subsequent ballots. This won't make Truss an illegitimate PM, but it is likely to make her a weak one.

AN ENERGY CRISIS IS COMING TO THE UK

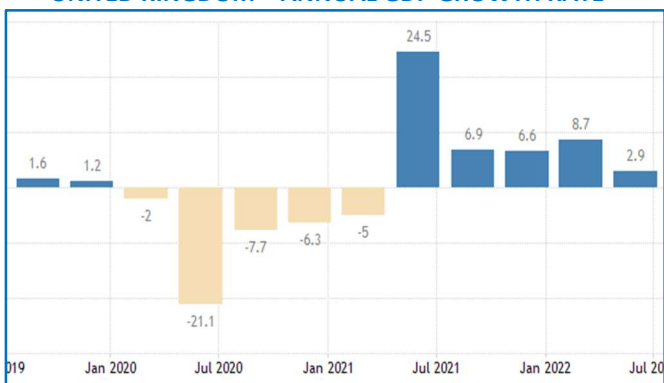
Experts warned that lives could be at risk this winter after the energy regulator increased the price cap on domestic bills by 80%. The hike – which comes on the heels of a 54% increase in April – means that, from 1 October, the monthly energy bill for an average household will jump from around £164 to £296, equivalent to £3,549 a year, largely as a result of the war in Ukraine. Analysts have predicted that average monthly bills could surge again to £450 in January, and £550 in April.

At the root of this crisis is the simple fact that **"there isn't enough energy to go around"**. Owing to reduced gas flows from Russia, demand is outstripping supply, pushing up prices. Liz Truss is expected to approve a series of North Sea oil and gas drilling licences.

UNITED KINGDOM – GDP GROWTH RATE PER QUARTER



UNITED KINGDOM – ANNUAL GDP GROWTH RATE



EU ECONOMIC OUTLOOK

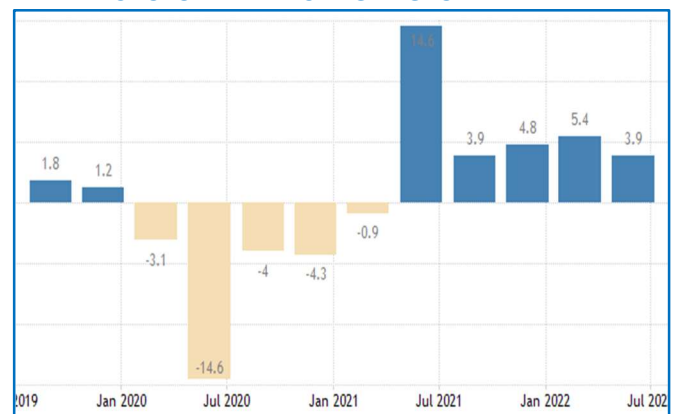
POPULATION: 447.7 MILLION

The Eurozone quarterly economic growth was revised lower to 0.6% in the second quarter of 2022 from a preliminary estimate of 0.7%, and following a 0.5% rise in Q1. It is still the strongest performance in three quarters, prompted by the easing of covid restrictions and the summer tourism season in southern countries. Spain (1.1%), Italy (1%) and France (0.5%) grew at a strong and upbeat pace while the German economy stalled and some countries including Portugal (-0.2%), Lithuania (-0.4%) and Latvia (-1.4%) contracted. The region's outlook for the winter is expected to darken after the ECB started its tightening cycle as record inflation levels due mostly to the surge in energy prices following Russia's invasion of Ukraine started reducing households' purchasing power.

EUROZONE – GDP GROWTH RATE PER QUARTER



EUROZONE – ANNUAL GDP GROWTH RATE



GREECE EXITS 12 YEARS OF EU SUPERVISION

At the end of August, Greece regained much of its political and economic autonomy. It exited the European Union's enhanced supervision mechanism after 12 years of being subjected to various external supervisory regimes. It is a much nicer kind of Grexit than the one we discussed a decade ago.

The tough reforms paid off. Greece's public finances stabilised, unemployment fell from its peak of 30% to 'just' 13% today, and economic growth is solid and projected to reach 4% this year. That is even more remarkable as the rest of Europe is in crisis. One can only hope Greece's future will be less of a rollercoaster than its first 21 years of EU membership.

JAPAN'S ECONOMIC OUTLOOK

POPULATION: MILLION

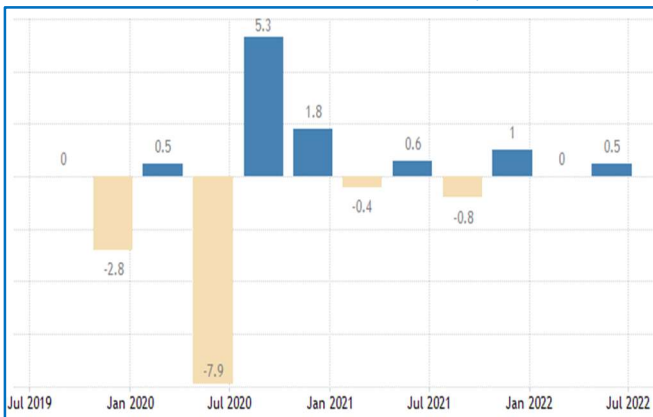
FACING REALITY: A BRAVE U-TURN ON NUCLEAR

A nuclear renaissance might be happening in the most unlikely of places. Japan was once a leading proponent of nuclear energy, which provided a third of its power at the turn of the millennium. But the earthquake and tsunami that triggered a meltdown at its Fukushima plant in 2011 led to a rapid re-evaluation: tens of thousands of people joined anti-nuclear protests in Tokyo; and in a little over a year, all of Japan's nuclear plants were offline. Yet now, with the world facing an energy crisis, the prime minister, Fumio Kishida, has performed a "striking" about-face. At the end of August, he announced that he wants to reopen Kashiwazaki-Kariwa, the world's largest nuclear power facility, and will consider opening new nuclear plants, as well as expanding the lifespan of existing reactors. It's a pragmatic move: the collapse of nuclear led the use of liquefied natural gas and coal to surge, and wind and solar power face unusually high local costs. The reality is dawning that Japan "cannot oppose Russian energy, climate change and nuclear power all at once".

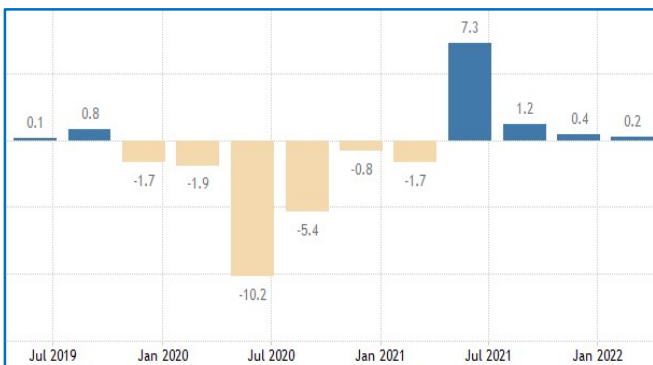
GDP GROWTH TURNED NEGATIVE IN THE 1ST QUARTER OF 2022

The Japanese economy expanded 0.5% qoq in Q1 of 2022, after a revised stagnation in Q1, preliminary data showed. Private consumption accelerated (1.1% vs 0.3% in Q1 and consensus of 1.3%) following a lifting of COVID-19 curbs, while government spending rose for the second straight quarter (0.5% vs 0.4%). Meantime, there was a bounce back in business investment (1.4% vs -0.3%), as did public investment (1.4% vs -0.3%).

JAPAN – GDP GROWTH RATE PER QUARTER



JAPAN – ANNUAL GDP GROWTH RATE



CURRENCIES

NZD/USD & NZD/AUD

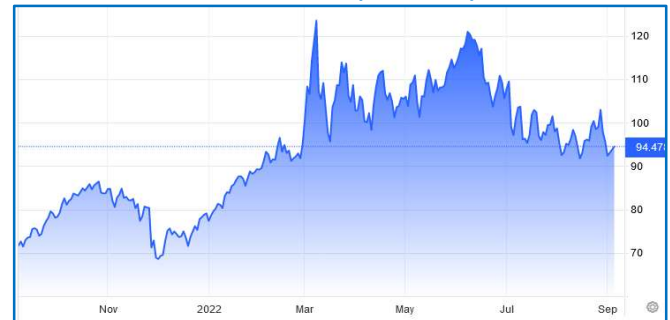


SOURCE: Westpac

OIL

Oil is sitting at around US\$94 a barrel today, almost 30% down from early June when it was above US\$120. These are the lowest levels since February, just before the Russian invasion of Ukraine. On the supply side, investors are closely monitoring progress around efforts in reviving the 2015 nuclear accord, as a potential deal could unlock substantial flows from Iran.

BRENT CRUDE (1YR GRAPH)



CRYPTO

Europe's top securities regulator has told crypto investors they should treat the market crash as a "cautionary lesson" about putting money into risky unregulated assets and that they shouldn't count on any kind of a bailout. The global crypto market has fallen by more than 70% in the past year.

Bitcoin US Dollar traded at 19,886 on September 4th. Looking back, over the last four weeks, Bitcoin lost 13.4%. Over the last 12 months, its price fell by 61.6%. Looking ahead, Trading Economics forecast Bitcoin US Dollar to be priced at 17,844 by the end of this quarter and at 13,099 in one year, according to their global macro models projections and analysts expectations.

BITCOIN (1YR GRAPH)



AGRIBUSINESS – LOOKING FROM THE OUTSIDE IN



Sector	Trend	Current level ¹	Next 6 months
Dairy	We see downside risks to our 2022/23 farmgate milk price forecast of \$9.25/kg. However, with global dairy supply very weak, Chinese dairy demand set to rebound, and the added support of a weak NZD/USD, we still expect a healthy milk price this season.	High	→
Beef	We expect farmgate beef prices to crack the \$7.00/kg mark this spring as meat processing capacity normalises, shipping rates ease and the NZD/USD remains supportive.	Average	↑
Lamb/Mutton	We expect farmgate lamb prices to crack the \$10.00/kg mark this spring as meat processing capacity normalises, shipping rates ease and the NZD/USD remains supportive.	High	↗
Forestry	With soft activity in China's construction sector, we expect forestry export prices to remain low. Prices may improve modestly late in 2022 as Chinese growth rebounds on the back of easing Covid restrictions.	Low	→
Horticulture	The weak NZD/USD has kept kiwifruit orchard gate prices at or above last season's levels. Apple prices are also up on last season's levels, although that's on the back of a disappointingly small crop as well as the weak NZD/USD.	Above average	→

¹ New Zealand dollar prices adjusted for inflation, deviation from 10 year average.

SOURCE: Westpac

WEAKENING GLOBAL ECONOMIES A RISK

Global dairy prices have been slipping since March and are now back at September 2021 levels, which means the Fonterra pay-out could be at risk of a minor downgrade.

New Zealand's commodity prices and input prices are past their peaks. But we expect the falls to prove moderate and for prices to stabilise at high levels. Accordingly, prices are likely to remain at these new levels over 2022 and well into 2023. In other words, prices have simply moved from the peaks to a high plateau.

KIWIFRUIT MARKET OVERVIEW

The kiwifruit market is projected to register a CAGR of 5.8% during the forecast period (2022-2027).

Due to the travel restrictions during the COVID-19 pandemic, it was difficult for kiwi growers to get their fruits in local and regional markets. In these difficult times, consumers turned to affordable fresh fruits and vegetables with a good shelf life. Expensive and exotic fruits like kiwis faced a difficult market situation during the COVID-19 outbreak.

The increased demand in major markets, a booming fruit juice industry, and increasing health consciousness drove the market's growth. On the other hand, trade barriers related to exports and high prices in major markets restrained the market.

The demand has increased globally, especially in the Far East. In China, the leading producer, imports increased continuously from 112.5 thousand metric ton in 2017 to 128.7 metric ton in 2019. However, fruit quality has been a huge issue for the 2022 export crop, and for the first time in recent years, export receipts will likely be negatively impacted.

Slaughter price (NZ\$/kg)	Last Week	Last Year
NI Steer (300kg)	6.55	6.20
NI Bull (300kg)	6.30	6.10
NI Cow (200kg)	4.75	4.60
SI Steer (300kg)	6.40	6.10
SI Bull (300kg)	6.20	5.90
SI Cow (200kg)	4.75	4.90
Export markets (NZ\$/kg)		
US imported 95CL bull	9.66	9.22
US domestic 90CL cow	9.59	8.86
NI lamb (17kg)	9.35	9.20
NI mutton (20kg)	6.10	6.60
SI lamb (17kg)	9.40	9.10
SI mutton (20kg)	6.10	6.75
Export markets (NZ\$/kg)		
UK CKT lamb leg	12.11	12.11

JARDEN'S NZ PORTFOLIO WEIGHTING vs NZX50

Company	Old	Change	New	Jarden rationale
FRE	+0.15%	+0.10%	+0.25%	Building to modest overweight as per previously stated strategy
CEN	+1.39%	+0.15%	+1.54%	Lifting overweight conviction on value grounds and better Tiwai certainty
NZX	-0.04%	+0.10%	+0.06%	Moving to modest overweight as per previously stated strategy
CVT	+0.10%	+0.10%	+0.20%	Building to modest overweight as per previously stated strategy
AIR	-0.60%	+0.25%	-0.35%	Moving to neutral position post-capital reset and as per previously stated strategy
ARG	-0.75%	+0.10%	-0.65%	Moving to neutral position and as per previously stated strategy, albeit liquidity constrained
POT	-1.77%	+0.10%	-1.67%	Moving to neutral position and as per previously stated strategy, albeit liquidity constrained
RYM	-2.15%	-0.50%	-2.65%	Strengthening underweight conviction on house price sentiment and low cash generation evidence
MCY	+0.97%	+0.50%	+1.47%	Lifting overweight conviction on value grounds, better Tiwai certainty, growth outlook.
IFT	+2.28%	+0.25%	+2.53%	Strengthening overweight further as key valuation catalysts emerge (e.g Vodafone towers deal, Longroad sell-down)
MFT	+1.15%	-0.15%	+1.00%	Trimming overweight as upgrade cycle continues to play through, and as per previously stated strategy
SKC	+1.45%	+0.15%	+1.60%	Strengthening overweight on value grounds and improved earnings outlook
EBO	+0.83%	-0.25%	+0.58%	Moving back to more neutral weighting as per previously stated strategy
NZM	+0.67%	+0.10%	+0.77%	Lifting overweight on valuation grounds and balance sheet strength

A2 MILK SHARES FALL SHARPLY AFTER US INFANT FORMULA DEAL FALLS THROUGH

A2 Milk announced that it wouldn't be sending infant formula to the lucrative US market in the near future. The milk company told the NZX the US Food and Drug Administration is deferring further consideration of the company's request for enforcement discretion to import infant milk formula products into the US.

PORT OF TAURANGA – ANOTHER STRONG RESULT

- Total trade was steady at 25.6 million tonnes (down from 25.7 million tonnes)
- Container volumes increased 3.4% to 1,241,061 TEUs (from 1,200,831 TEUs)
- Group Net Profit After Tax increased 8.7% to \$111.3 million (up from \$102.4 million)
- Final dividend of 8.2 cents per share
- Total ordinary dividend of 14.7 cents per share (compared with 13.5 cps the previous year)
- Imports increased 3.0% to 9.7 million tonnes
- Exports decreased 2.5% to 15.9 million tonnes
- Subsidiary and Associate Companies' earnings decreased 16.2%.

ROCKET LAB SHARES SURGE 33% AS HALF YEAR REVENUES TRIPLE

Rocket Lab's June quarter revenue surged almost five-fold as the US/NZ space company continued to attracting customers wanting to use its spacecraft and components.

While the company reported a net loss of US\$37.4 million in the three months ended June, more than twice its US\$16.7m a year earlier, revenue for the quarter jumped to US\$55.5m from US\$11.3m a year earlier.

The result meant the company reported a first-half loss of US\$64.3m from US\$32.5m a year earlier, it was the higher revenue in the first half of US\$96.2m, more than three times the US\$29.5m of 2021, that caught analysts attention.

Rocket Lab said the quarterly revenue growth was largely down to the company's space systems business, which generated US\$33.3m of sales from creating and selling spacecraft and components to other companies.

Rocket Lab shares hit a low of US\$3.80 in late June but have since gained more than 85 percent to close on Friday at US\$7.10.

ENERGY SECTOR REVIEW

Key financial metrics	Rating	Price (NZ\$)	12-month target price (NZ\$)	Projected return	Price to earnings (x)	Dividend yield
Contact Energy Limited	Buy	7.82	9.46	25.5%	36.2	4.4%
Meridian Energy Limited	Overweight	5.26	5.42	6.3%	49.0	3.7%
Mercury NZ Limited	Buy	6.54	7.00	10.1%	39.7	3.3%
Genesis Energy Limited	Neutral	2.97	3.04	8.3%	20.9	5.9%
Manawa Energy Limited	Neutral	6.23	6.35	5.1%	28.5	2.9%

Source: Jarden Research

2022 BROKER PICKS

AS AT 31TH AUGUST 2022

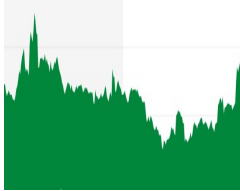

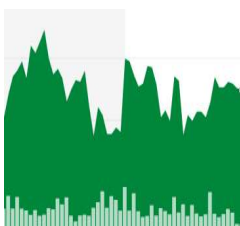
AvonD Portfolio		Jarden		Craigs IP		Forsyth Barr		Hamilton Hindin		Hobson Health		MSL Capital Markets		Share Trader	
Comvita	(5.9%)	Comvita	(5.9%)	Contact Energy	(2.7%)	Arvida Group	(23.4%)	a2 Milk	5.1%	Heartland Group	(28.2%)	AFT Pharmaceuticals	(21.9%)	Ebos Group	(6.2%)
Contact Energy	(2.7%)	Contact Energy	(2.7%)	Ebos Group	(6.2%)	Ebos Group	(6.2%)	Fletcher Building	(23.6%)	Mainfreight	(20.7%)	Fletcher Building	(23.6%)	Heartland Group	(28.2%)
Infratil	13.1%	Heartland Group	(28.2%)	Fletcher Building	(23.6%)	Channel Inf (NZR)	43.6%	F&P Healthcare	(40.0%)	Sky Network TV	(8.5%)	Heartland Group	(28.2%)	Scott Technology	(7.8%)
Port of Tauranga	0.7%	Infratil	13.1%	Pushpay Holdings	(3.0%)	Sky City	(8.7%)	Freightways	(20.5%)	Trade Window	(70.4%)	NZ Rural Land	(3.4%)	Warehouse Group	(17.8%)
Pushpay Holdings	(3.0%)	Skellerup	(12.6%)	Summerset	(19.2%)	Vulcan Steel	(13.0%)	Infratil	13.1%	Manawa Energy	(18.6%)	Promisia Healthcare	0.0%	Wellington Drive	(28.3%)
TOTAL CHANGE	0.4%		(7.3%)		(11.0%)		(1.5%)		(13.2%)		(29.3%)		(15.4%)		(17.6%)
NZ50 Index	(11.0%)		(11.0%)		(11.0%)		(11.0%)		(11.0%)		(11.0%)		(11.0%)		(11.0%)
+/- NZ50 Index	11.4%		3.7%		0.0%		9.5%		(2.2%)		(18.3%)		(4.4%)		(6.7%)



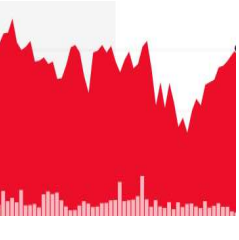


NOTE: This is just a game, and Broker picks should not be considered a recommendation; nor a portfolio structure.

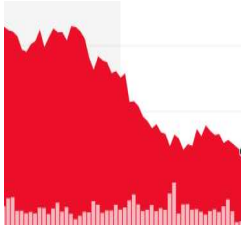
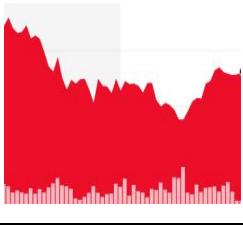
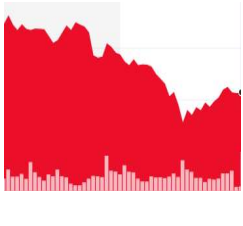

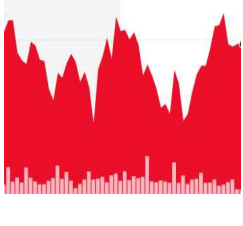
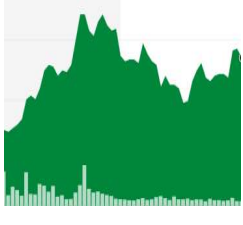
You should always seek professional advice. Note also that my starting date is 31st December 2021 (v NZH being 21st Dec).

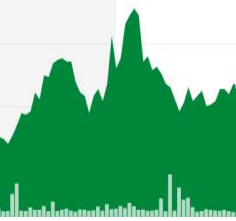



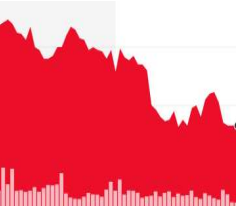
STOCKS TO WATCH NEW ZEALAND






Prices as at 5th September 2022




ALL GRAPHS ONE YEAR	Company Name	Research Date	NZX Code	Share Price	12mth Target	Projected return (%)	Capital gain	Dividend yield (Net)	Total return	Rating	52-week price range
	A2 Milk Company Strong top-line execution, against a difficult operating backdrop (China macro pressures, and distribution change). FY22 revenue was +20% to \$1.45bn (+4% vs Jarden), with Infant Formula (IMF) +12% to \$1.0bn (+6% versus Jarden). The key outperformance likely a combination of past inventory management actions taken and Shanghai lockdown share gains, albeit at the cost of higher marketing investment (+13% versus Jarden). For the core IMF business, ATM saw notable strength in CBEC and China Label channels, with FY22 daigou sales still down on pcp (2H flat hoh). At the EBITDA level, FY22 was +59% to \$196m (+2% versus Jarden) with the ex-MVM margin 13.6% (+3.4pp on weak pcp). 2023 P/E: 30.6 2024 P/E: 27.0 2023 EPS Normalised (NZc): 19.6	Research: 29 th August	ATM	\$6.37	\$5.45	↑	-14.4%	0.0%	-14.4%	NEUTRAL	52-week price range: 4.20-7.77
	Air New Zealand AIR reported a normalised PBT loss of -\$725m, 3% more than Jarden's forecast of -\$707m and in line with guidance that the loss would not exceed -\$750m. The scale of this year's loss reflected the material operational disruption from lockdowns and border restrictions. FY22 revenue was up +8.6% YoY but down -52.7% versus FY19, while EBITDA fell from +\$334m to -\$4m. This fall in earnings reflected a step change in employee costs (+17.6% YoY) as the company increased staff numbers (75% of pre-COVID) ahead of capacity and higher jet fuel (+80% YoY) in a period that saw the price of jet fuel increase from US\$55 to US\$107per barrel. One of the highlights of the results is the ongoing strength of cargo, which saw revenue rise by 32% to \$1.0bn, albeit supported by \$403mn from government supported flights. AIR noted that it does not expect cargo revenue to remain at this level in FY23. 2023 P/E: 125.9 2024 P/E: 11.2	Research: 26 th August	AIR	\$0.67	\$0.70	↓	5.3%	0.0%	5.3%	NEUTRAL	52-week price range: 0.53-1.73
	Auckland International Airport AIA delivered an underlying NPAT loss of -\$11.6m, ahead of guidance of -\$25m to -\$50m and Jarden's forecast -\$29.7m. Underlying EBITDAFI was \$150.5m, +3.7% YoY, -73% vs. FY19. Unsurprisingly, this result was heavily impacted by the very tough operating backdrop; international passengers were down -88% vs. FY19, domestic were down -56%. Reflecting this volume environment, aeronautical income grew 7.4% YoY (-70% vs. FY19) and retail income grew 27.5% (-90% vs. FY19), with the company highlighting \$173m of contracted retail revenue was abated in the year. Property was the standout segment within AIA's result, with rental income up 12.6% YoY and +20% vs. FY19. 2022 P/E: 112.8 2024 P/E: 47.0	Research: 18 th August	AIA	\$7.61	\$6.55		-13.9%	0.9%	-13.0%	UNDERWEIGHT	52-week price range: 6.88-8.34

	<p>Channel Infrastructure NZ Research: 26th August</p> <p>CHI's 1H22 results and outlook provided reconfirmation of conversion timing, capex and debt track. This half-year comprised the final quarter of discontinued refining (1H22 EBITDA \$26.4m versus JARDe \$28.0m) and a first quarter as a full import terminal (1H22 EBITDA \$19.7m versus JARDe \$20.5m). In Jarden's view net debt remains the key metric to watch, while large CHI conversion outlays continue through FY22 and FY23. Net debt was \$215m in 1H22, below Jarden's \$224m forecast. Reassuringly, management reconfirmed its previous guidance for terminal conversion timetable and outlays. CHI now steers FY23 EBITDA to upper end of guidance range and they note next PPI print in November may be a potential catalyst for further increments. Jarden has revised forecasts upwards again, reflecting higher PPI escalation following this month's release of the June 2022 quarterly PPI index at 1336, the level they had expected next quarter. They now assume PPI reaches 1345 (a modest 2.7% annualised increase) and model FY23 terminal revenue and EBITDA ~\$0.5m above the top end of guidance.</p> <p>2022 P/E: 16.7 2023 P/E: 17.5</p>	<p>NZX Code: CHI Share Price: \$1.37 12mth Target: ↑ \$1.37 Projected return (%) Capital gain 0.0% Dividend yield (Net) 4.5% Total return 4.5% Rating: OVERWEIGHT 52-week price range: 0.83-1.40</p>
	<p>Comvita Research: 26th August</p> <p>Strong FY22 result with Reported EBITDA of \$30m at top end of guidance (\$28.5-30.0m). CVT has now achieved EBITDA of \$19m/\$26m/\$30m since commencing its turnaround in FY20 hence is now double average EBITDA between FY10-19 of \$15m (comparing to average given historical volatility). FY23 guidance is for double-digit EBITDA growth, implying \$33m at the bottom end - formal range expected in 2Q23, given timing of China offline reopening. Growth via gross margin expansion - consistent with strategy: Gross margin expanded from 54% to 60% given a combination of market, product and channel mix showing the strategy working in action. With sales growth targeted to continue to come via US and China, Digital, and UMF honey, this should continue to support further expansion from here. Digital helps underpin this thesis with every 10% increase in digital share improving GP by 100bps - noting that Jarden estimates ~300bps from China + US digital sales in FY22 alone. Hence ~250bps is expected from digital share as this improves from 39% to 50% by FY25E. Jarden estimates lost offline sales in Mainland China of ~\$6m, hence growth would have been 16% vs. actual 9%. Furthermore, HK achieved 26% growth h/h as it began to recover from Covid.</p> <p>2023 P/E: 15.2 2023 P/E: 11.4</p>	<p>NZX Code: CVT Share Price: \$3.35 12mth Target: ↑ \$4.50 Projected return (%) Capital gain 34.3% Dividend yield (Net) 2.9% Total return 37.2% Rating: BUY 52-week price range: 2.98-3.80</p>
	<p>Contact Energy Research: 16th August</p> <p>CEN reported FY22 EBITDA and dividend of \$537m and 35.0cps respectively, in line with Jarden estimates. Positively, FY23 guided "normalised" EBITDA increased by \$30m on FY22 to \$550m (JARDe \$553m), and post Tauhara and Te Huka (committed to begin operation Q4CY24) completions, CY25 EBITDA guided to \$720m. Looking at the Energy Sector, Jarden retains their Buy ratings on Contact Energy and Mercury NZ, their Overweight rating on Meridian Energy and their Neutral ratings on Genesis Energy and Manawa Energy (12m target price \$6.35, ~5% upside).</p> <p>2023 P/E: 17.1 2024 P/E: 17.6</p>	<p>NZX Code: CEN Share Price: \$8.02 12mth Target: ↑ \$9.46 Projected return (%) Capital gain 18.0% Dividend yield (Net) 4.5% Total return 22.5% Rating: BUY 52-week price range: 6.82-8.48</p>
	<p>Delegat Group Research: 29th August</p> <p>FY22 operating NPAT of \$58m is within the guidance range (\$57-61m). FY23 guidance for operating NPAT is \$60-64m. This partially reflects softer forward volume guidance, which has been downgraded by -2%, but is predominantly due to further inflationary cost increases for freight and packaging. Higher price, offset by cost inflation: DGL improved its case price by +2% in the period (\$97/case from \$95/case), reflecting the full-year impact of price increases in the US and Australia in FY21 and part-year impact of price increases in the UK and Ireland in FY22. Freight and packaging added an additional \$2.25/case, and DGL's volumes were -2% lower than guidance, which it noted on the call cost \$2m of NPAT.</p> <p>2023 P/E: 19.5 2024 P/E: 17.3 2023 EPS Normalised (NZc): 61.7</p>	<p>NZX Code: DGL Share Price: \$11.75 12mth Target: ↓ \$13.40 Projected return (%) Capital gain 14.0% Dividend yield (Net) 1.8% Total return 15.8% Rating: OVERWEIGHT 52-week price range: 10.00-14.92</p>
	<p>Ebos Research: 25th August</p> <p>Strong FY22 result slightly ahead of our estimate at operating level across both divisions: Underlying EBIT of A\$355mn was +21% on pcp (JARDe A\$347mn LFL), with underlying NPAT +21% vs pcp to A\$228mn (JARDe A\$227mn LFL). The dividend of NZ98cps was +9% on pcp, with a final dividend of NZ49c (JARDe NZ51c), 25% imputed and DRP available. ROCE of 18.6% was +60bp on pcp, driven by earnings growth, but is expected to moderate into FY23 given the full-year impact of LifeHealthcare capital employed. The soft feature of the results was weaker operating cashflow conversion due to LifeHealthcare NWC inclusion for 1 month and higher tax payments. Management attributed the strong EBIT growth to c.10% organic, c.8% acquisitions and c.2-3% net COVID benefit. Inflationary pressures were evident in 2H across labour, freight and cost elements but EBO captured sufficient volume growth and other efficiencies to offset, managing to improve the EBIT margin by +11bp to 3.3%.</p> <p>2023 P/E: 25.4 2024 P/E: 24.3 2023 EPS Normalised (Ac): 149.4</p>	<p>NZX Code: EBO Share Price: \$39.17 12mth Target: ↓ \$39.00 Projected return (%) Capital gain -0.4% Dividend yield (Net) 2.4% Total return 2.0% Rating: NEUTRAL 52-week price range: 33.80-44.30</p>

	<p>Fisher & Paykel Healthcare Research: 22nd August</p> <p>FPH have issued a profit warning and 1H23 guidance ahead of their ASM on 24 August. Based on current trading over the first four months as well as current exchange rates, management expect 1H23 revenues around \$670m and NPAT \$85-95m. This was a reasonable miss compared to Jarden's forecast for 1H revenues of \$713m and NPAT of \$134m. The key variances were Covid-related unwind pressures, resulting in materially lower New App consumables (more driven by lower Optiflow revenues) and cost pressures flowing through to GM from elevated freight, manufacturing inefficiencies on lower volumes and lower New App consumables mix. These headwinds were partly offset by stronger IV consumables relative to our forecast. Some improvement in revenues has been observed since May (similar to small US peer, Vapotherm) but volatility still restricts confidence in being able to quantify destocking impacts.</p> <p>2023 P/E: 53.2 2024 P/E: 36.1</p>	<p>NZX Code: FPH Share Price: \$19.35 12mth Target: ↓ \$23.00 Projected return (%) Capital gain 18.9% Dividend yield (Net) 2.1% Total return 21.0% Rating: OVERWEIGHT 52-week price range: 18.90-34.55</p>
	<p>Genesis Energy Research: 22nd August</p> <p>Genesis reported FY22 EBITDA of \$440.3m, marginally ahead of the top of guidance (\$430-440m) and in line with Jarden's estimate. This beat the adjusted pcp by \$25m, as Hydro generation ended the year strongly and gas margins jumped. The FY22 dividend of 17.6cps, up from 17.4cps in the pcp, is in line with their estimate. Guidance for FY23 is EBITDA of \$455m, with Jarden's forecast reduced from \$474m to \$460m.</p> <p>2023 P/E: 25.9 2024 P/E: 34.7</p>	<p>NZX Code: GNE Share Price: \$2.94 12mth Target: \$3.04 Projected return (%) Capital gain 3.6% Dividend yield (Net) 6.1% Total return 9.7% Rating: NEUTRAL 52-week price range: 2.40-3.44</p>
	<p>Fletcher Building Research: 17th August</p> <p>FBU reported FY22 EBIT of \$757m, beating Jarden's estimate of \$751m and the company's guided \$750m. This resulted in normalised EPS of 60.0cps and a 2H dividend of 22cps, taking the FY22 dividend to 40cps, a 67% payout - above the middle of the guidance range of 50-75%. FY23 EBIT guidance remains \$100m+ on FY22 reported EBIT, with the demand pipeline indicated to be strong for FY23. Jarden has increased their DCF-based 12-month target price from \$6.40 to \$6.43, with this target price implying a 15.9% capital return plus a 7.7% dividend yield - a 23.6% total return. Due to the upside potential from the current price to Jarden's target price, they retain their Buy rating.</p> <p>2023 P/E: 8.0 2024 P/E: 9.5</p>	<p>NZX Code: FBU Share Price: \$5.51 12mth Target: \$6.43 Projected return (%) Capital gain 16.7% Dividend yield (Net) 7.7% Total return 24.4% Rating: BUY 52-week price range: 4.65-7.52</p>
	<p>Infratil Research: 1st August</p> <p>Jarden has revised their IFT sum-of-the-parts spot-NEV estimate to \$9.67 per share, reflecting primarily the step-up in Longroad assessed value, offset by the consequent annual incentive fee. With success on two major expected catalysts, more modest marks still seem possible over the remainder of 2022. The successful Vodafone TowerCo sale and adding Longroad's equity partner have proved to be positive catalysts as anticipated, outweighing the burden of rising bond yields. More minor catalysts may yet follow, with IFT's RetireAustralia sale process likely to produce an outcome towards the end of 2022. Progress on COVID reopening this year will be pertinent for WIAL, Diagnostic Imaging and Vodafone's mobile roaming businesses, as will EV/EBITDA multiples observed for SPK after its TowerCo completion, as Vodafone's nearest listed comparator.</p> <p>2023 P/E: 22.0 2024 P/E: 18.9</p>	<p>NZX Code: IFT Share Price: \$9.55 12mth Target: ↑ \$9.70 Projected return (%) Capital gain 1.6% Dividend yield (Net) 2.1% Total return 3.7% Rating: OVERWEIGHT 52-week price range: 7.3-9.65</p>
	<p>Meridian Energy Research: 24th August</p> <p>MEL reported FY22 EBITDA of \$709m, up \$17m on pcp. The FY22 improvement is due mainly to higher hydro generation, more than offsetting c. \$40m lower revenue from Tiwai. MEL does not give guidance. On slightly higher costs, Jarden has reduced their FY23 EBITDA forecast from \$733m to \$723m. The FY22 dividend is 17.4c, up from 16.9c in the pcp. Tiwai negotiations, having begun, are likely going to take some time. The re-contracting with Tiwai is likely to be more complex than the prior contract, with multiple contracts (not only with MEL), far longer tenure (MEL looking for 15 years plus)..</p> <p>2023 P/E: 40.6 2024 P/E: 36.9 2023 EPS Normalised (NZc): 11.5</p>	<p>NZX Code: MEL Share Price: \$5.00 12mth Target: \$5.49 Projected return (%) Capital gain 9.8% Dividend yield (Net) 3.5% Total return 13.3% Rating: OVERWEIGHT 52-week price range: 4.32-5.36</p>
	<p>Michael Hill International Research: 29th August</p> <p>MHJ reported revenue of A\$595.2m (+7.0% YoY, same store sales +8.0%), comparable EBIT of A\$62.9m (+11.1% YoY) in line with guidance of A\$60m-A\$63m and NPAT of A\$46.7m (+13.9% YoY). This was a solid result in a challenging, COVID disrupted operating environment which saw over 10k lost trading days in the period. Underpinning this result were robust fundamentals across all key markets. Same store sales grew by +4.2% in Australia, +8.9% in New Zealand, and +11.3% in Canada, while gross margin improved by 270bp, 140bp and 360bp in each of these markets, respectively. Notably, following 760bps of EBIT margin expansion in Canada, this market now earns margins broadly consistent with Australia..</p> <p>2023 P/E: 9.8 2024 P/E: 9.0 2023 EPS Normalised (Ac): 13.4</p>	<p>NZX Code: MHJ Share Price: \$1.32 12mth Target: ↓ \$1.50 Projected return (%) Capital gain 17.4% Dividend yield (Net) 8.7% Total return 26.1% Rating: OVERWEIGHT 52-week price range: 0.85-1.53</p>

	<p>NZME Research: 24th August</p> <p>Strong demonstrated free cash flow on stable earnings; NZM continues to deliver. NZM has demonstrated its ability to generate strong free cash flow on stable earnings. Despite the re-rate, valuation remains relatively undemanding in Jarden's view - particularly if earnings continue to be sustained against legacy headwinds. Jarden's first focus is NZM's ability to sustain current revenues and earnings on ~\$10m annual investment (digital revenues offsetting legacy revenues while managing a broadly stable cost base), with the strong free cash flowing from that. 1H22 was encouraging vs. 1H21 and pre-Covid 1H19. 2022 P/E: 10.0 2023 P/E: 9.4</p>	<table border="0"> <tr> <td>NZX Code:</td> <td>MZM</td> </tr> <tr> <td>Share Price:</td> <td>\$1.30</td> </tr> <tr> <td>12mth Target:</td> <td>\$1.44</td> </tr> <tr> <td>Projected return (%)</td> <td></td> </tr> <tr> <td>Capital gain</td> <td>10.8%</td> </tr> <tr> <td>Dividend yield (Net)</td> <td>15.6%</td> </tr> <tr> <td>Total return</td> <td>26.4%</td> </tr> <tr> <td colspan="2">Rating: OVERWEIGHT</td> </tr> <tr> <td colspan="2">52-week price range: 0.94-1.79</td> </tr> </table>	NZX Code:	MZM	Share Price:	\$1.30	12mth Target:	\$1.44	Projected return (%)		Capital gain	10.8%	Dividend yield (Net)	15.6%	Total return	26.4%	Rating: OVERWEIGHT		52-week price range: 0.94-1.79	
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	<p>NZX Research: 22nd August</p> <p>NZX delivered a broadly flat 1H22 result, with group revenue of \$46.2m, up 8.8% on the prior year, bolstered by additional FUM acquired early in the half but offset by higher opex given wage inflation and expanded operations in the Funds Management and Wealth Tech businesses. The Markets segment saw revenue lift modestly on solid issuance (+28.0%, primarily debt and secondary equity), Data & Insights and Dairy Derivatives but offset by wage inflation. Funds Management earnings (+\$1.2m y/y to \$6.0m) were driven primarily through \$1.8bn of acquired FUM (to a total of \$7.6bn) against a backdrop of lower markets. Wealth Tech FUA declined 10% in the half on market movements (to \$9.9bn) but remained up on the pcp contributing to modest earnings growth. Capex was down on the prior year but remains high in Wealth Tech to support the build phase and client onboarding. NZX reiterated its EBITDA guidance of \$33.5-38.0m, highlighting uncertainty on market capitalisation and trading volumes but noting a solid outlook for debt issuance in particular. Dairy derivatives appear to be gaining traction following the commencement of the partnership with SGX in November 2021, with volumes up 42% on 1H21. 2022 P/E: 27.2 2023 P/E: 25.1</p>	<table border="0"> <tr> <td>NZX Code:</td> <td>NZX</td> </tr> <tr> <td>Share Price:</td> <td>\$1.29</td> </tr> <tr> <td>12mth Target:</td> <td>\$1.51</td> </tr> <tr> <td>Projected return (%)</td> <td></td> </tr> <tr> <td>Capital gain</td> <td>17.1%</td> </tr> <tr> <td>Dividend yield (Net)</td> <td>4.5%</td> </tr> <tr> <td>Total return</td> <td>21.6%</td> </tr> <tr> <td colspan="2">Rating: BUY</td> </tr> <tr> <td colspan="2">52-week price range: 1.20-1.85</td> </tr> </table>	NZX Code:	NZX	Share Price:	\$1.29	12mth Target:	\$1.51	Projected return (%)		Capital gain	17.1%	Dividend yield (Net)	4.5%	Total return	21.6%	Rating: BUY		52-week price range: 1.20-1.85	
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	<p>Pacific Edge Research: 1st August</p> <p>PEB has updated the market on proposed changes to the Medicare Local Coverage Determination (LCD), which would preclude Cxbladder from being reimbursed. PEB is of the view that loss of Medicare coverage is a low probability outcome given lack of legal basis for Novitas' proposed changes. 2021 P/E: (14.4) 2022 P/E: (13.6)</p>	<table border="0"> <tr> <td>NZX Code:</td> <td>PEB</td> </tr> <tr> <td>Share Price:</td> <td>\$0.49</td> </tr> <tr> <td>12mth Target:</td> <td>\$0.75</td> </tr> <tr> <td>Projected return (%)</td> <td></td> </tr> <tr> <td>Capital gain</td> <td>53.1%</td> </tr> <tr> <td>Dividend yield (Net)</td> <td>0.0%</td> </tr> <tr> <td>Total return</td> <td>53.1%</td> </tr> <tr> <td colspan="2">Rating: OVERWEIGHT</td> </tr> <tr> <td colspan="2">52-week price range: 0.40-1.59</td> </tr> </table>	NZX Code:	PEB	Share Price:	\$0.49	12mth Target:	\$0.75	Projected return (%)		Capital gain	53.1%	Dividend yield (Net)	0.0%	Total return	53.1%	Rating: OVERWEIGHT		52-week price range: 0.40-1.59	
NZX Code:	PEB																			
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	<p>Port of Tauranga</p> <p>Port of Tauranga, New Zealand's largest port, reported Group NPAT of \$111.3n on 25.6m tonnes of trade amid ongoing supply chain disruption. The increase in revenue reflected the strong diversity of cargoes, resilient operational performance and ongoing storage revenues due to continued vessel schedule disruption. Total ship visits also increased for the first time in four years, boosting marine services income. POT is anticipating a record 139 cruise ships berthing at Tauranga over this coming summer. This just might brighten management, after continued delays in the berth expansion programme. Jarden has recently raised its Target Price from \$6.00 to \$6.55 (up 9.2%). 2021 P/E: 38.7 2022 P/E: 36.4</p>	<table border="0"> <tr> <td>NZX Code:</td> <td>POT</td> </tr> <tr> <td>Share Price:</td> <td>\$6.68</td> </tr> <tr> <td>12mth Target:</td> <td>\$6.55</td> </tr> <tr> <td>Projected return (%)</td> <td></td> </tr> <tr> <td>Capital gain</td> <td>-1.9%</td> </tr> <tr> <td>Dividend yield (Net)</td> <td>2.3%</td> </tr> <tr> <td>Total return</td> <td>0.4%</td> </tr> <tr> <td colspan="2">Rating: NEUTRAL</td> </tr> <tr> <td colspan="2">52-week price range: 5.96-7.37</td> </tr> </table>	NZX Code:	POT	Share Price:	\$6.68	12mth Target:	\$6.55	Projected return (%)		Capital gain	-1.9%	Dividend yield (Net)	2.3%	Total return	0.4%	Rating: NEUTRAL		52-week price range: 5.96-7.37	
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	<p>Precinct Properties NZ</p> <p>PCT delivered an in line result with the main item of new news relating to the likely exclusion of ~\$200m Defence House from the initial assets into the GIC Partnership (total initial assets down to ~\$390m), with PCT to realise ~\$330m from ~\$500m previously. With gearing at 34% at FY22 and a meaningful development program underway, this does bring gearing more into focus, particularly given the potential for cap rate expansion. The intention remains to grow the GIC fund into a \$1bn portfolio and PCT has a range of assets that could be sold but easing market conditions on higher rates does add uncertainty on timing. In this environment, with investors seeking higher returns, PCT could potentially look at its development assets as funding sources (e.g. Wynyard Stage 3; Freyburg). PCT are also looking at a range of new development opportunities, with no update at this point on PCT's interest in the Downtown project. Jarden now forecasts gearing at FY23 of 34.2% (from 29.2% previously) on the smaller initial GIC fund size and a small new acquisition (\$24m Viaduct Car Park). Gearing should push towards 37% on our forecasts in FY24 given the benign fair value movement outlook (we factor in some further cap rate expansion, which was 10bps in FY22). However, they note PCT is actively looking at a range of partnership options that could reduce this, with PCT reiterating this is a clear focus for capital management. 2023 P/E: 21.3 2024 P/E: 20.3</p>	<table border="0"> <tr> <td>NZX Code:</td> <td>PCT</td> </tr> <tr> <td>Share Price:</td> <td>\$1.33</td> </tr> <tr> <td>12mth Target:</td> <td>\$1.49</td> </tr> <tr> <td>Projected return (%)</td> <td></td> </tr> <tr> <td>Capital gain</td> <td>12.0%</td> </tr> <tr> <td>Dividend yield (Net)</td> <td>4.7%</td> </tr> <tr> <td>Total return</td> <td>16.7%</td> </tr> <tr> <td colspan="2">Rating: NEUTRAL</td> </tr> <tr> <td colspan="2">52-week price range: 1.29-1.72</td> </tr> </table>	NZX Code:	PCT	Share Price:	\$1.33	12mth Target:	\$1.49	Projected return (%)		Capital gain	12.0%	Dividend yield (Net)	4.7%	Total return	16.7%	Rating: NEUTRAL		52-week price range: 1.29-1.72	
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	<p>Pushpay Holdings</p> <p>PPH stands out as a top performer in the Tech Sector in 2022, with this supported by the emergence of potential acquirers following share price weakness. However, when you compare the relative movement from its 52-week high it has only marginally outperformed the broader ASX technology index. The Catholic market represents an underpenetrated opportunity in the faith sector, in Jarden's opinion, and they view Pushpay (PPH) as well positioned to take share.</p> <p>2023 P/E: 29.0 2024 P/E: 25.8</p>	<p>NZX Code: PPH Share Price: \$1.26 12mth Target: ↑ \$1.50 Projected return (%) Capital gain 19.0% Dividend yield (Net) 0.0% Total return 19.0% Rating: OVERWEIGHT 52-week price range: 0.90-1.97</p>
	<p>Restaurant Brands NZ Research: 29th August</p> <p>RBD reported 1H22 result in line with guidance, with revenue of \$611.9m (+8.6% YoY), store EBITDA of \$84.3m (-4.2% YoY) and NPAT of \$15.3m (-36% YoY on a like-for-like basis). While this earnings result was consistent with guidance, this guidance was a material disappointment to market expectations at the time, which saw Refinitiv consensus downgraded by 39%. Despite solid sales growth in the period, this weak YoY earnings result was driven by inflationary pressures, which saw both gross margin pressure (-130bps YoY) and opex as a % of sales increase (+30bps YoY). While the company reported free cash flow generation was consistent with the PCP at +\$1m versus -\$3m, the prior period included the acquisition of an Australian store portfolio, adjusting for M&A, underlying FCF declined from +\$22m to +\$2m.</p> <p>2022 P/E: 37.8 2023 P/E: 28.5 2023 EPS Normalised (NZc): 34.7</p>	<p>NZX Code: RBD Share Price: \$8.21 12mth Target: ↓ \$9.50 Projected return (%) Capital gain 15.7% Dividend yield (Net) 0.0% Total return 15.7% Rating: OVERWEIGHT 52-week price range: 7.91-15.95</p>
	<p>Scales Corporation Research: 25th August</p> <p>SCL reported a mixed 1H22 performance with Horticulture issues offset by a better-than-expected performance in Global Proteins (renamed from Food Ingredients). FY22 EBITDA guidance was upgraded to \$65-75m (from \$62-67m), though NPAT attributable to equity holders is unchanged at \$23.5-28.5m (expected upper end), reflecting the current ownership structure of the Global Proteins division (40% minority interest in key Shelby business). The company remains positive on the opportunity set available within Global Proteins (little on timeline), with both organic and inorganic growth possible. The most likely avenues are new proteins and horizontally expanding into edible foods, alongside developing more partnerships. While Jarden has upgraded EBITDA estimates, their underlying NPAT to equity falls in FY22E/23E/24E by -4%/-8%/-3%, respectively. As a result, they have reduced their target price by 6% to \$4.55. It is good to see a sharper strategy focus on Global Protein opportunities - which, in Jarden's view, is required to underpin a more positive view, given ongoing challenges in Horticulture. However, this has proven difficult to execute and combined with Horticulture uncertainty.</p> <p>2022 P/E: 24.0 2023 P/E: 21.5 2023 EPS Normalised (NZc): 21.0</p>	<p>NZX Code: SCL Share Price: \$4.57 12mth Target: ↓ \$4.55 Projected return (%) Capital gain -0.4% Dividend yield (Net) 4.2% Total return 3.8% Rating: NEUTRAL 52-week price range: 4.07-5.89</p>
	<p>Sky City Entertainment Research: 26th August</p> <p>FY22 normalised EBITDA was \$138m, in line with pre-guidance and Jarden's estimate, with a slight beat at the NPAT level (tax related) with lower net debt. The key operating highlight was 4Q EGM strength across the NZ properties, which has continued in 1Q23, coupled with late improvement in Adelaide performance. Other notable points are balance sheet liquidity remaining strong at \$321m and the NZICC/Horizon Hotel capital project, whilst complex to reinstate, still being within prior cost and completion expectations. Management highlighted a strong start to 1Q23 and confidence in returning to the pre-COVID earnings level in FY23E. Responding to regulatory reviews in Adelaide remains a key priority for management. That said, there is still no clarity on likely investigation outcomes. SKC noted that no proceedings have been issued to date but enforcement action (including a potential fine) remains a possibility. SKC also noted that Macquarie Principal Finance, which purchased the Auckland car park concession for \$220m in August 2019 (since impacted by NZICC reinstatement), holds an exit concession option from October 2022, potentially requiring SKC to buy back and resume operational control. Management highlighted the pro forma annual EBITDA of this asset is \$15-20m and the company has funding plans in place should they be required.</p> <p>2023 P/E: 18.8 2024 P/E: 16.1</p>	<p>NZX Code: SKC Share Price: \$2.81 12mth Target: ↑ \$3.35 Projected return (%) Capital gain 19.2% Dividend yield (Net) 4.8% Total return 24.0% Rating: BUY 52-week price range: 2.47-3.42</p>
	<p>Sky Network Television Research: 26th August</p> <p>SKT has taken a prudent approach to capital management, retaining half its cash. SKT's year-end net cash balance sat at \$138m (JARDe \$145m), with SKT announcing a \$70m capital return (OSB/property sale proceeds). Return to dividends at lower end of 50-80% free cash flow payout. 2H22 return to dividends at 7.3cps (JARDe 8.5cps) and guided to ~12-16cps (allowing for share cancellation) vs Jarden ingoing 18cps. FY23 dividend guidance is \$17-23m vs average core free cash flow over FY20-FY22 of \$42m on \$50m capex. While cash management/dividends is arguably conservative, SKT highlighted higher capex in FY23/FY24 (FY23 capex guidance \$60-75m, in line with Jarden ingoing \$142m across FY23+FY24) and did not rule out accelerating investment. The approach met Jarden's expectations. Beyond investment, they view it as prudent on the broader uncertainties including competition for rights (pressure from direct to consumer; the next rights cycle) and customers. SKT also continues to talk to pricing and accessibility of</p>	<p>NZX Code: SKT Share Price: \$2.51 12mth Target: ↓ \$2.63 Projected return (%) Capital gain 4.8% Dividend yield (Net) 6.2% Total return 11.0% Rating: NEUTRAL 52-week price range: 1.66-2.93</p>

	<p>content for a broader range of customers (content customers flat at just under 1mn or ~50% household penetration over FY20-FY22) and views moves targeting a stepwise increase in penetration (and the risks that would go with it) as another reason to hold some reserves for now. For context, free cash flow (ex-divestment) in FY22 was \$42.8m on \$45.0m capex, in line with FY20-FY22 3-year average core free cash flow of \$42m in a period where capex averaged \$50m. Capex is about to step up for two years while structural risks cannot be ignored. FY18 free cash flow was \$155m and FY19 \$108m, underscoring the risks. 2023 P/E: 8.3 2024 P/E: 9.2</p>	
	<p>Steel & Tube Holdings Research: 30th August</p> <p>A strong FY22 result, with normalised EBIT of \$46.3m, with few surprises after providing a detailed update at its May investor day. Revenue lifted 25% on higher volumes (+5.7%) combined with higher steel prices, while normalised EBIT rose from \$17.4m to \$47.6m, reflecting an improved gross margin offset by some opex growth. The gross margin lifted to 22.3%, while the decline in 2H (1H/2H split = 22.8%/21.8%) reflects a moderation of the rapid price rises early in the year. Margins have improved since the lows seen in FY20 and FY21 and currently sit near our long-run historical estimate of ~22%. Opex was up \$7.9m on inflation, accrued incentives and an increase in depreciation (~\$1m) and is expected to increase in line with inflation and business growth. 2023 P/E: 10.7 2024 P/E: 13.5 2023 EPS Normalised (NZc): 14.2</p>	<p>NZX Code: STU Share Price: \$1.54 12mth Target: \$1.45 ↑ Projected return (%) Capital gain -5.8% Dividend yield (Net) 9.9% Total return 4.1% Rating: NEUTRAL 52-week price range: 1.03-1.70</p>
	<p>Summerset Group Holdings Research: 22nd August</p> <p>Underlying NPAT 5% ahead of forecasts. Underlying NPAT of \$82.5m (+9.2% YoY) was 5.0% ahead of Jarden's forecast of \$78.5m. Excluding company defined development margin, underlying NPAT declined by -13.4%. This year-on-year decline reflected material growth in the company's cost base; total opex grew by +29.2%, ahead of revenue growth of +18.7%. This increase in costs reflected a combination of elements, most notably cost-in for new villages, higher COVID spend, investment in staff and underlying cost inflation. While costs were higher, this result was supported by ongoing strength in margins. Despite a tougher environment for pricing gains, resale margins were solid at 26.0% and development margins expanded by 300bp from 2H21 to 28%. 2022 P/E: 13.1 2023 P/E: 12.6</p>	<p>NZX Code: SUM Share Price: \$10.90 12mth Target: \$12.20 ↑ Projected return (%) Capital gain 11.9% Dividend yield (Net) 1.9% Total return 13.8% Rating: OVERWEIGHT 52-week price range: 9.15-15.60</p>
	<p>Vital Healthcare Property Trust Research: 12th August</p> <p>FY22 was a significant year with \$379m equity raised; \$397m property transactions (\$15m disposals) and 1H weighted fair value uplift of \$244m on cap rate compression. Other highlights included 2.8% property income growth (like-for-like, same currency basis); 3.3% growth in AFFO/share; and 8.5% growth in dividends following a period of subdued dividend growth. However, a lack of activity on the hedging front through FY22 has seen VHP guide to 9.75cps dividend for FY23F (1.3% growth on FY22) with no specific AFFO guidance. On cap rate expansion, Jarden factors in 30bps over the next two years - offset by some rental growth and results in a broadly flat valuation outlook. 2023 P/E: 25.1 2024 P/E: 25.1</p>	<p>NZX Code: VHP Share Price: \$2.75 12mth Target: \$2.52 Projected return (%) Capital gain -3.1% Dividend yield (Net) 3.5% Total return 0.4% Rating: UNDERWEIGHT 52-week price range: 2.61-3.32</p>

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New Zealand Listed Companies Earnings Table at 5-September-2022	Ticker	Rec.	Market	Price	5	Target	Adjusted NPAT			Adjusted EPS			Price Earnings		pbook	EV/EBITDA		Net Yield		Gross Yield		
			Cap	Sep-22																		
			NZ\$m	NZ\$	NZ\$	FY1	FY2	FY3	FY1	FY2	FY3	12MF	24MF	FWD	12MF	24MF	12MF	24MF	12MF	24MF		
COMMUNICATION SERVICES																						
Chorus	CNU	N	3,525.2	7.90	7.15	54.2	69.0	81.3	12.1	15.4	18.2	62.1x	55.2x	4.0x	9.7x	9.6x	5.5%	5.8%	5.5%	5.8%		
NZME	NZM	O	240	1.24	1.44	29.3	30.9	30.5	15.4	16.2	16.0	7.6x	7.7x	1.6x	4.8x	4.8x	10.4%	9.2%	14.4%	12.8%		
SKY Network Television	SKT	N	438.5	2.51	2.63	50.3	41.6	41.8	31.2	28.2	28.3	8.2x	8.5x	1.0x	2.5x	2.6x	6.4%	6.4%	6.4%	6.4%		
Spark New Zealand	SPK	R																				
CONSUMER DISCRETIONARY																						
KMD Brands	KMD	B	761.1	1.07	1.60	43.7	81.6	96.1	6.2	11.5	13.6	9.1x	8.5x	0.9x	7.3x	7.0x	7.6%	8.2%	8.3%	8.9%		
Michael Hill International	MHI	O	450.4	1.31	1.50	50.2	55.0	56.5	13.4	14.9	15.3	9.6x	9.1x	2.4x	3.8x	3.6x	7.4%	7.7%	10.3%	10.7%		
My Food Bag	MFB	B	167.3	0.69	1.40	17.5	20.0	20.6	7.2	8.3	8.5	9.0x	8.6x	2.4x	5.5x	5.3x	8.9%	9.3%	12.4%	12.9%		
Restaurant Brands New Zealand	RBD	O	1,004.3	8.05	9.50	32.6	43.3	57.2	26.2	34.7	45.8	25.2x	21.7x	2.7x	10.2x	9.6x						
SKYCITY Entertainment Group	SKC	B	2,166.6	2.85	3.35	118.1	137.9	148.8	15.5	18.1	19.6	17.8x	16.6x	1.3x	9.2x	8.7x	5.1%	5.6%	7.1%	7.7%		
The Warehouse Group	WHS	N	1,134.2	3.27	3.40	103.2	105.0	111.8	29.9	30.4	32.4	10.7x	10.4x	2.1x	5.4x	5.3x	6.6%	6.7%	9.2%	9.4%		
Tourism Holdings	THL	R																				
CONSUMER STAPLES																						
The A2 Milk Company	ATM	N	4,796.6	6.45	5.45	143.3	159.9	186.2	19.6	22.2	25.9	32.1x	30.0x	4.0x	18.2x	17.2x						
Delegat Group	DGL	O	1,203.4	11.90	13.40	62.4	70.1	80.0	61.7	69.3	79.2	18.9x	17.7x	2.2x	12.7x	12.0x	1.8%	1.9%	2.5%	2.7%		
Comvita	CVT	B	230.1	3.30	4.50	15.5	20.7	28.2	22.2	29.7	40.4	14.0x	11.9x	1.0x	7.7x	7.0x	3.5%	4.6%	3.5%	4.6%		
Fonterra Shareholders' Fund U	FSF	N	313.7	2.92	3.62	529.5	596.1	603.0	32.8	36.9	37.4	7.9x	7.9x	0.0x	0.2x	0.2x	8.0%	8.7%	8.0%	8.7%		
New Zealand King Salmon Invest	NZK	N	127.2	0.24	0.21	-17.9	7.9	9.5	-3.3	1.5	1.8	(52.7x)	38.1x	0.8x	32.0x	16.1x			1.3%	1.8%		
Sanford	SAN	U	411.4	4.40	4.15	23.9	29.5	33.9	25.6	31.6	36.2	14.1x	13.1x	0.6x	7.8x	7.4x	2.2%	2.8%	2.2%	2.8%		
Scales Corporation	SCL	N	660.8	4.63	4.55	26.8	29.9	36.1	18.8	21.0	25.3	22.8x	20.9x	1.7x	9.6x	9.2x	4.1%	4.3%	5.7%	5.9%		
Seeka	SEE	N	163.8	3.90	4.40	7.0	16.4	19.9	16.6	39.0	47.5	12.3x	10.2x	0.6x	6.7x	6.3x	4.4%	5.9%	4.4%	5.9%		
Synlait Milk	SML	N	747.5	3.42	3.60	35.4	59.7	83.3	24.0	27.3	38.1	12.1x	10.5x	0.9x	7.2x	6.6x	-	0.4%	-	0.6%		
ENERGY																						
Channel Infrastructure NZ	CHI	O	506.9	1.36	1.37	28.0	26.7	36.0	7.6	7.2	9.7	18.6x	16.8x	1.0x	8.1x	7.7x	6.7%	7.8%	8.7%	9.1%		
FINANCIALS																						
NZX	NZX	B	403.9	1.29	1.51	15.3	16.9	17.0	5.0	5.4	5.4	24.5x	24.2x	3.6x	11.5x	11.2x	4.7%	4.7%	6.6%	6.6%		
Heartland Group Holdings	HGH	R																				
Insurance																						
Turners Automotive Group	TRA	O	325.1	3.75	4.27	31.4	30.9	36.0	36.5	35.9	41.8	10.3x	10.0x	1.2x	9.2x	8.8x	6.8%	6.9%	9.4%	9.6%		
HEALTH CARE EQUIPMENT & SUPPLIERS																						
AFT Pharmaceuticals	AFT	B	361.8	3.45	4.80	28.1	28.8	36.1	26.8	27.5	34.4	12.7x	12.0x	3.8x	11.1x	9.7x	2.8%	3.6%	2.8%	3.6%		
Ebos Group	EBO	N	7,386.3	39.00	39.00	283.0	295.9	306.1	149.4	156.2	161.7	25.9x	25.3x	3.1x	13.6x	13.3x	2.7%	2.9%	2.9%	3.1%		
Fisher & Paykel Healthcare	FPH	O	11,425.9	19.79	23.00	212.9	314.2	411.7	36.9	54.4	71.2	44.5x	37.3x	6.8x	25.8x	22.1x	2.1%	2.2%	2.9%	3.0%		
Pacific Edge	PEB	O	372.7	0.46	0.75	(27.0)	(28.6)	(21.2)	(3.3)	(3.5)	(2.6)	(13.6x)	(14.2x)	5.4x	(10.1x)	(10.6x)	-	-	-	-		
HEALTH CARE PROVIDERS & SERVICES																						
Arvida Group	ARV	O	1,099.8	1.52	1.60	101.1	109.6	123.0	14.1	15.3	17.1	10.4x	9.9x	0.8x	127.8x	111.0x	4.3%	4.5%	4.3%	4.5%		
Oceania Healthcare	OCA	O	714	1.00	1.20	60.3	63.7	68.1	8.5	9.0	9.6	11.5x	11.1x	0.8x	56.4x	46.6x	4.8%	4.9%	4.8%	4.9%		
Ryman Healthcare	RYM	N	4,525.0	9.05	9.50	290.3	345.7	378.5	58.1	69.1	75.7	14.4x	13.4x	1.2x	212.6x	150.1x	2.8%	3.0%	2.8%	3.0%		
Summerset Group Holdings	SUM	O	2,569.3	11.11	12.20	172.8	179.8	205.8	75.1	77.7	88.4	14.5x	13.7x	1.1x	103.5x	77.4x	2.1%	2.2%	2.1%	2.2%		
INDUSTRIALS																						
Metro Performance Glass	MPG	B	40.8	0.22	0.44	3.8	9.4	11.2	2.0	5.1	6.1	6.6x	5.0x	0.4x	4.8x	4.5x	5.9%	10.4%	8.2%	14.4%		
PGG Wrightson	PGW	N	353.3	4.68	4.60	24.1	24.7	25.3	32.0	32.7	33.5	14.6x	14.4x	2.0x	7.1x	7.1x	6.4%	6.6%	6.4%	6.6%		
Skellerup Holdings	SKL	O	1,070.1	5.48	6.40	52.9	58.4	64.5	27.1	29.9	33.0	19.8x	18.9x	4.8x	12.6x	12.1x	4.3%	4.5%	5.0%	5.2%		
TRANSPORT & LOGISTICS																						
Air New Zealand	AIR	N	2,273.7	0.68	0.70	17.8	199.8	261.5	0.5	5.9	7.8	45.3x	17.4x	1.4x	4.7x	4.3x		-	-	-		
Auckland International Airport	AIA	U	11,280.8	7.66	6.55	99.8	239.3	299.3	6.8	16.3	20.3	89.7x	59.9x	1.4x	32.8x	26.2x	1.0%	1.4%	1.4%	2.0%		
Freightways	FRE	O	1,714.4	10.34	13.00	90.1	114.1	126.0	51.7	64.4	71.2	19.1x	17.3x	3.2x	9.3x	8.7x	4.1%	4.5%	5.7%	6.3%		
Mainfreight	MFT	O	7,481.9	74.30	85.00	421.1	368.6	363.9	418.2	366.1	361.3	18.8x	19.6x	4.1x	10.0x	10.2x	2.4%	2.4%	3.3%	3.4%		
Port of Tauranga	POT	N	4,551.3	6.69	6.55	122.0	133.0	143.1	18.1	19.8	21.3	36.3x	34.8x	2.2x	23.7x	22.8x	2.5%	2.6%	3.4%	3.6%		
INFORMATION TECHNOLOGY																						
EROAD	ERD	N	164	1.48	2.75	(4.1)	3.5	5.7	(3.7)	3.1	5.1	(195.7x)	92.2x	0.7x	5.0x	4.2x	-	-	-	-		
Gentrack Group	GTK	N	135.6	1.35	1.55	-9.0	-1.6	4.1	-9.0	-1.6	4.1	(64.1x)	168.5x	0.9x			-	-	-	-		
Pushpay Holdings	PPH	O	1,437.5	1.26	1.50	34.3	38.6	46.8	3.0	3.4	4.2	39.7x	36.4x	6.7x	15.5x	14.7x	-	-	-	-		
Serko	SKO	U	439.5	3.65	3.90	-36.2	-25.9	-4.5	-30.2	-21.6	-3.8	(13.8x)	(18.1x)	4.2x			-	-	-	-		
Vista Group International	VGL	O	417.4	1.79	2.10	-6.9	0.5	9.4	-3.0	0.2	4.1	(216.8x)	176.9x	2.9x			-	-	-	-		
MATERIALS, METAL & MINING																						
Fletcher Building	FBU	B	4,330.2	5.53	6.43	547.6	466.4	357.1	70.2	59.8	45.8	8.1x	8.8x	1.1x	5.5x	5.8x	7.6%	7.1%	10.6%	9.8%		
Steel & Tube Holdings	STU	N	252.3	1.52	1.45	23.5	18.7	19.6	14.2	11.3	11.8	11.1x	12.1x	1.2x	6.9x	7.3x	6.7%	6.1%	9.3%	8.5%		
REAL ESTATE																						
Asset Plus	APL	O	99.7	0.28	0.34	1.2	2.3	5.9	0.3	0.6	1.6	64.0x	37.6x	0.6x	44.2x	29.6x		1.3%		1.7%		
Argosy Property	ARG	N	1,134.6	1.34	1.30	60.1	63.2	68.2	7.1	7.5	8.1	18.4x	17.8x	0.8x	17.6x	17.1x	5.0%	5.1%	7.0%	7.0%		
Goodman Property Trust	GMT	U	3,038.0	2.17	1.95	105.7	112.7	114.7	7.5	8.0	8.2	28.1x	27.4x	0.9x	26.3x	24.5x	2.8%	2.9%	3.9%	4.0%		
Investore Property	IPL	N	595.5	1.62	1.65	33.1	34.9	34.1	9.0	9.5	9.4	17.6x	17.4x	0.7x	17.5x	17.1x	5.1%	5.1%	7.0%	7.1%		
Kiwi Property Group	KPG	O	1,571.2	1.00	1.11	103.0	104.3	110.1	6.6	6.6	7.0	15.2x	15.0x	0.7x	16.4x	15.8x	5.9%	6.0%	8.2%	8.3%		
New Zealand Rural Land Comp	NZL	O	124.4	1.10	1.20	5.6	5.9	6.8	4.9	5.1	5.9	22.3x	21.6x	0.7x	20.8x	20.4x	4.4%	4.5%	6.1%	6.3%		
Precinct Properties New Zealand	PCT	N	2,109.1	1.33	1.29	107.8	113.1	115.4	6.8	7.1	7.3	19.4x	19.0x	0.9x	24.9x	22.6x	5.1%	5.1%	7.0%	7.1%		
Property for Industry	PFI	N	1,312.3	2.60	2.48	50.4	51.4	56.1	10.0	10.2	11.2	25.7x	24.7x	0.9x	21.8x	21.4x	3.2%	3.2%	4.4%	4.5%		
Stride Property & Stride Investm	SPG	O	945.6	1.75	1.89	53.6	71.7	83.1	11.8	11.6	11.7	14.9x	15.0x	0.8x	16.4x	16.1x	5.7%	5.7%	7.9%	7.9%		
Vital Healthcare Property Trust	VHP	U	1,752.7	2.70	2.51	58.4	66.0	71.6	11.3	11.2	11.7	23.9x	23.9x	0.8x	23.9x	22.0x	3.6%	3.7%	5.1%	5.1%		

COMPANY	RATING	PRICE (NZ\$)	GROSS DIVIDEND YIELD				DIVIDEND COVER				NET DEBT/ EQUITY ¹
			FY-1	FYO	FY1	FY2	FY-1	FYO	FY1	FY2	CURRENT
Metro Performance Glass	B	\$0.22			18.9%	22.7%			1.7	1.7	61.1%
My Food Bag	B	\$0.70	13.9%	11.5%	13.1%	13.5%	1.2	1.2	1.3	1.3	-3.7%
Michael Hill	O	\$1.27	9.2%	11.6%	12.8%	12.8%	1.5	1.3	1.3	1.3	-49.1%
NZME	O	\$1.31	8.5%	20.1%	10.6%	10.6%	1.6	0.8	1.6	1.6	-8.6%
Channel Infrastructure	O	\$1.35		6.2%	10.0%	9.6%		1.3	0.7	0.8	37.1%
Turners	O	\$3.74	8.5%	9.3%	9.7%	10.0%	1.6	1.5	1.4	1.5	158.2%
Fletcher Building	B	\$5.60	9.9%	10.7%	9.4%	6.9%	1.5	1.6	1.6	1.6	18.4%
The Warehouse Group	N	\$3.29	15.0%	8.9%	9.1%	9.5%	1.4	1.4	1.4	1.4	-35.5%
Kiwi Property Group	O	\$1.02	8.2%	8.5%	8.5%	8.5%	1.1	1.2	1.1	1.1	49.5%
Sky City	B	\$2.85		6.8%	8.3%	8.8%		1.1	1.1	1.1	38.3%
Stride	O	\$1.80	8.2%	8.2%	8.2%	8.2%	1.1	1.2	1.2	1.2	26.3%
Kathmandu	B	\$1.08	5.9%	5.6%	8.1%	9.6%	1.9	1.0	1.4	1.4	-4.5%
Genesis Energy	N	\$2.96	7.7%	7.8%	8.0%	8.2%	0.6	0.6	0.5	0.5	58.3%
Fonterra	N	\$2.94	6.8%	6.8%	7.8%	9.5%	1.7	1.6	1.6	1.3	59.8%
Steel and Tube	N	\$1.52	9.3%	9.6%	7.8%	7.5%	1.3	1.4	1.3	1.4	20.5%
Argosy Property	N	\$1.33	7.3%	7.5%	7.6%	7.6%	1.2	1.1	1.1	1.2	47.2%
Precinct Properties	N	\$1.34	7.5%	7.5%	7.6%	7.6%	1.0	1.0	1.0	1.1	50.7%
Investore Property	N	\$1.65	7.1%	7.2%	7.2%	7.7%	1.0	1.1	1.2	1.1	40.3%
Freightways	O	\$10.22	5.0%	5.6%	6.8%	7.3%	1.2	1.3	1.3	1.3	42.7%
NZ Rural Land Co	O	\$1.13	4.8%	6.3%	6.6%	7.5%	1.5	1.0	1.0	1.0	53.5%
NZX	B	\$1.30	6.5%	6.5%	6.5%	6.5%	1.0	0.8	0.9	0.9	-14.3%
Sky Network Television	N	\$2.47	3.0%	6.5%	6.5%	6.5%	3.9	2.0	1.8	1.8	-27.9%
PGG Wrightson	N	\$4.80	6.3%	6.3%	6.5%	6.7%	1.1	1.1	1.1	1.0	19.0%
Seeka	N	\$3.96	9.6%		6.4%	7.8%	0.7		1.5	1.5	40.8%
Contact Energy	B	\$7.88	5.8%	5.5%	6.0%	6.6%	0.7	0.6	0.7	0.7	32.8%
Chorus	N	\$8.02	4.4%	5.3%	5.9%	6.2%	0.3	0.3	0.3	0.4	215.3%
Scales Corporation	N	\$4.73	5.6%	5.6%	5.6%	6.2%	1.1	1.0	1.1	1.2	-21.0%
Mercury	B	\$5.80	4.8%	5.2%	5.6%	5.8%	0.5	0.5	0.7	0.7	39.8%
Vital Healthcare	U	\$2.72	5.3%	5.4%	5.5%	5.6%	1.3	1.2	1.1	1.1	45.8%
Comvita	B	\$3.35	1.6%	3.0%	5.4%	7.3%	3.6	2.2	1.7	1.6	11.2%
Skellerup	O	\$5.54	4.3%	4.8%	5.2%	5.9%	1.2	1.2	1.2	1.2	11.9%
Oceania Healthcare	O	\$0.99	4.1%	4.7%	4.9%	5.4%	1.8	1.8	1.8	1.8	39.0%
Meridian Energy	O	\$5.00	4.6%	4.7%	4.9%	5.5%	1.5	0.6	0.7	0.8	14.5%
Property For Industry	N	\$2.62	4.5%	4.6%	4.7%	5.0%	1.4	1.2	1.2	1.3	38.2%
Arvida	O	\$1.51	3.6%	4.2%	4.6%	5.1%	3.5	2.2	2.2	2.2	33.1%
Goodman Property	U	\$2.17	3.8%	4.1%	4.3%	4.5%	1.3	1.3	1.3	1.2	27.7%
Manawa Energy	N	\$5.99	12.8%	3.4%	4.0%	4.0%	0.6	1.2	1.3	1.2	70.9%
AFT Pharmaceuticals	B	\$3.50		1.9%	3.9%	4.9%		4.0	2.0	2.0	51.7%
Vector	N	\$4.70	3.7%	3.7%	3.7%	3.7%	1.1	1.1	0.9	0.9	138.8%
Port of Tauranga	N	\$6.72	3.0%	3.4%	3.7%	4.0%	1.1	1.1	1.1	1.1	21.0%
Ebos	N	\$38.64	2.7%	3.3%	3.6%	4.0%	1.3	1.3	1.2	1.1	38.0%
Mainfreight	O	\$74.50	2.6%	3.2%	3.5%	3.4%	2.5	2.5	2.0	2.0	-1.8%
Infratil	O	\$9.05	3.1%	3.2%	3.4%	3.6%	-0.1	1.9	2.1	2.1	69.4%
Fisher & Paykel Healthcare	O	\$19.66	2.8%	2.9%	3.0%	3.2%	1.7	0.9	1.3	1.6	-0.9%
Ryman Healthcare	N	\$9.19	2.4%	2.5%	3.0%	3.3%	2.3	2.5	2.5	2.5	74.2%
Delegat's Group	O	\$11.90	2.3%	2.5%	2.8%	3.3%	2.9	2.9	2.9	2.8	49.8%
Auckland Airport	U	\$7.56		1.2%	2.4%	3.0%		1.0	1.3	1.2	17.8%
Sanford	U	\$4.40		1.1%	2.3%	3.4%		5.1	3.2	2.4	28.2%
Summerset	O	\$11.05	1.7%	2.0%	2.1%	2.4%	3.3	3.3	3.3	3.3	38.4%
Air New Zealand	N	\$0.68									-18.5%
Asset Plus	O	\$0.28	5.9%			8.5%	1.0			1.0	32.1%
a2 Milk	N	\$6.23									-66.1%
Eroad	N	\$1.50									1.4%
Gentrack	N	\$1.37									-16.0%
Pushpay	O	\$1.28									29.1%
Restaurant Brands	O	\$8.13	5.5%				1.2				69.6%
Serko	U	\$3.60									-82.5%
Synlait	N	\$3.48									62.2%
Vista Group	O	\$1.85									-27.3%
MEDIAN			4.2%	4.4%	4.9%	5.7%	1.3	1.2	1.3	1.2	32.8%

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: B – Buy, O – Overweight, N – Neutral, U – Underweight, S – Sell, R – Restricted.

3. FY0 represents the current financial year

COMPANY	RATING	PRICE (AU\$)	DIVIDEND YIELD				DIVIDEND COVER			
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2
Liberty Financial Group Limited	N	\$4.28	11.5%	9.3%	9.3%	9.6%	1.5x	1.5x	1.5x	1.5x
Adairs Limited	O	\$2.27	7.9%	8.8%	10.1%	10.6%	1.7x	1.5x	1.5x	1.5x
Suncorp Group Limited	O	\$10.90	3.7%	8.7%	3.8%	7.2%	1.3x	1.0x	2.2x	1.2x
Centuria Office REIT	U	\$1.64	10.1%	8.6%	8.8%	9.1%	1.1x	1.1x	1.1x	1.1x
Autosports Group Limited	O	\$2.15	7.4%	8.6%	8.2%	6.7%	1.7x	1.7x	1.7x	1.7x
Pendal Group Limited	O	\$5.20	7.9%	8.4%	6.0%	6.7%	1.2x	1.1x	1.1x	1.1x
Woodside Energy Group Limited	O	\$34.25	3.9%	8.3%	5.8%	6.1%	1.2x	1.4x	1.7x	1.4x
Peter Warren Automotive Holdings Limited	B	\$2.65	8.3%	8.0%	7.7%	7.2%	1.6x	1.6x	1.6x	1.6x
CSR Limited	O	\$4.53	7.0%	7.7%	5.8%	5.9%	1.3x	1.3x	1.4x	1.4x
Harvey Norman Holdings Limited	N	\$4.23	8.9%	7.6%	7.1%	7.3%	1.4x	1.4x	1.4x	1.4x
Stockland Corporation Limited	N	\$3.62	7.3%	7.5%	7.7%	7.9%	1.3x	1.3x	1.3x	1.2x
Platinum Asset Management Limited	U	\$1.78	9.6%	7.1%	6.2%	5.7%	1.0x	1.2x	1.2x	1.2x
Magellan Financial Group Limited	U	\$13.02	13.7%	7.1%	5.3%	4.9%	1.2x	1.2x	1.4x	1.5x
Pepper Money Limited	O	\$1.56	5.8%	7.1%	5.8%	6.4%	0.0x	0.0x	0.0x	0.0x
Abacus Property Group	O	\$2.72	6.6%	6.8%	6.9%	7.0%	1.1x	1.1x	1.1x	1.1x
Nick Scali Limited	U	\$11.04	5.9%	6.5%	5.7%	6.5%	1.5x	1.3x	1.2x	1.3x
Homeco Daily Needs REIT	O	\$1.29	6.4%	6.4%	6.7%	6.9%	1.1x	1.0x	1.0x	1.0x
Bank of Queensland Limited	O	\$7.03	5.5%	6.4%	6.3%	6.4%	1.8x	1.6x	1.6x	1.6x
Centuria Capital Group Limited	B	\$1.83	6.0%	6.3%	6.6%	6.8%	1.3x	1.3x	1.2x	1.3x
JB Hi-Fi Limited	U	\$40.69	7.8%	6.3%	5.4%	5.3%	1.5x	1.5x	1.5x	1.5x
Australia & New Zealand Banking Group Lir	U	\$22.83	6.2%	6.3%	6.4%	6.7%	1.4x	1.5x	1.5x	1.5x
Charter Hall Long Wale REIT	O	\$4.47	6.8%	6.3%	6.6%	6.1%	1.0x	1.0x	1.0x	1.0x
Charter Hall Retail REIT	O	\$4.11	6.0%	6.3%	6.4%	6.5%	1.2x	1.1x	1.1x	1.1x
GPT Group	U	\$4.21	5.5%	6.1%	5.7%	5.7%	1.2x	1.3x	1.3x	1.3x
Perpetual Limited	N	\$27.42	7.6%	6.1%	6.5%	7.2%	1.2x	1.2x	1.2x	1.2x
Insignia Financial Limited	O	\$3.48	6.8%	5.9%	6.5%	6.7%	1.5x	1.5x	1.5x	1.5x
Bendigo and Adelaide Bank Limited	U	\$9.04	5.9%	5.9%	6.0%	6.1%	1.5x	1.4x	1.4x	1.4x
Dexus	U	\$8.73	6.1%	5.8%	6.1%	6.3%	1.3x	1.3x	1.3x	1.3x
Super Retail Group Limited	N	\$10.58	6.6%	5.8%	5.3%	5.4%	1.5x	1.5x	1.5x	1.5x
Aurizon Holdings Limited	N	\$3.73	5.7%	5.8%	5.0%	6.9%	1.3x	1.3x	1.3x	1.0x
Emeco Holdings Limited	B	\$0.92	1.4%	5.7%	7.2%	7.7%	10.6x	2.8x	2.5x	2.5x
Westpac Banking Corporation	U	\$21.61	5.5%	5.7%	5.9%	6.3%	1.2x	1.2x	1.5x	1.5x
Vicinity Centres	O	\$1.94	5.4%	5.7%	6.1%	6.4%	1.3x	1.2x	1.2x	1.2x
Insurance Australia Group Limited	B	\$4.65	2.4%	5.6%	6.9%	6.7%	0.8x	1.2x	1.2x	1.3x
Accent Group Limited	O	\$1.50	4.3%	5.6%	6.4%	7.0%	0.9x	1.4x	1.4x	1.4x
Estia Health Limited	B	\$2.03	1.2%	5.5%	4.6%	4.7%	(1.5x)	1.3x	1.2x	1.2x
SCA Property Group	B	\$2.73	5.6%	5.5%	5.5%	5.6%	1.1x	1.1x	1.1x	1.1x
Metcash Limited	O	\$4.12	5.2%	5.3%	5.6%	6.1%	1.4x	1.5x	1.4x	1.4x
Pact Group Holdings Limited	O	\$1.52	3.3%	5.2%	6.3%	8.1%	4.0x	2.7x	2.4x	2.0x
Origin Energy Limited	N	\$6.31	4.6%	5.2%	4.0%	3.4%	0.8x	0.8x	1.4x	1.7x
Centuria Industrial REIT	O	\$3.10	5.6%	5.2%	5.3%	5.4%	1.1x	1.1x	1.1x	1.1x
Scentre Group	B	\$2.94	4.8%	5.1%	5.5%	5.8%	1.2x	1.3x	1.4x	1.4x
Orora Limited	N	\$3.32	5.0%	5.1%	5.4%	5.7%	1.3x	1.3x	1.3x	1.2x
Resimac Group Limited	U	\$1.29	6.2%	5.0%	5.0%	5.4%	3.2x	3.0x	2.8x	2.7x
Mirvac Group	U	\$2.10	4.9%	5.0%	5.2%	5.4%	1.5x	1.5x	1.4x	1.4x
Universal Store Holdings Limited	B	\$4.89	4.4%	5.0%	5.4%	5.8%	1.3x	1.5x	1.5x	1.6x
National Australia Bank Limited	O	\$30.59	4.2%	4.8%	5.1%	5.2%	1.5x	1.4x	1.5x	1.4x
Adbri Limited	N	\$2.21	5.7%	4.7%	5.2%	5.7%	1.5x	1.7x	1.7x	1.7x
Charter Hall Social Infrastructure	O	\$3.69	4.7%	4.7%	4.9%	5.2%	1.0x	1.0x	1.0x	1.0x
Lynch Group Holdings Limited	B	\$2.34	5.1%	4.6%	6.4%	7.1%	1.7x	2.0x	2.0x	2.0x
BWP Trust	U	\$3.98	4.6%	4.6%	4.7%	4.8%	1.0x	1.0x	1.0x	1.0x

COMPANY	RATING	PRICE (AU\$)	DIVIDEND YIELD				DIVIDEND COVER			
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2
Janus Henderson Group	U	\$34.72	4.4%	4.5%	4.5%	4.5%	2.8x	1.5x	1.4x	1.4x
National Storage REIT	O	\$2.43	4.1%	4.5%	4.6%	4.8%	1.1x	1.1x	1.1x	1.1x
QBE Insurance Group Limited	B	\$12.07	2.5%	4.5%	6.2%	6.7%	1.8x	1.1x	1.4x	1.4x
Medibank Private Limited	O	\$3.71	3.6%	4.2%	4.4%	4.5%	1.1x	1.2x	1.2x	1.2x
Commonwealth Bank of Australia	N	\$97.47	3.9%	4.2%	4.2%	4.3%	1.4x	1.3x	1.3x	1.3x
Arena REIT	U	\$4.20	3.8%	4.0%	4.3%	4.4%	1.0x	1.0x	1.0x	1.0x
Wesfarmers Limited	O	\$47.01	3.8%	4.0%	4.1%	4.3%	1.0x	1.2x	1.2x	1.2x
Costa Group Holdings Limited	O	\$2.69	3.1%	3.9%	4.0%	3.5%	1.6x	1.4x	1.7x	1.7x
Transurban Group Limited	U	\$13.96	2.9%	3.9%	4.8%	5.6%	0.0x	0.2x	0.3x	0.4x
Challenger Limited	O	\$6.40	3.6%	3.9%	4.4%	4.8%	2.1x	2.0x	2.0x	2.0x
Eagers Automotive Limited	O	\$13.32	4.7%	3.8%	3.1%	2.9%	1.8x	2.1x	2.4x	2.4x
Coles Group Limited	N	\$17.56	3.6%	3.8%	3.9%	4.8%	1.2x	1.2x	1.3x	1.2x
Beacon Lighting Group Limited	N	\$2.43	3.8%	3.8%	3.2%	3.4%	2.0x	1.6x	1.6x	1.6x
Monadelphous Group Limited	N	\$13.17	3.7%	3.8%	4.3%	4.9%	1.1x	1.2x	1.1x	1.1x
Premier Investments Limited	O	\$21.28	3.8%	3.7%	3.2%	3.2%	2.1x	2.0x	2.0x	2.0x
IPH Limited	B	\$9.56	3.2%	3.7%	4.1%	4.5%	1.3x	1.2x	1.3x	1.2x
Bravura Solutions Limited	B	\$1.58	4.4%	3.6%	4.2%	4.8%	1.5x	1.6x	1.6x	1.6x
Santos Limited	O	\$7.89	1.8%	3.6%	4.6%	2.9%	3.2x	2.6x	1.4x	1.4x
QUBE Holdings Limited	B	\$2.89	2.2%	3.5%	4.1%	4.3%	1.6x	1.1x	1.1x	1.1x
Regis Healthcare Limited	B	\$2.11	2.8%	3.4%	4.3%	4.4%	(0.2x)	1.0x	1.0x	1.0x
Healius Limited	N	\$3.72	4.3%	3.4%	3.4%	4.3%	3.3x	1.7x	1.7x	1.6x
AUB Group Limited	B	\$22.21	2.5%	3.2%	4.3%	4.7%	1.8x	1.6x	1.6x	1.6x
Treasury Wine Estates Limited	O	\$13.19	2.4%	3.2%	3.6%	3.9%	1.3x	1.3x	1.3x	1.3x
Brickworks Limited	N	\$20.42	3.0%	3.2%	3.4%	3.6%	3.1x	6.9x	2.5x	1.8x
ASX Limited	U	\$78.45	3.0%	3.2%	3.4%	3.5%	1.1x	1.1x	1.1x	1.1x
Nib Holdings Limited	N	\$8.18	2.7%	3.2%	3.3%	3.8%	1.3x	1.4x	1.5x	1.4x
Charter Hall Group	B	\$13.51	3.0%	3.1%	3.3%	3.5%	2.9x	2.1x	2.1x	2.1x
ALS Limited	O	\$11.90	2.8%	3.1%	3.5%	3.8%	1.7x	1.6x	1.6x	1.6x
James Hardie Industries	O	\$33.51	2.1%	3.0%	2.7%	2.8%	2.0x	1.6x	1.7x	1.7x
Macmahon Holdings Limited	B	\$0.17	3.8%	3.0%	3.7%	4.1%	3.7x	6.4x	5.8x	5.4x
Woolworths Group Limited	O	\$36.09	2.6%	3.0%	3.1%	3.5%	1.3x	1.3x	1.3x	1.3x
BlueScope Steel Limited	O	\$16.72	3.0%	3.0%	3.0%	2.2%	10.9x	5.9x	3.4x	2.8x
Sonic Healthcare Limited	N	\$34.00	2.9%	2.9%	2.9%	2.9%	3.3x	1.8x	1.6x	1.8x
Domino's Pizza Enterprises Limited	O	\$63.55	2.7%	2.9%	3.6%	4.1%	1.1x	1.2x	1.2x	1.2x
The Star Entertainment Group Limited	B	\$2.78	-	2.9%	6.5%	7.2%	0.0x	2.0x	0.9x	1.0x
Steadfast Group Limited	N	\$5.04	2.6%	2.9%	3.2%	3.4%	1.6x	1.6x	1.6x	1.6x
Lovisa Holdings Limited	O	\$23.07	3.2%	2.9%	3.1%	4.2%	0.7x	1.0x	1.2x	1.3x
Sims Limited	O	\$15.39	5.9%	2.9%	2.9%	2.0%	3.1x	3.3x	3.3x	3.3x
Healthia Limited	B	\$1.80	1.1%	2.8%	3.3%	3.9%	3.9x	2.5x	2.5x	2.4x
Endeavour Group Limited	U	\$7.27	2.8%	2.8%	3.0%	3.4%	1.4x	1.4x	1.4x	1.4x
Amcor Public Limited	N	\$17.82	2.7%	2.7%	2.9%	2.9%	1.7x	1.7x	1.7x	1.6x
Carsales.com Limited	U	\$22.60	2.2%	2.7%	2.7%	2.8%	1.4x	1.2x	1.2x	1.2x
Ingenia Communities Group Limited	B	\$4.26	2.6%	2.7%	2.9%	3.1%	2.1x	2.2x	2.4x	2.4x
Tabcorp Holdings Limited	O	\$0.96	6.8%	2.6%	2.9%	3.3%	0.3x	1.5x	1.6x	1.6x
Collins Foods Limited	N	\$9.83	2.7%	2.5%	2.5%	3.1%	1.9x	1.7x	1.7x	1.7x
Brambles Limited	O	\$12.38	2.2%	2.5%	2.7%	2.9%	1.5x	1.4x	1.4x	1.4x
HMC Capital	O	\$5.03	2.4%	2.4%	2.4%	2.5%	2.5x	2.5x	2.7x	2.8x
The Lottery Corporation Limited	N	\$4.42	-	2.3%	2.9%	3.2%	0.0x	1.4x	1.2x	1.2x
Computershare Limited	O	\$24.70	2.2%	2.3%	3.0%	3.4%	1.1x	1.5x	1.5x	1.5x
SEEK Limited	O	\$20.86	2.1%	2.3%	2.3%	2.5%	1.6x	1.5x	1.5x	1.5x
Domain Holdings Australia Limited	N	\$3.56	1.7%	2.2%	2.7%	3.0%	1.6x	1.4x	1.4x	1.4x

Source: Jarden

1. The Net Debt/Equity ratio is calculated as Gross Debt less cash holdings divided by total shareholder funds. Negative ratios indicate a net cash position.

2. Ratings: "B" - Buy, "O" - Overweight, "N" - Neutral, "U" - Underweight, "S" - Sell, "R" - Restricted.

3. FY0 represents the current financial year.

AUSTRALIAN EQUITIES

AUSTRALIAN ECONOMICS - FASTER RATE HIKES SEE HOUSE PRICE FALLS ACCELERATE

National house price falls accelerated further in July, led by large falls in Sydney and Melbourne (albeit still lagging behind our recent mortgage broker feedback of 10-15% price falls already). Auction clearance rates have also moderated to 52% in July, from 73% in Jul-21, albeit off continued strong volumes. Looking forward, we continue to expect a peak-to-trough decline in house prices of 15-20% - the largest correction since the 1980s. However, given the faster pace of rate hikes and accelerating house price falls, we now expect falls to occur faster with prices down 10% in 2022 (was -5%) and 5-10% in 2023 (was 10-15%). While the recent change to our RBA view (to 3.1% by end-22 vs 2.5% previously) implies a 27% reduction in borrowing

capacity, and downside risk to our house price forecasts, we expect APRA lowering the serviceability buffer from 3% to 2% to provide some support. Indeed, we see the policy response from regulators being the key determinant of how far prices fall, with easing from APRA/RBA in 2023 key in our view to avoiding larger 20%+ falls and putting a floor under the housing market. Importantly, Sydney and Melbourne are likely to fare worse given stretched affordability and the likely large impact of rate hikes. We continue to expect the housing correction to weigh on housing-exposed stocks such as the Banks, Platforms (REA, DHG, PXA), Discretionary Consumption, and Building Materials. However, Jarden believes some sectors are now largely pricing in this downside risk.

JARDEN'S FIXED INTEREST BONDS

AS AT 1ST SEPTEMBER 2022

BBB+, BBB, BBB-

Issuer	NZDX Code	Coupon	Maturity Date	CPN Freq	Credit Rating
Hearland Bank	HBL010	4.500	8/09/2022	4	BBB
Air New Zealand	AIR020	4.250	26/10/2022	2	BBB
Contact Energy	CEN040	4.630	15/11/2022	4	BBB
Manawa Energy	MANW150	4.010	15/12/2022	4	BBB-(NR)
Meridian Energy	MEL030	4.530	14/03/2023	2	BBB+
Wellington Intl Airport	WIA030	4.250	12/05/2023	2	BBB
Summerset	SUM010	4.780	11/07/2023	4	BBB-(NR)
GMT Bond Issuer	GMB050	4.000	1/09/2023	2	BBB+
Kiwi Property Group Limited	KPG020	4.000	7/09/2023	2	BBB+
Z Energy	ZEL050	4.320	1/11/2023	4	BBB-(NR)
Meridian Energy	MEL040	4.880	20/03/2024	2	BBB+
Heartland Bank	HBL020	3.550	12/04/2024	4	BBB
Investore Property	IPL010	4.400	16/04/2024	4	BBB(NR)
Christchurch International Airport	CHC010	4.130	24/05/2024	2	BBB+
GMT Bond Issuer	GMB040	4.540	31/05/2024	2	BBB+
Wellington Intl Airport	WIA040	4.000	5/06/2024	2	BBB
Contact Energy	CEN050	3.550	15/06/2024	4	BBB
Z Energy	ZEL060	4.000	3/09/2024	4	BBB-(NR)
Predict Properties	PCT020	4.420	27/11/2024	2	BBB+(NR)
Property for Industry	FFI010	4.590	26/11/2024	4	BBB-(NR)
Kiwi Property Group Limited	KPG030	4.330	19/12/2024	2	BBB+
Vector Limited	VCT090	3.450	27/05/2025	2	BBB
Wellington Intl Airport	WIA050	5.000	16/06/2025	2	BBB
Meridian Energy	MEL050	4.210	27/06/2025	2	BBB+
Summerset	SUM020	4.200	24/09/2025	4	BBB-(NR)
Property for Industry	FFI020	4.250	1/10/2025	4	BBB(NR)
Kiwi Property Group Limited	KPG040	4.060	12/11/2025	2	BBB+
Argosy Property	ARG010	4.000	27/03/2026	4	BBB+(NR)
Manawa Energy	MANW160	3.350	29/07/2026	4	BBB-(NR)
Wellington Intl Airport	WIA070	2.500	14/08/2026	2	BBB
Mercury NZ	MCY040	2.160	29/09/2026	2	BBB+
Mellifcare	MET010	3.000	30/09/2026	4	BBB-(NR)
Argosy Property	ARG020	2.900	29/10/2026	4	BBB+(NR)
Ryman Healthcare	RYM010	2.550	16/12/2026	4	BBB-(NR)
Investore Property	IPL030	4.000	25/02/2027	4	BBB(NR)
SBS Bank	SBS010	4.320	16/03/2027	2	BBB+
GMT Bond Issuer	GMB060	4.740	14/04/2027	2	BBB+
Chanel Infrastructure	CHI020	5.600	20/05/2027	2	BBB-(NR)
SkyCity Entertainment	SKC050	3.020	21/05/2027	4	BBB-
Predict Properties	PCT030	2.850	26/05/2027	2	BBB+(NR)
Investore Property	IPL020	2.400	31/06/2027	4	BBB(NR)
Mercury NZ	MCY030	1.560	14/09/2027	2	BBB+
Summerset	SUM030	2.300	21/09/2027	4	BBB-(NR)
Oceania Healthcare	OCA010	2.300	19/10/2027	4	BBB-(NR)
Argosy Property	ARG030	2.200	27/10/2027	4	BBB+(NR)
Vector Limited	VCT100	3.690	26/11/2027	4	BBB
Chorus	CNU030	1.960	2/12/2027	4	BBB
GMT Bond Issuer	GMB1227	5.322	20/12/2027	2	BBB+
Arvida Group	ARV010	2.870	22/02/2028	4	BBB-(NR)
Genesis Power	GNE060	4.170	14/03/2028	2	BBB+
Predict Properties	PCT040	5.250	9/05/2028	2	BBB+(NR)
Christchurch International Airport	CHC020	5.180	19/05/2028	2	BBB+
Kiwi Property Group Limited	KPG050	2.650	19/07/2028	2	BBB+
GMT Bond Issuer	GMB0928	2.262	4/09/2028	2	BBB+
Oceania Healthcare	OCA020	3.300	13/09/2028	4	BBB-(NR)
Chorus	CNU020	4.350	6/12/2028	4	BBB
Manawa Energy	MANW170	3.970	22/02/2029	4	BBB-(NR)
Wellington Intl Airport	WIA060	4.000	1/04/2030	2	BBB
GMT Bond Issuer	GMB0930	2.559	4/09/2030	2	BBB+
Chorus	CNU040	2.510	2/12/2030	4	BBB
Wellington Intl Airport	WIA060	3.320	24/09/2031	2	BBB

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