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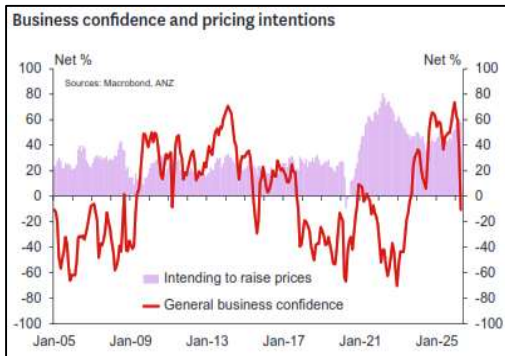
ECONOMIC, POLITICAL & INVESTMENT PULSE

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ECONOMIC & POLITICAL OUTLOOK

The outlook for the economy has shifted dramatically from the optimistic view NZers held in February. Now we look set for another year of positive but still sub-par growth at 1.5% as the Iran war and the associated rise in oil and refined fuel prices have their impact.

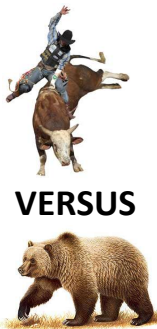


Business confidence (ANZ Business Confidence Survey) took the full brunt of the Middle East conflict in the April survey, with general sentiment turning net negative for the first time since mid-2023.

Measures of firms' own activity saw less dramatic moves, but were still down significantly from pre-war levels. We'd expect a modest rebound in confidence in the May survey, with hostilities cooling since the early April ceasefire and fuel prices having eased from their highs.

The biggest problem for the NZ economy remains the narcissistic actions of Donald Trump. Finance Minister Willis produced a very appropriate budget, that has been very well received by most NZers; and Christopher Luxon has gained huge traction against Chris Hipkins in recent times. He definitely has his mojo back!

June 2026



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SHAREMARKETS	CODE	1yr	5 yr/pa
New Zealand	^NZ50	10.1%	3.5%
Australia	^AXJO	8.2%	4.2%
United Kingdom	^FTSE	23.0%	7.4%
US - Dow Jones	^DJI	25.9%	10.9%
US - S&P500	^GSPC	36.3%	16.7%
US - NASDAQ	^IXIC	54.5%	24.7%

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STATISTICS NZ & TREASURY DATA			
Estimated NZ population	at 2-June-26		5,367,552
Population: 1950: 1,911,608 2000: 3,855,266 Growth -1.87% this year			
<small>(StatsNZ - 2025 to 2048) European 65.9% to 52.3%; Asian 20.8% to 33.3%; Māori 17.4% to 20%; Pac 9.1% to 11.4%; Indian 7.2% to 11.8%; Chinese 6.2% to 8.2%; Samoa 4.4% to 5.6% Mid East/Latin 2.2% to 3.8%</small>			
Māori population	Est. Dec-25	(17.5 % of NZ total)	932,500
Births / Deaths	Dec-25 year	Births: 57,705	Deaths: 37,491
Deaths per 1,000 live births: Pasifika: 7.3 Māori: 5.7 European: 3.8			
Net Migration	Feb-26 yr		↑ 25,200
<small>(NZ: -36,400; Non NZ: 61,600)</small>			
NZer Migration	Dec-25yr	(Depart: 62,700; Arriv: 26,300)	↓ (36,400)
Non NZ Migration	Dec-25yr	(Depart: 48,300; Arriv: 110,000)	↑ 61,600
Net migration by country	<small>India: 11,200; China: 11,000; Philippines: 7,600; Sri Lanka: 5,200 United Kingdom: 400; Australia: 1,200; United States: 2,100</small>		
Annual GDP Growth	Dec-25 year	(Qtly Dec-25: 0.2%)	0.2%
Annual GDP Per Capita	Dec-25 year	(Qtly Mar-25: 0.8%)	0.8%
Size of NZ Economy (GDP)	Dec-25 year	(Auckland = \$160 billion)	\$445 bn
Size of Māori Economy	2025	(2013: \$43bn; 2020: \$69bn)	~ \$126 bn
NZ Core Crown Revenue	FY2025	(FY2024: \$167.3bn)	\$169.8 bn
NZ Core Crown Expenses	FY2025	(FY2024: \$180.1bn)	\$182.2 bn
NZ Core Expenses/GDP	FY2025	(FY2024: 42.9%)	42.1%
NZ Core Govt Debt	FY2025	(FY2024: \$175.7bn)	\$183.5 bn
NZ Core Govt Debt/GDP	FY2025	(FY2024: 42.9%)	41.8%
Gross Disposable H/hold Income	Jun-25 year		\$103,118
Inflation Rate (CPI)	Mar-26 year	(↓ from 7.3% at 2022 peak)	3.1%
Non-Tradable Inflation	Mar-26 year	(Domestic)	3.5%
Food Price Inflation	Mar-26 year	(Feb-26 year: 4.5%)	↓ 3.4%
Household Cost of Living	Mar-26 year	(Sep-25 year: 2.4%)	↓ 2.1%
Retail Spending - Electronic trans	Sep-25 mth		\$34 m
Minimum Wage	from 1-Apr-26	(up from \$23.50)	\$23.95
Living wage	from 1-Sep-25	(will go to \$29.90 from 1/9/26)	\$28.95
NZ Median Wage	Mar-26	(Jun-25: \$33.56)	\$35.00
Average Wages per hour	Mar-26	(Sep-25: \$43.68)	\$44.12
Annual Wage Inflation	Mar-26	(Dec-24 yr: 3.3%)	0.4%
Labour force participation rate	Mar-26	(Sept-25 qtr: 66.6%)	66.7%
Increase in total employed	Mar-26	(Dec-25 year: 15,000)	4,000
Total Unemployed	Mar-26	Pacifica 12.3% Maori 11.2%	163,000
Unemployment	Mar-26	Asian 4.4% European 4.2%	5.3%
<small>(Unemployment Mar-26 Men: 5.4% Women: 5.3%)</small>			
Youth Unemployment	Mar-26	(Dec-24: 23.8% Dec-25: 16.5%)	14.4%
Beneficiaries	Mar-26	(Jobseeker/Solo/Supported living)	↑ 427,236
Jobseeker Support numbers	Mar-26	(6.9% of working-age population)	↑ 223,512

LOCAL GOVERNMENT

Top 50 Busiest Container Ports in the World			
Rank	Port	Country/Territory	Annual TEUs (m)
1	Shanghai	China	51.5
2	Singapore	Singapore	41.1
3	Ningbo-Zhoushan	China	39.3
4	Shenzhen	China	33.4
5	Qingdao	China	30.9
6	Guangzhou	China	25.4
7	Busan	South Korea	24.4
8	Tianjin	China	22.9
9	Jebel Ali (Dubai)	UAE	15.5
10	Port Klang	Malaysia	14.6
11	Hong Kong	Hong Kong	14.4
12	Rotterdam	Netherlands	13.8
13	Antwerp-Bruges	Belgium	13.5
14	Xiamen	China	12.5
15	Tanjung Pelepas	Malaysia	11.2
16	Los Angeles	United States	10.3
17	Long Beach	United States	9.6
18	Kaohsiung	Taiwan	9.5
19	Laem Chabang	Thailand	9.4
20	New York/New Jersey	United States	8.7
21	Ho Chi Minh City	Vietnam	8.6
22	Tangier Med	Morocco	8.6
23	Tanjung Priok (Jakarta)	Indonesia	7.9
24	Hamburg	Germany	7.8
25	Colombo	Sri Lanka	7.8
26	Mundra	India	7.4
27	Nhava Sheva (JNPT)	India	6.8
28	Lianyungang	China	6.1
29	Rizhao	China	6
30	Savannah	United States	5.7
31	Valencia	Spain	5.5
32	Piraeus	Greece	5.1
33	Santos	Brazil	5
34	Dalian	China	5
35	Bremerhaven	Germany	4.9
36	Algeciras	Spain	4.7
37	Tokyo	Japan	4.5
38	Fuzhou	China	4
39	Houston	United States	4
40	Manzanillo	Mexico	3.9
41	Felixstowe	United Kingdom	3.8
42	Vancouver	Canada	3.6
43	Yokohama	Japan	3.2
44	Le Havre	France	3.1
45	Durban	South Africa	2.9
46	Genoa	Italy	2.8
47	Portland	United States	2.5
48	Lisbon/Sines	Portugal	1.9
49	Chennai	India	1.7
50	Port of Tauranga	New Zealand	~1.3

PORT OF TAURANGA IN WORLD TOP 50



Port of Tauranga is by far New Zealand's largest and busiest container port, handling roughly 1.3 million TEUs annually — significantly larger than

Auckland, Lyttelton, or Napier. It is also one of the most efficient export-focused ports in Australasia, dominating New Zealand's forestry, dairy, kiwifruit and bulk export trade.

Port of Tauranga - Future Terminal development



While still small compared with the mega-ports of China and Singapore, Tauranga has become an increasingly important South Pacific logistics hub because of New Zealand's growing export volumes and strong Upper North Island freight demand.

My plea to Bay of Plenty's Local Government – Don't sell down the Port shares below 40%, or you risk losing this strategic asset completely (nationally and regionally).

If the Aussie's get control they will move the "Big Ship Hub" to an Australian port and Port of Tauranga will once again become just an insignificant regional hub.

STELLAR PASSAGE CONSENT

According to legal submissions linked to the project, representatives connected to Ngāti Kuku sought compensation and revenue-sharing arrangements estimated between \$335 million and \$475 million over 35 years. The proposal reportedly included annual payments tied to cultural impacts and a share of economic benefits from the port expansion.

This is the madness. Māori are part of that economy too. Māori work at the port, invest in businesses, grow, export, employ and build. That is exactly what New Zealand should want more of.

So why on earth would we tolerate a system that encourages any group, Māori or otherwise, to stand in the way of the very engine that creates jobs and income for everyone?

This is not an argument against tikanga. It is not an argument against environmental responsibility. It is not an argument against proper consultation. Spare me the lazy smear that every hard question is racism. It is an argument against consultation being turned into leverage and leverage being turned into a revenue stream.

WESTERN BAY DEAL - UNLOCKING LONG-TERM GROWTH



The National Government, on 14th May, signed a major long-term growth agreement with the

Western Bay of Plenty, marking another significant step in National's push to better align infrastructure, housing and economic development. This follows last month's Auckland City Deal.

The new City and Regional Deal brings together Central Government, Tauranga City Council, Western Bay District Council and Bay of Plenty Regional Council in a 10-year partnership backed by a 30-year vision to position the region as New Zealand's "Global Trade Gateway".

Importantly, the Deal recognises the Western Bay as one of New Zealand's economic powerhouses, driven by exports, freight, logistics and manufacturing centred around the Port of Tauranga. National is clearly signalling that infrastructure investment and economic growth go hand-in-hand.

The agreement focuses heavily on transport upgrades, housing development, export growth and economic diversification, while also coordinating future investment in health and education infrastructure.

Critically for the region, the Deal identifies Takitimu North Link Stage 2 and Tauriko West as priority Roads of National Significance projects for future transport funding consideration.

The Government says the Deal could enable around 15,000 new homes over the next decade through a mix of greenfield and intensified development, aligned with supporting infrastructure.

This is classic National Party thinking — long-term planning, economic growth, infrastructure delivery and stronger partnerships between local and central government to support one of New Zealand's fastest-growing regions.

However, a word of caution – Where is the money coming from? My fear is that there is a big expectation on the Regional Council to sell down its Port of Tauranga shareholding, to fund this deal.

REGIONAL RAIL REVIVAL GATHERING MOMENTUM —



BUT AT WHAT COST?

The idea of regional passenger rail is once again attracting attention following the hugely popular recent Kaimai Express heritage excursion between Auckland and Tauranga. But while the nostalgia is strong, serious questions remain because restoring regional passenger rail is financially unrealistic.

For many older New Zealanders, rail was once a normal part of daily life. In the 1950s, New Zealand had more than 1350 railway stations and people made around 25 million train trips annually. However, the rise of private cars, improved highways and affordable air travel eventually made most passenger rail services uneconomic.

Today, only Auckland and Wellington retain major commuter rail systems, while the only remaining interregional passenger services are Te Huia between Hamilton and Auckland and the Capital Connection between Palmerston North and Wellington — both extremely expensive and heavily subsidised by both central and local government (in other words - taxpayers and ratepayers – you and me!).

Advocates argue that population growth, worsening congestion and high fuel prices justify revisiting regional rail. The Kaimai Express excursion sold out within 48 hours, with supporters claiming this proves demand exists for a regular Auckland–Hamilton–Tauranga passenger service. It does not.

There is a significant difference between occasional tourist excursions and running a viable daily commuter rail network.

Restoring regional passenger rail would require major investment in upgraded tracks, stations, rolling stock, signalling systems and ongoing operating subsidies. KiwiRail itself acknowledges that substantial planning, council support and Government funding would all be required.

SUPER MINISTRY CREATED

The Government has passed legislation clearing the way for a major machinery-of-government shake-up, creating the new **Ministry for Cities, Environment, Regions and Transport (MCERT)**.

The new department will combine the functions of the Ministry for the Environment, Ministry of Housing and Urban Development, Ministry of Transport, and local government functions currently housed within the Department of Internal Affairs.

RMA Reform Minister Chris Bishop says the aim is to bring together the agencies that have the greatest influence over housing, infrastructure, transport, urban growth and regional development, creating more coordinated and efficient decision-making.

The legislation formally abolishes the standalone Ministry for the Environment, transferring its statutory responsibilities to the new ministry. Environment Minister Nicola Grigg says environmental protections and responsibilities will remain unchanged and fully integrated within MCERT.

The Government argues the new structure will reduce bureaucratic silos, improve policy coordination and better balance environmental protection with economic growth.

NZ TAXPAYERS' UNION ANALYSIS OF LOCAL GOVERNMENT

Council	Type	Area (km ²)	Population	Households	Median Annual Income	Av Res Rates (24/25)	Non-res Rates (24/25)	Total Rates per H/Hold	Other Rev per H/Hold	Total Rev per H/Hold	Interest & Debt per H/Hold	Direct Opex per H/Hold	Total Opex per H/Hold	Assets (Council) per H/Hold	Assets (Group) per H/Hold	Debt (Council) per H/Hold	Debt % (Group) of Rates Revenue	Debt (Group) per H/Hold	12-mth change in Debt (Group) per H/Hold	Debt % (Council) of Rates Revenue	12-mth change in Debt (Council) per H/Hold
Ashburton District Council	provincial	6,181.90	37,400	15,343	\$57,400	\$3,143	\$4,299	\$3,544	\$5,459	\$9,003	\$383	\$6,908	\$8,546	\$81,594	\$85,502	\$9,359	\$3	\$9,359	\$744	264%	\$847
Auckland Council	unitary	4,940	1,816,000	609,774	\$62,500	\$3,520	\$11,477	\$4,569	\$8,559	\$13,128	\$1,063	\$8,454	\$10,943	\$84,792	\$130,753	\$23,725	\$5	\$24,014	\$2,831	517%	\$2,827
Bay of Plenty Regional Council	regional	12,072	351,500	136,236	\$56,600	\$651	\$1,650	\$682	\$4,171	\$4,853	\$253	\$3,633	\$4,004	\$7,562	\$32,466	\$2,514	\$11	\$7,683	\$572	369%	\$551
Buller District Council	rural	8,574	10,650	6,054	\$48,700	\$3,090	\$4,722	\$0	\$0	\$0	\$0	\$0	\$0	N/A	N/A	\$0	N/A	\$0	\$0	N/A	N/A
Carterton District Council	rural	1,180	10,300	4,626	\$57,100	\$4,771	\$3,994	\$0	\$0	\$0	\$0	\$0	\$0	\$64,823	\$0	\$5,858	N/A	\$0	\$0	138%	\$540
Central Hawke's Bay District Council	rural	3,333	15,950	6,867	\$54,800	\$3,697	\$5,836	\$0	\$0	\$0	\$0	\$0	\$0	\$289,548	\$0	\$7,189	N/A	\$0	\$0	148%	\$704
Central Otago District Council	provincial	9,968	25,800	12,441	\$55,600	\$3,743	\$3,312	\$0	\$0	\$0	\$0	\$0	\$0	\$105,982	\$0	\$2,612	N/A	\$0	\$0	61%	-\$201
Christchurch City Council	metropolitan	1,415	419,200	166,029	\$57,500	\$3,923	\$12,516	\$4,658	\$11,188	\$15,725	\$817	\$10,960	\$2,085	\$130,843	\$141,147	\$16,462	\$6	\$27,308	\$1,924	353%	\$979
Clutha District Council	rural	6,335	18,800	8,841	\$54,300	\$2,678	\$3,391	\$0	\$0	\$0	\$0	\$0	\$0	\$218,037	\$0	\$16,510	N/A	\$0	\$0	421%	\$2,590
Dunedin City Council	metropolitan	3,315	132,800	54,198	\$55,100	\$3,532	\$13,852	\$4,425	\$8,493	\$12,918	\$1,090	\$9,857	\$12,577	\$100,130	\$123,795	\$12,121	\$6	\$26,089	\$2,309	274%	\$1,226
Environment Canterbury	regional	45,239	698,200	279,888	\$58,100	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$5,525	\$0	\$343	N/A	\$0	\$0	49%	-\$4
Environment Southland	regional	31,219	104,800	46,056	\$56,200	\$378	\$1,890	\$629	\$1,780	\$2,409	\$49	\$1,942	\$2,076	\$2,630	\$4,819	\$152	\$1	\$825	\$49	24%	\$152
Far North District Council	provincial	6,687	73,700	32,538	\$47,800	\$3,276	\$7,531	\$3,326	\$4,200	\$7,526	\$299	\$5,107	\$6,739	\$88,339	\$94,998	\$5,231	\$2	\$7,538	\$1,717	157%	\$1,205
Gisborne District Council	unitary	8,385	52,700	19,314	\$52,700	\$3,786	\$5,654	\$4,366	\$8,869	\$12,171	\$577	\$9,627	\$11,250	\$154,530	\$160,371	\$9,932	\$2	\$10,348	\$660	227%	\$726
Gore District Council	rural	1,250	12,950	5,781	\$54,900	\$3,712	\$5,310	\$0	\$0	\$0	\$0	\$0	\$0	\$91,390	\$0	\$10,033	N/A	\$0	\$0	214%	\$519
Greater Wellington Regional Council	regional	8,135	543,400	213,274	\$66,000	\$1,028	\$21,830	\$1,507	\$2,152	\$3,659	\$284	\$3,233	\$0	\$12,632	\$15,865	\$5,380	\$4	\$5,531	\$570	357%	\$475
Grey District Council	rural	3,513	14,600	6,888	\$54,400	\$2,703	\$5,425	\$0	\$0	\$0	\$0	\$0	N/A	\$85,774	\$0	\$5,524	N/A	\$0	\$0	149%	\$791
Hamilton City Council	metropolitan	110	192,100	65,403	\$58,400	\$3,620	\$23,216	\$0	\$0	\$0	\$0	\$0	\$0	\$110,187	\$0	\$18,058	N/A	\$0	\$0	388%	\$1,129
Hauraki District Council	provincial	1,269	22,100	9,729	\$51,600	\$3,754	\$5,598	\$0	N/A	N/A	\$0	\$0	\$0	\$116,484	\$0	\$14,393	N/A	\$0	\$0	286%	\$4,110
Hawke's Bay Regional Council	regional	14,139	179,700	70,632	\$56,500	\$564	\$1,325	\$1,532	\$2,917	\$4,449	\$160	\$3,358	\$3,680	\$16,885	\$20,095	\$1,665	\$5	\$3,200	\$96	245%	-\$178
Horizons Regional Council	regional	22,200	260,700	107,883	\$54,700	\$466	\$1,131	\$612	\$458	\$1,048	\$37	\$958	\$1,016	\$13,315	\$13,761	\$731	\$1	\$731	\$42	120%	\$42
Horowhenua District Council	provincial	1,064	38,400	17,109	\$52,600	\$4,402	\$2,358	\$3,664	\$1,611	\$5,275	\$566	\$4,461	\$5,769	\$63,103	\$63,106	\$14,028	\$4	\$14,028	\$2,221	383%	\$2,221
Hurunui District Council	rural	8,646	14,350	7,353	\$52,000	\$3,042	\$5,843	\$4,327	\$4,539	\$8,866	\$620	\$7,470	\$9,871	\$137,101	\$137,139	\$11,848	\$3	\$11,848	\$2,736	274%	\$2,736
Hutt City Council	metropolitan	376	114,200	42,348	\$64,100	\$4,004	\$16,074	\$4,411	\$3,798	\$8,208	\$662	\$6,419	\$8,574	\$86,468	\$87,898	\$13,500	\$3	\$13,500	\$1,440	305%	\$1,440
Invercargill City Council	provincial	390	58,000	23,922	\$56,400	\$2,894	\$11,107	\$3,297	\$3,662	\$6,959	\$341	\$5,386	\$7,463	\$65,012	\$70,903	\$6,470	\$2	\$6,470	-\$3,944	196%	\$110
Kaikōura District Council	rural	2,047	4,340	2,466	\$46,700	\$4,019	\$5,489	\$4,444	\$5,195	\$9,639	\$169	\$7,788	\$10,146	\$145,512	\$145,969	\$2,960	\$1	\$2,967	-\$8	67%	\$0
Kaipara District Council	provincial	3,109	26,800	13,368	\$52,000	\$3,181	\$4,756	\$0	\$0	\$0	\$0	\$0	\$0	\$96,756	\$0	\$3,291	N/A	\$0	\$0	86%	-\$748
Kapiti Coast District Council	provincial	731.52	58,000	26,208	\$62,200	\$4,357	\$6,072	\$0	\$0	\$0	\$0	\$0	\$0	\$93,095	\$0	\$13,927	N/A	\$0	\$0	343%	\$1,717
Kawerau District Council	rural	29	7,680	2,823	\$51,900	\$3,130	\$46,352	\$0	\$0	\$0	\$0	\$0	\$0	\$53,136	\$0	\$2,137	N/A	\$0	\$0	41%	\$705
Mackenzie District Council	rural	7,339	5,520	4,134	\$51,900	\$3,311	\$5,509	\$0	\$0	\$0	\$0	\$0	\$0	\$102,378	\$0	\$5,760	N/A	\$0	\$0	129%	\$726
Manawātū District Council	provincial	2,567	34,000	13,139	\$58,000	\$3,791	\$3,842	\$3,876	\$2,941	\$6,816	\$351	\$3,915	\$5,913	\$95,719	\$98,259	\$7,933	\$2	\$8,007	\$722	204%	\$685
Marlborough District Council	unitary	12,484	50,800	24,324	\$55,100	\$3,828	\$12,421	\$3,943	\$6,739	\$10,682	\$676	\$7,649	\$9,946	\$105,060	\$119,631	\$10,187	\$3	\$10,187	\$1,825	257%	\$1,825
Masterton District Council	provincial	2,300	28,900	12,453	\$54,300	\$3,378	\$4,369	\$0	\$0	\$0	\$0	\$0	\$0	\$95,119	\$0	\$5,332	N/A	\$0	\$0	146%	\$305
Matamata-Piako District Council	provincial	1,755	39,200	15,162	\$57,500	\$3,346	\$7,407	\$0	\$0	\$0	\$0	\$0	\$0	\$72,956	\$0	\$5,606	N/A	\$0	\$0	144%	\$1,286

COUNCILS – “A TO M” CONTINUED

Council	Total Personnel Costs per H/Hold	# Staff paid \$100k+	# Staff paid \$200k+	# Staff paid \$256k+	Comms & Marketing Staff (FTE)	Ave Comms & Marketing Staff Salary	Managers (FTE)	Ave Managers Salary	Number on Audit Comtee	Staff Code of conduct requiring Political Neutrality	Payment to Chamber of Commerce	Payments to LGNZ	Payments to LGNZ Proflobby Group	Total Lobby payments	Mayoral Office Budget (2026)	Mayoral Office Staff (FTE)	Contractor/ Consultant spend per H/Hold	Renewal As % of Deprec
Ashburton District Council	\$1,451	60	0	0	5	\$105,196	41.69	\$139,908	7	Yes	\$18,475	\$65,610	\$38,492	\$122,577	\$0	0	\$98	75%
Auckland Council	\$1,136	3,346	194	52	76.8	\$123,171	948.3	\$158,451	7	Yes	\$4,196	\$33,500	\$311,056	\$348,752	\$6,357,000	14	\$251	104%
Bay of Plenty Regional Council	\$475	320	11	7	13.2	\$115,973	91.61	\$165,981	15	Yes	\$5,215	\$97,735	\$51,224	\$154,174	\$0	0	\$137	103%
Buller District Council	N/A	23	2	1	3	\$98,281	25	\$133,245	13	No	\$0	\$43,427	\$26,682	\$70,109	N/A	N/A	N/A	N/A
Carterton District Council	\$1,438	17	1	1	2.56	\$73,494	14.65	\$95,829	6	No	\$44,478	\$44,378	\$15,454	\$104,310	\$0	0	\$275	354%
Central Hawke's Bay District Council	\$1,548	46	5	N/A	4.25	N/A	22	\$157,000	5	Yes	\$9,409	\$79,577	\$46,948	\$135,934	\$0	0	\$350	N/A
Central Otago District Council	\$1,242	56	3	1	13	\$91,566	3.37	\$125,871	5	No	\$3,985	\$87,714	\$41,545	\$133,244	\$0	0.5	\$6,045	376%
Christchurch City Council	\$1,281	1,024	24	7	24.96	\$98,284	376	\$129,389	7	Yes	\$24,886	\$0	\$68,656	\$93,542	\$1,452,082	6.9	N/A	N/A
Clutha District Council	\$1,560	34	2	1	2.53	\$76,033	32	\$129,658	9	Yes	\$0	\$64,590	\$33,679	\$98,269	\$2,400	1	\$169	1003%
Dunedin City Council	\$1,573	340	16	7	19.7	\$88,756	165	\$127,012	6	Yes	\$487,089	\$163,662	\$57,703	\$708,454	\$0	1	Refused	82%
Environment Canterbury	\$314	360	23	6	31	\$112,271	147.83	\$147,655	9	Yes	\$45,659	\$143,623	\$43,943	\$233,224	N/A	N/A	\$7	78%
Environment Southland	\$487	115	7	1	6	\$100,896	51	\$143,337	8	Yes	\$5,291	\$68,139	\$28,014	\$101,444	\$0	0	\$255	70%
Far North District Council	\$1,199	138	7	1	9	\$94,617	70	\$133,856	8	Yes	\$129,451	\$114,242	\$53,342	\$297,035	\$2,650,380	1	\$1,784	42%
Gisborne District Council	\$1,776	136	6	2	8.8	\$94,591	83	\$134,976	8	Yes	\$1,530	\$96,118	\$85,194	\$182,841	\$121,000	2	N/A	329%
Gore District Council	\$1,805	23	3	1	2	N/A	18	\$151,830	9	Yes	\$9,268	\$55,176	\$27,750	\$92,194	\$0	0	\$492	60%
Greater Wellington Regional Council	\$472	537	57	16	34.5	\$110,917	196.89	\$157,358	7	Yes	\$8,875	\$205,415	\$124,995	\$339,286	N/A	N/A	\$432	N/A
Grey District Council	\$1,295	22	1	1	4	N/A	18	\$145,587	5	Yes	\$0	\$0	\$22,553	\$22,553	\$1,056	0	\$4,358	51%
Hamilton City Council	\$1,955	449	28	10	36.3	\$103,479	270.8	\$134,483	15	Yes	\$1,400	\$138,132	\$62,240	\$201,772	\$570,182	4	\$575	77%
Hauraki District Council	\$2,273	70	N/A	N/A	3	N/A	22	\$152,075	7	Yes	\$0	\$81,390	\$33,302	\$114,692	\$0	0.6	\$111	81%
Hawke's Bay Regional Council	\$544	159	8	3	8.8	\$97,519	77.75	\$145,269	12	Yes	\$10,370	\$63,080	\$36,085	\$109,535	\$0	0	\$44	37%
Horizons Regional Council	\$283	105	6	1	9.4	\$89,016	22	\$180,096	8	Yes	\$0	\$82,092	\$374	\$82,466	\$0	0	\$273	117%
Horowhenua District Council	\$1,365	73	7	1	10.98	\$91,118	60.7	\$134,731	8	Yes	\$0	\$77,691	\$5,850	\$83,541	\$0	0.6	\$374	51%
Hurunui District Council	\$2,764	34	4	0	2	Refused	27	Refused	7	Yes	\$1,933	\$70,542	\$24,493	\$96,967	\$0	0	\$426	54%
Hutt City Council	\$1,276	166	8	1	12	\$101,558	124.5	\$128,017	4	Yes	\$261,863	\$152,470	\$90,893	\$505,226	\$500,000	4	\$319	78%
Invercargill City Council	\$1,563	95	7	5	11.75	\$89,269	93	\$133,664	10	Yes	\$42,491	\$81,711	\$47,676	\$171,878	\$79,799	0	\$188	69%
Kaikōura District Council	\$1,541	10	2	1	1	Refused	9.8	\$147,610	5	Yes	\$0	\$30,651	\$18,321	\$48,972	\$0	0.13	\$146	N/A
Kaipara District Council	\$1,174	35	3	1	3.75	\$78,870	41	\$124,423	7	Yes	\$117,330	\$9,347	\$36,462	\$163,140	\$0	0.5	\$13	359%
Kapiti Coast District Council	\$1,634	174	8	4	11	\$109,342	94	\$143,013	7	Yes	\$2,228	\$113,648	\$84,407	\$200,283	\$180,165	1	N/A	51%
Kawerau District Council	\$2,567	12	1	0	2	\$107,882	21	\$112,819	4	Yes	\$3,404	\$36,695	\$15,279	\$55,378	N/A	N/A	\$950	122%
Mackenzie District Council	\$1,587	22	3	1	3.63	\$89,434	12.88	\$166,047	9	Yes	\$83,476	\$36,809	\$25,621	\$145,906	\$294,338	0.5	\$2,544	132%
Manawatū District Council	\$1,149	55	4	N/A	3.55	N/A	41.13	\$136,810	8	No	\$6,118	\$65,113	\$52,905	\$124,136	\$372,356	1	\$295	94%
Marlborough District Council	\$1,471	161	N/A	N/A	1.6	N/A	78	\$138,554	7	Yes	\$10,558	\$116,855	\$59,788	\$187,201	Unavailable	0	N/A	104%
Masterton District Council	\$1,245	66	3	1	2.6	N/A	31	\$148,059	12	Yes	\$34,500	\$73,283	\$37,219	\$145,002	\$0	0	\$251	102%
Matamata-Piako District Council	\$1,788	75	5	N/A	6.85	\$87,246	76.8	\$122,573	7	Yes	\$322,300	\$71,527	\$66,118	\$459,944	\$15,000	0.5	\$487	115%

COUNCILS – “N TO Z”

Council	Type	Area (km ²)	Population	Households	Median Annual Income	Av Res Rates (24/25)	Non-res Rates (24/25)	Total Rates per H/Hold	Other Rev per H/Hold	Total Rev per H/Hold	Interest & Debt per H/Hold	Direct Opex per H/Hold	Total Opex per H/Hold	Assets (Council) per H/Hold	Assets (Group) per H/Hold	Debt (Council) per H/Hold	Debt % (Group) of Rates Revenue	Debt (Group) per H/Hold	12-mth change in Debt (Group) per H/Hold	Debt % (Council) of Rates Revenue	12-mth change in Debt (Council) per H/Hold
Napier City Council	provincial	105	66,400	26,739	\$57,600	\$3,559	\$9,795	\$0	\$0	\$0	\$0	\$0	\$0	\$94,187	\$0	\$2,431	N/A	\$0	-\$748	64%	\$1,683
Nelson City Council	unitary	422	54,300	22,626	\$54,700	\$4,650	\$14,463	\$4,375	\$4,133	\$8,509	\$574	\$6,359	\$8,509	\$113,490	\$121,994	\$11,730	\$3	\$11,770	\$166	268%	\$214
New Plymouth District Council	metropolitan	2,206	90,100	36,060	\$56,700	\$3,664	\$8,784	\$4,107	\$4,062	\$8,170	\$461	\$5,575	\$7,278	\$122,139	\$123,004	\$10,635	\$3	\$10,635	\$1,494	259%	\$1,494
Northland Regional Council	regional	13,940	201,100	87,225	\$52,700	\$608	\$762	\$633	\$1,103	\$1,736	\$41	\$1,161	\$1,192	\$5,109	\$5,109	\$757	\$1	\$757	\$93	120%	\$477
Ōpōtiki District Council	rural	3,090	10,300	4,713	\$46,200	\$3,163	\$3,606	\$0	\$0	\$0	\$0	\$0	\$0	\$83,762	\$0	\$3,117	N/A	\$0	\$0	90%	\$445
Otago Regional Council	regional	31,241	253,900	110,910	\$55,900	\$471	\$1,088	\$586	\$1,607	\$2,193	\$61	\$1,879	\$2,033	\$10,152	\$10,549	\$1,579	\$3	\$1,701	\$25	269%	\$144
Ōtorohanga District Council	rural	1,976	10,700	4,416	\$53,300	\$2,554	\$5,717	\$0	\$0	\$0	\$0	\$0	\$0	\$102,787	\$0	\$2,819	N/A	\$0	\$0	82%	\$679
Palmerston North City Council	metropolitan	395	90,500	33,987	\$57,300	\$3,648	\$8,737	\$4,051	\$2,058	\$6,109	\$628	\$5,057	\$6,579	\$76,404	\$79,710	\$8,982	\$2	\$9,020	\$849	221%	\$890
Porirua City Council	provincial	175	61,500	20,580	\$65,100	\$5,591	\$15,813	\$0	\$0	\$0	\$0	\$0	\$0	\$128,724	\$0	\$17,493	N/A	\$0	\$0	313%	\$4,543
Queenstown-Lakes District Council	provincial	8,719	53,800	25,101	\$58,700	\$4,848	\$5,600	\$5,859	\$9,545	\$15,404	\$1,397	\$9,096	\$12,295	\$136,267	\$160,876	\$28,312	\$5	\$30,424	\$3,200	482%	\$2,384
Rangitikei District Council	rural	4,484	16,000	6,960	\$53,100	\$3,440	\$5,661	\$0	\$0	\$0	\$0	\$0	\$0	\$125,660	\$0	\$7,763	N/A	\$0	\$0	167%	\$1,434
Rotorua and Lakes District Council	provincial	2,409	78,000	29,658	\$55,500	\$4,032	\$8,061	\$4,929	\$2,816	\$7,746	\$678	\$5,739	\$7,428	\$80,454	\$2,002	\$15,814	\$3	\$15,814	\$724	321%	\$744
Ruapehu District Council	rural	6,734	13,450	7,602	\$49,700	\$4,002	\$4,804	\$4,194	\$2,796	\$6,990	\$395	\$5,562	\$7,311	\$79,724	\$79,762	\$8,456	\$2	\$8,456	\$782	202%	\$782
Selwyn District Council	provincial	6,381	87,600	30,075	\$64,300	\$4,307	\$4,970	\$3,835	\$5,910	\$9,745	\$364	\$7,040	\$8,738	\$113,229	\$112,437	\$9,809	\$3	\$9,809	\$3,658	256%	\$3,658
South Taranaki District Council	provincial	3,575	29,800	12,378	\$54,700	\$2,976	\$5,580	\$3,517	\$4,089	\$7,605	\$546	\$5,802	\$7,968	\$130,642	\$130,642	\$12,764	\$4	\$12,764	\$559	363%	\$559
South Waikato District Council	provincial	1,819	26,000	9,912	\$55,400	\$3,736	\$7,569	\$0	\$0	\$0	\$0	\$0	\$0	\$67,271	\$0	\$5,044	N/A	\$0	\$0	115%	\$605
South Wairarapa District Council	rural	2,484	12,200	6,258	\$60,200	\$4,494	\$4,508	\$0	\$0	\$0	\$0	\$0	\$0	\$103,449	\$0	\$4,554	N/A	\$0	\$0	97%	\$256
Southland District Council	provincial	30,198	33,900	16,344	\$56,200	\$2,996	\$6,964	\$4,384	\$2,580	\$6,964	\$226	\$4,844	\$7,372	\$145,995	\$146,025	\$5,603	\$1	\$5,603	\$3,413	128%	\$3,413
Stratford District Council	rural	2,163	10,500	4,302	\$53,700	\$3,664	\$4,478	\$4,333	\$2,408	\$6,742	\$344	\$4,734	\$6,628	\$135,956	\$125,771	\$8,996	\$2	\$8,996	\$465	208%	\$465
Taranaki Regional Council	regional	7,254	130,300	52,650	\$56,000	N/A	N/A	\$417	\$1,442	\$1,859	\$79	\$1,495	\$1,713	\$3,355	\$7,830	\$1,092	\$4	\$1,813	\$412	262%	\$494
Taranua District Council	rural	4,365	18,950	8,190	\$51,700	\$3,738	\$4,415	\$0	\$0	\$0	\$0	\$0	\$0	\$152,719	\$0	\$9,768	N/A	\$0	\$0	213%	\$1,319
Tasman District Council	unitary	9,616	59,900	25,755	\$51,700	\$4,241	\$6,569	\$0	\$0	\$0	\$0	\$0	\$0	\$119,656	\$0	\$14,312	N/A	\$0	\$0	330%	\$116
Taupo District Council	provincial	6,333	42,700	22,044	\$56,400	\$4,090	\$8,022	\$4,826	\$3,293	\$8,119	\$539	\$4,912	\$6,613	\$101,008	\$101,597	\$10,804	\$2	\$10,804	\$1,564	224%	\$1,564
Tauranga City Council	metropolitan	142	161,000	61,587	\$59,200	\$4,534	\$22,176	\$5,423	\$4,324	\$9,747	\$1,010	\$7,620	\$9,617	\$134,341	\$135,374	\$22,857	\$4	\$22,873	\$3,850	421%	\$3,850
Thames-Coromandel District Council	provincial	2,207	32,200	26,829	\$48,500	\$4,267	\$4,134	\$0	\$0	\$0	\$0	\$0	\$0	\$84,615	\$0	\$3,392	N/A	\$0	\$0	84%	\$298
Timaru District Council	provincial	2,732	49,500	21,429	\$57,100	\$3,381	\$6,123	\$3,911	\$2,688	\$6,599	\$491	\$4,947	\$6,733	\$98,237	\$104,695	\$11,703	\$3	\$12,137	\$1,510	298%	\$1,412
Upper Hutt City Council	provincial	540	47,400	17,850	\$66,100	\$3,393	\$17,925	\$3,634	\$1,646	\$5,280	\$505	\$4,342	\$6,194	\$92,952	\$92,994	\$12,017	\$3	\$12,017	\$1,989	331%	\$1,989
Waikato District Council	metropolitan	4,404	91,100	31,869	\$61,500	\$4,410	\$5,576	\$0	\$0	\$0	\$0	\$0	\$0	\$93,278	\$0	\$7,587	N/A	\$7,587	\$894	162%	\$894
Waikato Regional Council	regional	23,901	543,400	214,611	\$57,900	\$527	\$1,234	\$0	\$0	\$0	\$0	\$0	\$0	\$5,631	\$0	\$230	N/A	\$0	\$0	35%	\$79
Waimakariri District Council	provincial	1,217	69,800	27,375	\$58,600	\$3,940	\$3,709	\$0	\$0	\$0	\$0	\$0	\$0	\$102,692	\$0	\$8,037	N/A	\$0	\$0	223%	\$731
Waimate District Council	rural	3,554	8,450	3,957	\$54,800	\$2,901	\$7,330	\$0	\$0	\$0	\$0	\$0	\$0	\$144,620	\$0	\$1,893	N/A	\$0	\$0	47%	\$379
Waipā District Council	provincial	1,470	62,200	23,379	\$62,600	\$3,896	\$7,223	\$4,249	\$2,827	\$7,076	\$733	\$5,950	\$7,790	\$123,220	\$123,428	\$17,314	\$4	\$17,314	\$3,369	407%	\$3,370
Wairoa District Council	rural	4,079	8,940	4,260	\$47,400	\$3,421	\$5,148	\$5,275	\$15,960	\$21,235	\$154	\$14,216	\$17,314	\$124,030	\$126,760	\$2,259	\$1	\$3,136	-\$340	43%	-\$329
Waitaki District Council	provincial	7,108	24,600	12,051	\$53,900	Refused	Refused	\$3,858	\$6,162	\$10,020	\$352	\$7,813	\$9,975	\$114,216	\$116,896	\$6,097	\$2	\$6,097	\$79	157%	\$152
Waitemoa District Council	rural	3,535	9,950	4,407	\$51,000	\$3,622	\$4,223	\$5,383	\$11,636	\$17,020	\$432	\$12,979	\$15,691	\$167,074	\$168,981	\$7,541	\$2	\$9,089	\$358	140%	-\$22
Wellington City Council	metropolitan	444	210,800	84,678	\$70,900	\$5,094	\$53,258	\$6,738	\$5,186	\$11,923	\$948	\$8,812	\$11,637	\$145,675	\$149,520	\$23,074	\$3	\$23,093	\$3,337	342%	\$3,337
West Coast Regional Council	regional	23,247	34,700	17,967	\$52,100	N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0	\$14,484	\$0	\$1,344	N/A	\$0	\$0	204%	\$362
Western Bay of Plenty District Council	provincial	2,121	60,100	23,895	\$54,600	N/A	N/A	\$0	\$0	\$0	\$0	\$0	\$0	\$86,595	\$0	\$7,380	N/A	\$0	\$0	170%	\$2,567
Westland District Council	rural	11,829	9,430	5,007	\$52,100	N/A	N/A	\$4,505	\$8,061	\$12,565	\$394	\$10,641	\$12,932	\$114,043	\$118,139	\$7,738	\$2	\$7,739	\$340	170%	\$340
Whakatane District Council	provincial	4,465	38,400	14,928	\$54,300	\$4,508	\$5,910	\$0	\$0	\$0	\$0	\$0	\$0	\$108,909	\$0	\$11,977	N/A	\$0	\$0	259%	\$1,628
Whanganui District Council	provincial	2,373	49,200	20,544	\$51,700	\$3,861	\$9,004	\$4,185	\$2,833	\$7,018	\$497	\$5,809	\$7,408	\$81,304	\$84,022	\$9,857	\$3	\$10,495	\$902	236%	\$937
Whangarei District Council	metropolitan	2,855	100,600	41,319	\$56,200	\$3,113	\$5,343	\$3,498	\$2,566	\$6,064	\$287	\$4,331	\$5,952	\$71,114	\$71,874	\$7,140	\$2	\$7,140	\$726	204%	\$726

COUNCILS – “N TO Z” CONTINUED

Council	Total Personnel Costs per H/Hold	# Staff paid \$100k+	# Staff paid \$200k+	# Staff paid \$256k+	Comms & Marketing Staff (FTE)	Ave Comms & Marketing Staff Salary	Managers (FTE)	Ave Managers Salary	Number on Audit Comtee	Staff Code of conduct requiring Political Neutrality	Payment to Chamber of Commerce	Payments to LGNZ	Payments to LGNZ Prof lobby Group	Total Lobby payments	Mayoral Office Budget (2026)	Mayoral Office Staff (FTE)	Contractor/ Consultant spend per H/Hold	Renewal As % of Deprec
Napier City Council	\$2,309	169	8	3	9.63	\$103,794	119.04	\$127,406	7	Yes	\$29,330	\$69,877	\$81,710	\$180,916	\$1,054,825	1	\$827	488%
Nelson City Council	\$1,602	137	8	5	9.45	\$102,145	32	\$186,415	6	Yes	\$299,571	\$7,124	\$33,683	\$340,377	\$0	3	\$282	94%
New Plymouth District Council	\$1,698	257	8	4	15	\$95,028	133	\$128,103	9	Yes	\$43,576	\$118,116	\$55,885	\$217,577	\$200,000	0	\$85	140%
Northland Regional Council	\$368	103	10	2	11.69	\$93,831	65.72	\$135,666	8	Yes	\$11,339	\$62,160	\$35,016	\$108,515	\$0	0	\$144	157%
Ōpōtiki District Council	\$1,508	17	1	1	2	\$104,000	19	\$129,000	4	Yes	\$322	\$57,719	\$23,372	\$81,413	\$24,000	0	\$1,044	19%
Otago Regional Council	\$362	173	7	3	13	\$95,396	78.95	\$144,325	7	Yes	\$0	\$36,000	\$56,000	\$92,000	\$0	0	\$514	301%
Ōtorohanga District Council	\$1,499	25	4	2	2	\$59,686	17	\$139,557	6	Yes	\$0	\$88,447	\$51,279	\$139,726	\$0	0	\$107	172%
Palmerston North City Council	\$1,805	183	13	4	18.4	\$102,630	101	\$145,831	15	No	\$42,280	\$100,610	\$56,517	\$199,406	\$362,000	2	N/A	67%
Porirua City Council	\$2,044	133	8	6	10.3	\$110,790	112.5	\$128,805	8	Yes	\$69,000	\$85,506	\$38,826	\$193,332	\$20,000	0.13	\$5,668	99%
Queenstown-Lakes District Council	\$2,187	241	13	N/A	9.8	\$100,514	123.5	\$146,025	6	Yes	\$64,103	\$175,310	\$56,810	\$296,223	\$20,000	1	\$736	138%
Rangitikei District Council	\$1,658	37	N/A	1	2.9	N/A	31	\$127,313	6	Yes	\$1,449	\$63,699	\$29,296	\$94,444	\$3,088	0.35	\$3,564	118%
Rotorua and Lakes District Council	\$1,458	172	17	7	15	\$103,896	106	\$139,954	8	Yes	\$26,905	\$95,840	\$53,553	\$176,298	\$221,000	2	\$1,621	59%
Ruapehu District Council	\$1,005	22	1	1	1	N/A	22	\$131,253	5	Yes	\$0	\$63,792	\$49,738	\$113,530	\$48,519	0.25	\$406	44%
Selwyn District Council	\$1,573	157	14	3	12	\$106,887	98	\$135,486	6	Yes	\$7,349	\$73,484	\$56,486	\$137,318	\$135,000	1	\$390	N/A
South Taranaki District Council	\$1,670	61	4	1	3.5	\$91,986	56	\$128,014	7	Yes	\$30,820	\$82,674	\$37,548	\$151,042	\$0	0.5	\$135	146%
South Waikato District Council	\$1,653	45	3	1	5	\$65,592	30	\$105,372	6	Yes	\$64,642	\$69,979	\$20,975	\$155,596	\$0	0	\$240	85%
South Wairarapa District Council	\$1,271	16	1	1	3	\$88,159	11	\$150,348	7	Yes	\$17,417	\$47,729	\$23,421	\$88,567	\$0	3.2	\$367	99%
Southland District Council	\$1,209	69	7	N/A	4	\$88,895	25	\$175,115	14	Yes	\$15,661	\$73,947	\$44,267	\$133,874	\$0	0	N/A	N/A
Stratford District Council	\$1,509	21	N/A	N/A	1	N/A	23	N/A	6	Yes	\$520	\$8,400	\$17,400	\$26,320	\$0	0	N/A	78%
Taranaki Regional Council	\$461	66	N/A	N/A	11.67	N/A	46.6	N/A	6	Yes	\$14,450	\$59,755	\$28,320	\$102,525	N/A	N/A	N/A	N/A
Tararua District Council	\$1,462	34	1	1	4	\$88,675	28.8	\$129,532	6	Yes	\$92	\$59,911	\$44,654	\$104,657	\$230,371	2	\$2,190	265%
Tasman District Council	\$1,602	210	9	4	7.75	\$107,743	102	\$143,308	6	Yes	\$9,115	\$90,784	\$26,174	\$126,073	\$0	1	\$453	246%
Taupo District Council	\$1,454	124	5	2	8.75	\$103,391	93.7	\$125,208	8	No	\$10,774	\$97,866	\$67,675	\$176,315	\$0	1	N/A	50%
Tauranga City Council	\$2,047	568	45	8	40.1	\$108,858	254	\$151,960	5	Yes	\$82,243	\$160,429	\$77,972	\$320,644	\$803,588	5	\$476	77%
Thames-Coromandel District Council	\$985	96	5	1	5.4	\$79,316	47	\$143,395	7	Yes	\$0	\$93,733	\$92,732	\$186,466	\$11,631	2	\$1,413	72%
Timaru District Council	\$1,483	96	5	2	1.2	N/A	64	\$134,600	7	Yes	\$17,295	\$89,287	\$36,823	\$143,405	\$0	0	\$350	160%
Upper Hutt City Council	\$946	50	4	1	5.94	\$96,601	43.76	\$138,450	6	Yes	\$1,170	\$128,374	\$61,881	\$191,425	N/A	1	\$63	848%
Waikato District Council	\$1,542	194	12	4	14	\$106,386	121	\$138,864	7	No	\$2,613	\$97,251	\$30,493	\$130,357	\$8,780	0.5	\$286	206%
Waikato Regional Council	\$312	324	11	6	18.6	\$98,871	127.7	\$94,670	8	No	\$5,387	\$50,205	\$42,488	\$98,079	N/A	N/A	\$468	N/A
Waimakariri District Council	\$1,570	168	8	4	5	\$89,492	88	\$137,472	5	Yes	\$7,245	\$72,929	\$42,885	\$123,059	\$81,790	1	\$218	67%
Waimate District Council	\$1,629	14	1	1	3.8	\$79,493	16	\$107,355	5	Yes	\$10,011	\$45,727	\$16,387	\$72,124	\$0	0	\$485	81%
Waipā District Council	\$1,514	122	6	4	9.5	\$102,827	79.2	\$137,614	7	Yes	\$20,692	\$94,800	\$45,543	\$161,035	\$0	1	\$257	80%
Wairoa District Council	\$2,024	21	1	0	2	\$95,194	16	\$113,433	9	Yes	\$710	\$50,536	\$34,514	\$85,760	N/A	1	\$12,923	103%
Waitaki District Council	\$1,604	116	9	3	10	\$85,648	35	\$163,507	6	Yes	\$68,497	\$82,203	\$44,583	\$195,283	\$0	0	\$2,876	101%
Waitomo District Council	\$1,672	18	N/A	N/A	1.3	N/A	17.5	\$132,699	6	No	\$690	\$50,328	\$19,447	\$70,464	\$0	0	N/A	431%
Wellington City Council	\$1,919	643	33	11	26.6	\$116,470	352	\$141,081	9	Yes	\$49,836	\$218,962	\$79,001	\$347,799	\$1,267,977	5.4	\$736	201%
West Coast Regional Council	\$593	33	2	1	1.5	N/A	22	\$142,397	7	Yes	\$2,015	\$0	\$12,266	\$14,281	N/A	N/A	\$844	245%
Western Bay of Plenty District Council	\$1,407	136	5	4	6.6	\$95,554	69.25	\$141,358	11	Yes	\$978	\$81,135	\$75,735	\$157,848	\$8,976	0	\$166	1328%
Westland District Council	\$1,494	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Whakatane District Council	\$1,966	95	6	1	8.75	\$106,952	33.6	\$156,256	7	Yes	\$9,438	\$98,576	\$67,706	\$175,720	\$202,202	0	\$495	178%
Whanganui District Council	\$1,381	88	6	1	6	\$93,611	67	\$124,537	7	Yes	\$15,607	\$90,446	\$31,709	\$137,761	\$0	1.5	\$374	N/A
Whangarei District Council	\$943	100	5	3	13.8	\$93,092	91.58	\$129,190	8	Yes	\$30,641	\$111,077	\$43,270	\$184,987	\$93,475	1.5	N/A	140%



WHAT MIGHT NZERS HAVE IN FRONT OF THEM FOR THE NEXT 20 YEARS?

1. An aging population - a current and forward picture

	<u>30 June 2025</u>		<u>Possible split in 2045</u>	
0 to 14 years	971,180	(18.24%)	877,500	(15.00%)
14 years to 64 years	3,453,310	(64.85%)	3,612,500	(61.75%)
65 years and over	900,170	(16.91%)	1,360,000	(23.25%)
Total	<u>5,324,660</u>	<u>(100.00%)</u>	<u>5,850,000</u>	<u>(100.00%)</u>

- The estimated population in 2045 will depend somewhat, and perhaps significantly, on the net immigration numbers over the 20 years.
- The number of people in the 65 years and over age bracket has increased by 459,830 (51%).
- Nearly a quarter of the population is retired in 2045.
- The data is suggesting that for every retired person there are 2.65 people in work, but when you allow for students, people in training, and the unemployed, this figure could easily wind back considerably.
- If our present national superannuation gross payout for a couple of \$51,182.56 is increased by say 3.25% a year, then in 2045 the total New Zealand government gross cost for national superannuation would be around \$97,033 gross per couple and would cost the government \$65.982 billion per year.
- The data is suggesting that the total voting population in 2045 would be 4,975,500 and that the 65 year and over group would have 1,360,000 of these votes, or 27.33% of the total. If they all voted the same way this is a lot of political influence.

2. The New Zealand merchandise total exports for the 2026 year are \$80 billion, with most of this coming from agriculture
There is another \$30 billion of services, which is mainly tourism.

The point being that New Zealand cannot afford to let either of these two income sources reduce as New Zealand has no other internationally competitive businesses.

- Agriculture in New Zealand is reasonably mature, and talk about doubling it looks optimistic, but we are constantly adding value to various sectors. Kiwifruit and seafood are examples.
- A lowish New Zealand dollar helps both of these two sectors.
- Our exports are very dependent upon China.
- Without agriculture and tourism many New Zealanders would, in time, end up buying tents and not houses.

3. You can go into all sorts of gymnastics about the New Zealand government needing more money, but the real key is it needs more income and income tax is its most likely source

- Waiting for this issue to fix itself over a 5-year period is not a good enough plan.
- Government is the biggest business in the country and needs to balance its books 4 years out of 5, which means bringing about a surplus in these 4 years.
- Every 11.5 years a 'Black Swan' event hits countries, governments and people around the world and this time frame is, if anything, reducing. In today's environment these are not unforeseen events, they are normal shocks, which come in all matter of forms - they should not be surprises.

4. We have too many councils and too many members of parliament: 75 and 123 respectively.

- My son Paul is constantly telling me that less is more; and this is a good example.
- Fewer councils so they can scale up, and fewer MPs so we can improve their quality.

POLITICAL CLIMATE

PLEASE NOTE: All political comments are my personal views, and do not purport to represent the views of the New Zealand National Party – of which I am a Board Director.



ROY MORGAN May 2026 POLL				
Party	Vote	Change*	Seats	Change**
National	30.5%	5.0%	37	(12)
Act	10.0%	0.5%	12	1
NZ First	11.0%	(0.5%)	14	6
Labour	26.5%	(7.5%)	32	(2)
Green	12.5%	1.5%	15	0
Māori	2.5%	(0.5%)	3	(3)
TOP	6.0%	2.0%	7	-
Other	1.0%	0.5%	-	-

* Change from April ** Change since election
Polling Period: 27th April to 24th May 2026

The latest Roy Morgan poll shows a significant shift in favour of the National-led Government, which now commands **51.5% support**, up 4 points from the previous poll. In contrast, the Labour-Greens-Te Pāti Māori opposition bloc has fallen 6.5 points to **41.5%**, giving the Government its largest lead since September 2024.

TAXPAYERS' UNION / CURIA May-26 POLL				
Party	Vote	Change*	Seats	Change**
National	30.0%	0.2%	39	(10)
ACT	6.5%	(2.5%)	8	(3)
NZ First	11.7%	(1.9%)	15	7
Labour	31.9%	(1.5%)	41	7
Green	9.7%	1.9%	12	(3)
Māori	4.1%	1.5%	5	(1)
TOP	2.8%	0.2%	-	nc
Other	3.3%	2.1%	-	nc

* Change from April 2026 ** Change since election
Polling Period: 3rd to 7th May 2026



In 46 years as a National Party activist, this is the first selfie that I have ever had taken with a sitting Prime Minister!

LUXON 'S PRE-BUDGET SPEECH WAS A CRACKER

Prime Minister Christopher Luxon's recent BusinessNZ speech delivered a serious and substantive vision for New Zealand in an increasingly unstable world.



If you contrast his address with UK Prime Minister Sir Keir Starmer's recent "reset" speech, Luxon's was realistic, honest and focused on the major global challenges facing New Zealand. Luxon moved away from political slogans and instead confronted issues such as geopolitical instability, economic resilience, energy security and defence capability.

Luxon warned that the world is shifting from one governed by rules to one increasingly shaped by power politics, security threats and strategic competition. He emphasised national resilience, stronger defence ties with Australia and Indo-Pacific partners, and the need to rebuild energy independence through strategic reserves and infrastructure investment.

Luxon also took a tougher stance on immigration, arguing he signalled a willingness to prioritise social cohesion and long-term productivity over business demands for cheap labour.

Economically, Luxon's focus was on fiscal discipline, capital investment and lifting national savings, while warning New Zealand can no longer rely on growing debt and overseas borrowing. He signalled that the Government's shift is toward higher infrastructure spending and lower operating spending as will be explained in Budget 2026.

Luxon struck an optimistic tone, arguing New Zealand has successfully navigated major global upheavals before, including two world wars and the Cold War. He said the country must now focus on controlling what it can control — strengthening defence, energy security, financial resilience and social cohesion.

On **defence and foreign affairs**, Luxon reaffirmed National's commitment to increasing defence spending, strengthening interoperability with Australia, and deepening strategic relationships across the Indo-Pacific, including with India, Singapore, ASEAN and NATO partners. He stressed that for a small trading nation, international partnerships and the rules-based trading system remain critical.

DATE	Polling Organisation	Sample size	NAT	ACT	NZF	LAB	GRN	TPM	TOP	Others
11-15 Apr 2026	OneNews/Verian	1,010	30	7	10	37	11	2	3	-
3-7 May 2026	Taxpayers'/Curia	1,000	30	6.5	11.7	31.9	9.7	4.5	2.8	2.9
17/4-24 May 2026	Roy Morgan	870	30.5	10	11	26.5	12.5	2.5	6	1
Combined Average			30.6	7.6	11.4	31.4	11.1	3.0	3.7	1.3

LUXON’S PRE-BUDGET SPEECH (continued)

Luxon stated that **Energy security** must be a major focus.

“New Zealand’s energy vulnerability is no longer a theoretical risk; it is a live crisis on full display in the Strait of Hormuz every single day.”

He argued recent global fuel disruptions have exposed New Zealand’s vulnerability and said energy independence must now be treated as a national security priority.

“On too many occasions, private capital, eager to bolster domestic energy production, has been pushed to the sidelines by overzealous planners and politicians in recent years.”

He **strongly defended Fast Track consenting** reforms, criticised previous restrictions on oil and gas exploration, and backed strategic energy reserves, LNG options and investment in renewable generation and infrastructure.

“The reality is that when faced with energy shock after energy shock, it’s very hard to justify backing the skink over the solar farm.”

“Other regulatory handbrakes, like the ban on exploration for offshore oil and gas, have been more permanently chilling.”

“We will never compete on the global technological frontier without abundant, affordable energy.”

Luxon also addressed **immigration and social cohesion**, warning against the divisive politics seen overseas. While strongly defending the contribution migrants make to New Zealand, he signalled National would continue pursuing tighter, skills-focused immigration settings and would prioritise social stability over short-term business demands for labour.

On **the economy and Budget 2026**, Luxon emphasised fiscal discipline, saying New Zealand could not continue relying on debt and offshore borrowing. He confirmed the Government remains committed to returning the books to surplus by 2028/29 and reducing debt towards 40% of GDP.

The upcoming Budget will include a relatively restrained \$2.1 billion operating package, alongside a larger \$5.7 billion capital investment programme focused on infrastructure, defence, schools and hospitals.

Luxon also signalled further **KiwiSaver reforms** if National is re-elected, including lifting employer and employee contribution rates to 6% over time to

strengthen household savings and long-term financial resilience.

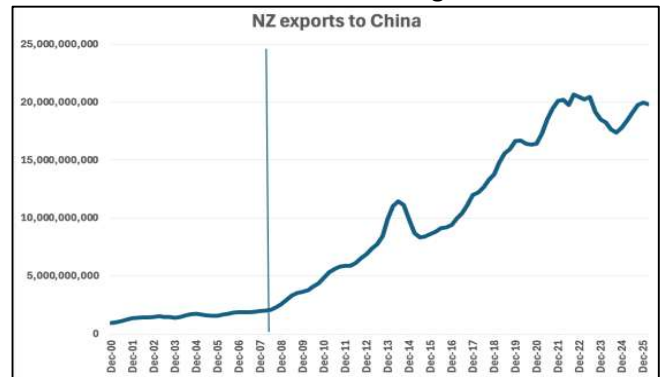
This speech was effectively a broader argument that economic growth, national security and fiscal discipline are now inseparable in an increasingly unstable world.

Overall, Luxon has positioned himself as a more serious and pragmatic leader prepared to confront difficult global and domestic realities, while signalling a broader shift away from “politics by slogan” toward long-term national strategy.

WINSTON CAMPAIGNED AGAINST THE CHINA FTA

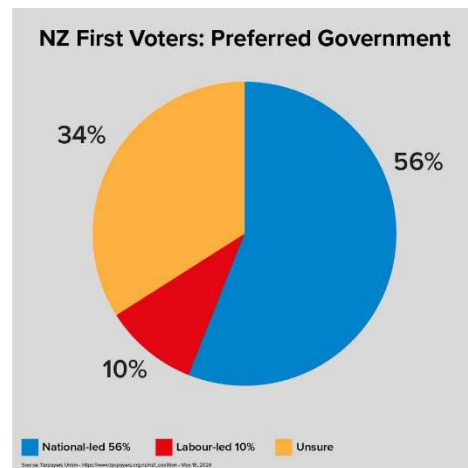
Winston Peters voted against and campaigned against the China free trade agreement, that came into force in 2008. Look at what happened to our exports to China since then:

Winston called it a “disaster of an agreement.”



If there was a prize for being most wrong, Winston would win it for that. And he is trying to do it again.

Winston has opposed every free trade agreement with an Asian country. He was against Singapore, Taiwan, Hong Kong and all the others.



NZ First voters overwhelmingly want NZF to go with National – this was the same in 2017 – but Winston took the baubles instead!

BUDGET 2026: PRUDENCE OVER POLITICS

Budget 2026 is notable for what it doesn't contain. There are no election-year tax cuts, no fuel subsidies and no major cost-of-living handouts.

Instead, Finance Minister Nicola Willis has focused on restoring the Government's finances while continuing to invest in core public services. The Budget includes an extra \$5.5 billion for health, \$7 billion for infrastructure projects, new classrooms, hospital upgrades, roads, courthouses and police stations.

The Government's key claim is that it will return the books to surplus in 2028/29, a year earlier than previously forecast. It also expects debt to peak sooner and then begin falling.

The Government has deliberately chosen long-term investment over short-term giveaways. Supporters say this is responsible economic management. Critics say many households struggling with the cost of living will see little immediate benefit.

The Budget's success will ultimately depend on whether the economy grows as Treasury predicts. If it does, Nicola Willis will claim a major fiscal victory. If not, the promised surplus could prove much harder to achieve.

Critics question whether Treasury's growth forecasts are optimistic given global uncertainty and higher fuel prices linked to the Middle East conflict.

THE HEADLINE NUMBERS:

- **\$5.5 billion additional health funding**, lifting annual health spending to **\$34 billion** (up 9%).
- **\$7 billion in new capital investment** for hospitals, schools, roads, courts and police facilities.
- Treasury now forecasts a return to **operating surplus in 2028/29**, one year earlier than previously expected.
- Net Crown debt is forecast to peak at **46.1% of GDP** before declining.
- Government bond issuance has been reduced by **\$6 billion over the next four years**.

MAJOR SPENDING INITIATIVES

Health

- \$682 million for hospital infrastructure, including a new hospital tower block.
- \$54 million additional funding for Pharmac.
- \$55 million for road ambulance services.
- Increased support for maternity and specialist health services.

Education

- \$470 million for school property projects.
- Funding for 232 new classrooms and school land acquisition.
- Fees Free is abolished, with savings redirected to vocational training.
- Trade Academy places doubled to 20,000 at a cost of \$69 million.

Infrastructure

- The only new Road of National Significance funded in this Budget is the 16km Cambridge–Piarere section of the Waikato Expressway, costing \$1.6 billion.
- New courthouses in Rotorua and other locations.
- New police stations in Whanganui and Greymouth.

Fiscal Strategy

The Government has continued its focus on expenditure restraint and savings:

- A new levy on banks will require them to fund the Reserve Bank, saving taxpayers an estimated \$209 million.
- Public sector savings and the ending of the final year of Fees Free have helped fund new spending.
- A \$450 million contingency fund has been set aside in case the international energy crisis worsens.

Economic Outlook

Treasury expects:

- GDP growth of **1.2% in 2026**, rising to **2.3% in 2027** and **3.2% in 2028**.
- Employment growth of approximately **220,000 jobs over four years**.
- Average wage growth of **3.1% annually**.

LUXON'S BUDGET SPEECH noted that this is a "responsible" budget, not a giveaway budget.

He repeatedly argued that New Zealand cannot spend its way to prosperity and contrasted National's approach with Labour's.

"Not spending more. Not borrowing more. Not taxing more. Delivering more."

"Our mission from day one has been simple: fixing the basics and building the future."

The most important political message in Luxon's speech was not health, education or even the surplus. It was energy security. The Prime Minister repeatedly linked affordable energy, economic growth and national security, signalling that energy will likely become a defining election issue. His broader argument was that New Zealand cannot borrow, tax and spend its way to prosperity.

The strongest section of Luxon's speech was his argument that the 2018 exploration ban undermined both economic and national security. He elevated energy security from an economic issue to a national security issue.

"The oil and gas ban was the most economically reckless decision ever made by any New Zealand Government."

"If you can't produce abundant, affordable energy independently, you do not have national security."

WILLIS DEFENDS A TOUGH FISCAL PATH AMID WEAKENING ECONOMIC FORECASTS

Finance Minister Nicola Willis faced a challenging interview on Q&A defending Budget 2026, with much of the discussion focused on a stark deterioration in Treasury forecasts since the Government took office.

Jack Tame highlighted that since Treasury's 2023 Half-Year Economic and Fiscal Update, forecasts have worsened across almost every major measure. GDP growth for 2026 has been revised down from 2.8% to 1.2%, per-capita GDP growth from 1.5% to 0.6%, unemployment has risen from an expected 4.8% to 5.5%, inflation is now forecast at 4% rather than 2.2%, and net government debt is around \$4 billion higher than originally projected.



	2023 HVEFU FORECAST	2026 BUDGET FORECAST
GDP GROWTH	2.8%	1.2%
GDP PER CAP	1.5%	0.6%
UNEMPLOYMENT	4.8%	5.5%
INFLATION	2.2%	4.0% (3.1% PRE-PLAN)
NET CORE CROWN DEBT	\$188B	\$192B

Willis largely attributed these setbacks to external shocks, including global trade tensions, tariffs and the Iran conflict, arguing that New Zealand cannot control international events but can control its response. Her defence rested heavily on fiscal discipline, claiming the Government has reprioritised approximately \$50 billion over three Budgets and prevented deficits from becoming substantially worse.

National campaigned on returning the books to surplus by 2026/27. Treasury now forecasts a return to surplus roughly three years later. Willis blamed overly optimistic pre-election Treasury forecasts but continued to argue that without Government spending restraint, no surplus would be achieved within the forecast period.

Health spending emerged as the largest area of new expenditure. Willis defended the \$1.37 billion allocation for health cost pressures, arguing it reflects rising demand, demographics and inflation.

The interview also revealed uncertainty around several major issues. Willis would not guarantee the Government's new \$450 million contingency fund would

remain untouched before the election, acknowledging it could be used if high oil prices persist. She also conceded New Zealand is unlikely to meet its 2030



Paris emissions target without significant policy changes, while admitting defence spending aspirations face severe fiscal constraints.

The broader theme was clear: Budget 2026 is less about new initiatives and more about navigating deteriorating economic conditions while attempting to maintain a credible path back to fiscal sustainability. For voters, the election debate is increasingly becoming one of economic management, debt, and whether the Government's promised return to surplus remains achievable.

GOVT TO CUT 8,700 PUBLIC SERVICE JOBS

The bottom line is that it is delivery that counts

Nicola Willis has just announced a plan involving department mergers, AI efficiencies, and job cuts to achieve savings of \$2.4 billion.

The 2026 Budget will be released on Thursday 28th May at 2pm.

NICOLA PRESENTED THREE STRUCTURAL GOALS:

- Merge departments to reduce the number of agencies and streamline functions.
- Adopt AI and cloud systems to replace fragmented IT and accelerate digitisation.
- Cut 8,700 public service jobs to reduce headcount to 1% of the population by 2029.

DEPARTMENT MERGERS

NZ currently has 39 departments, compared with 16 in Australia, 24 in the UK, and 12 in Finland. Agencies will be asked to propose logical mergers using shared technology platforms.

AI AND DIGITISATION PUSH

The Government wants the public service to fully embrace AI and cloud systems, overseen by Chief Digital Officer Paul James. This includes HR, payroll, case management and other systems moving to the cloud, with AI deployment becoming standard practice.

JOB CUTS: 8700 ROLES TO GO

The public service will be reduced to no more than 55,000 FTEs by July 2029, down from 1.2% of the population to 1%.

SAVINGS TO BE REDIRECTED

The \$2.4bn in savings will be reallocated to health, education, infrastructure, defence, and police.

I congratulate the National Government for this initiative. It shows that our current Ministers have the confidence and bravery to make the hard decisions that New Zealanders currently need.

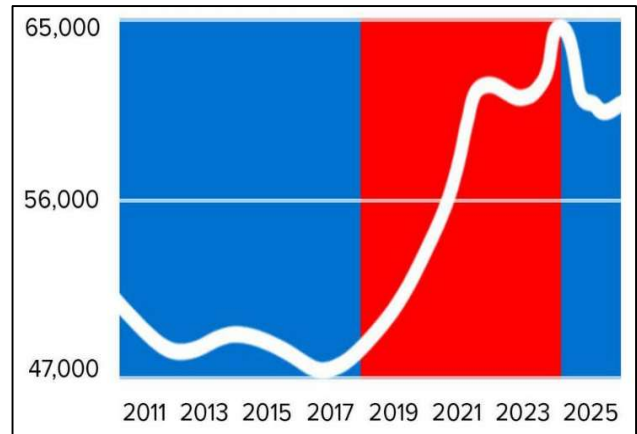
The figures reinforce broader concerns about government efficiency, long-term fiscal sustainability, and the growing cost burden being placed on households already struggling with higher debt, inflation, and living costs.

PUBLIC SERVANTS HAVE GROWN 46% SINCE 2008

New Zealand’s public service has expanded dramatically over the past two decades, with bureaucrat numbers rising 46% since 2008. Most of that growth occurred under the Labour-led Government between 2017 and 2023, when public sector staffing jumped from 47,252 to 65,699 — an increase of more than 18,000 officials in just six years.

More than 85% of the total increase since 2008 occurred during that period, representing a 39% expansion in the size of the public service. While the current Government has reduced staffing slightly, cutting around 2,000 positions since taking office, public servant numbers remain nearly 35% higher than they were in 2017.

NUMBER OF PUBLIC SERVANTS – NATIONAL VERSUS LABOUR



The number of core ministry and departmental staff surged by more than 18,000 under the last Labour Government. Numbers have only marginally decreased under the current Government.

ROLE INCREASES IN PUBLIC SERVANTS 2017 TO 2025 (SOURCE: POLITIK)

Occupation	2017	2018	2019	2020	2021	2022	2023	2024	2025	Increase
Information professionals	5,437	5,777	6,491	7478	8364	8470	9426	9207	9020	65.90%
Legal, HR, Finance professionals	2,190	2,295	2,420	2636	3092	3144	3357	3307	3316	51.42%
Managers	5,333	5,730	6,147	6600	7135	7645	8059	7884	7600	42.51%
ICT professionals and techs	1,772	1,882	1,940	2078	2352	2129	2388	2577	2475	39.67%
Policy analyst	2,633	2,737	2,940	3100	3542	3632	3949	3621	3563	35.32%
Social, Health and Education	8,568	8,921	9,378	10112	11059	10674	10873	11033	10894	27.15%
Other professionals	2,265	2,309	2,572	2816	3248	3162	3120	3050	2813	24.19%
Clerical and admin	3,946	4,203	4,702	5184	5514	5467	5726	5109	4891	23.95%
Contact Centre	4,240	5,014	5,054	5397	4827	4493	4608	5385	5199	22.62%
Inspectors, regulatory workers	10,468	10,485	10,550	11316	11497	11176	11257	11902	12645	20.80%
Others	399	378	434	432	467	390	355	362	238	-40.35%
	47,252	49,730	52,628	57149	61097	60381	63117	63537	62654	32.60%
Increase under Labour							33.6%			
Increase under National										-.73%

YOUTH UNEMPLOYMENT WARNING SIGNS

New Zealand’s latest employment figures may have looked stable on the surface, with unemployment edging down slightly to 5.3%, but the underlying numbers paint a far more troubling picture — particularly for young people.



Auckland, the country’s largest employment market, now has an unemployment rate of 6.3%, while youth unemployment has surged to almost 19% among those aged 15–24. Even more concerning, nearly one in four young Māori are now unemployed nationally.

The situation may actually be worse than headline statistics suggest. Modern labour markets are increasingly dominated by casual, part-time and gig-economy work. Many people technically count as “employed” despite only receiving a few hours of paid work each week. As a result, the broader “underutilisation rate” — which includes both

unemployed and underemployed workers — provides a clearer picture of economic stress.

That figure has now reached 13% nationally, rising to an alarming 23% for those aged 20–24 and around 50% for teenagers aged 15–19.

Another worrying trend is the rise in the NEET rate — young people not in employment, education or training. This climbed from 13.3% to 14.4% in just one quarter, suggesting more young people are finishing school or training but still failing to find work.

This also highlights the growing pressure facing younger generations: higher living costs, lower benefit support, tighter eligibility rules and increasingly limited opportunities. Combined with a slowing economy and uncertainty following global energy shocks, there are fears that another wave of young New Zealanders may look overseas — particularly to Australia — in search of better opportunities.

The warning is clear — youth unemployment is rapidly becoming one of New Zealand’s most serious social and economic challenges.

ENERGY TO BE WEAPONISED FOR ELECTION



New Zealand's 2026 election is shaping up around one defining issue: Cost of Living. The argument is simple — The biggest factor influencing the cost of living is the huge increase in energy prices.

Yes it is the Iranian War, but it is also that the last Labour Government “castrated” the New Zealand economy with

Jacinda Ardern’s ban on oil and gas exploration.

New Zealand’s prosperity was built not just on agriculture, but also on cheap, abundant electricity generated from hydro power.

For decades, affordable energy underpinned industry, exports, wages and living standards. However, that model is now under pressure as gas reserves decline, electricity demand rises, and hydro storage becomes increasingly vulnerable in dry years.

Current political responses lack realism. Wind and solar can help, but cannot fully guarantee supply during peak winter demand. Breaking up electricity companies or subsidising power bills does not create more generation.

My major criticism is based on Labour’s 2018 offshore oil and gas exploration ban, described as a pivotal decision that reduced future energy security without a credible replacement strategy.

Jacinda Ardern’s oil & gas ban has done irreversible damage to the New Zealand economy.

While the current National Government has repealed the exploration ban, it has yet to make energy abundance central to its economic growth agenda. As gas availability declines, demand for electricity is rising sharply. Population growth, electric vehicles, decarbonisation and AI data centres all require more power. Our system has a structural weakness. Hydro dominates. In dry years, the lakes do not fill. Without gas, New Zealanders face shortages.

The responses are political statements, not grounded in reality. Labour says renewables are the answer. Wind and solar will help, but they cannot be relied on to produce electricity on a cold, still winter night when the lakes are low.

The core political choice presented is stark: pursue abundant, reliable and affordable energy to support economic growth and living standards — or accept a future of constrained supply, higher prices and weaker competitiveness.

The bottom line is that abundant energy is needed for growth and a high standard of living. This country has to

choose - voters must understand what was at stake. On one side (National), a future of abundant, reliable, affordable energy — the foundation of high wages, competitive exports and rising living standards. On the other hand (Labour & the Greens), a future of managed scarcity — constrained supply, higher prices and declining competitiveness.

“No country ever became wealthier by making energy scarcer.”

KEY TAKEAWAYS

- China holds an estimated 1.4 billion barrels of strategic crude oil inventory, more than the next nine largest stockpiles combined.
- The US, Japan, and OECD Europe are the next-largest holders, reflecting decades of preparation for major oil supply shocks.
- New Zealand buried its “head in the sand” – failing to

Estimated OECD Oil Security Ranking (2025–26)			
Rank	Country	Approx. Emergency Oil Inventory (Days of Net Imports)	Oil & Gas Self-Sufficiency*
1	United States	150–180+	~105%
2	Norway	140+	~700%
3	Canada	120+	~180%
4	Japan	160+	~10%
5	South Korea	140+	~5%
6	Germany	90–100	~35%
7	France	90–100	~15%
8	United Kingdom	90+	~55%
9	Australia	~90 (improving)	~45%
**	New Zealand	~90 equivalent	~12%

* Self-sufficiency = domestic oil & gas production as a share of total oil & gas consumption.
 ** New Zealand sits near the bottom of the OECD for both oil inventory resilience and hydrocarbon self-sufficiency.

learn from the likes of Norway. And worst still, Jacinda Ardern and her Labour government irrevocably damaged the New Zealand economy with their reckless ban on oil & gas exploration.

New Zealand sits near the bottom of the OECD for both oil inventory resilience and hydrocarbon self-sufficiency.

While IEA members are required to hold emergency oil stocks equivalent to 90 days of net imports, New Zealand relies heavily on “ticket” arrangements (offshore contractual reserves) rather than large physical domestic stockpiles.

The closure of the Marsden Point refinery and declining Taranaki oil and gas production have materially weakened New Zealand’s energy security position.

New Zealand’s domestic oil production now covers only about 12% of oil demand, while gas reserves are also declining sharply. The country is expected to begin LNG imports from 2027, ending decades of gas self-sufficiency.

This leaves New Zealand unusually exposed within the OECD to major global supply disruptions, shipping interruptions, or geopolitical shocks affecting refined fuel imports. Thanks Labour not

“Reliable, affordable energy is the foundation of every advanced economy.”

Fatih Birol (Executive Director of International Energy Agency)

LABOUR'S "TRUST US LATER" ECONOMIC POLICY

Labour has confirmed that key details of its proposed Future Fund will not be released until after the election — including which state assets would be transferred into the fund and what the true fiscal cost to taxpayers would be.

Finance spokeswoman Barbara Edmonds says Labour first needs post-election advice from officials, partly because some state-owned enterprises may have Treaty of Waitangi obligations attached to them. That explanation is already raising eyebrows.

This is less about Treaty complexity and more about avoiding scrutiny before voters cast their ballots.

The concern is simple - if Labour cannot explain what assets are involved, how the numbers stack up, or what risks taxpayers are taking on, voters are effectively being asked to sign a blank cheque.

Elections are supposed to be about transparency and accountability. Announcing a major economic vehicle without providing the underlying details beforehand risks looking more like political marketing than credible fiscal policy.



LAW CHANGE WILL BRING CERTAINTY TO CLIMATE CHANGE TORT LAW

The Government is moving to shut down climate change-related tort claims against businesses, arguing that climate policy should be determined by Parliament rather than through the courts. Justice Minister Paul Goldsmith says the change is designed to provide greater legal certainty for businesses and investors, particularly as major emitters face growing litigation risks.

The move follows the high-profile *Smith v Fonterra* case, where legal action has been brought against several major companies over greenhouse gas emissions. Although the case was initially struck out,

the Supreme Court revived it in 2024, with a full High Court trial scheduled for 2027.

The Government argues that allowing courts to develop new climate-related tort law would create uncertainty, undermine business confidence, and potentially conflict with New Zealand's existing climate framework — including the Climate Change Response Act and the Emissions Trading Scheme (ETS). Ministers say climate policy involves complex economic, environmental and social trade-offs that are better handled through elected governments and national legislation rather than case-by-case judicial rulings.

From the Government's perspective, the change is about protecting investment certainty and preventing what it sees as an unpredictable wave of climate litigation. Businesses will still face obligations under the ETS and existing climate laws, but they will not be exposed to potentially open-ended tort liability for emissions.

Critics are likely to argue the move weakens corporate accountability and limits avenues for communities to seek redress over climate harm. However, supporters will see it as a pragmatic attempt to preserve a coherent national climate policy while avoiding costly and uncertain litigation that could discourage investment and economic growth.

JOHN TAMIHERE ABUSED NZ'S CHARITY LAW



The **Waipareira Trust** saga might not be a technical breach of charity law — but it is a fundamental abuse of public trust.

Charitable status exists for one reason: to encourage organisations to serve the public good. In return for tax advantages and public funding,

charities are expected to stay above partisan politics and use their resources for community benefit — not for advancing the political ambitions of their chief executive.

Yet the evidence laid before the Charities Review Board was extraordinary. Charities Services concluded that nearly \$394,000 had effectively been funnelled into John Tamihere's Auckland mayoral and Te Pāti Māori campaigns through inflated payments and other arrangements that were "not charitable". The regulator recommended the strongest sanction available — deregistration.

And rightly so.

The sequence of events reads like a case study in how not to govern a charity. First, money was spent on political campaigns. When challenged, it was reclassified as a loan. Then the loan sat unpaid and interest-free. Finally, Tamihere received a "bonus"

equal to the exact amount owing, conveniently allowing the debt to disappear.

No serious private charity board should ever have approved such conduct. If an ordinary small charity used donated money this way, it would likely face immediate consequences. Yet Waipareira appears to have escaped with little more than criticism.

What makes the issue even worse is that around 99% of the Trust's income reportedly comes from taxpayer-funded contracts. This is not private money. It is public money intended to support vulnerable communities — not subsidise political careers.

The greatest damage here is not financial. It is the erosion of confidence in the charitable sector itself. Thousands of charities across New Zealand operate with integrity, relying on volunteers and public goodwill. Cases like this undermine faith in the entire system.

Charlotte Stanley (the general manager of regulator Charities Services) was right. The regulator showed courage. Sadly, the Charities Review Board did not.

When watchdogs back down in the face of blatant misuse of charitable status, they send a dangerous message: that political influence matters more than accountability.

**Charitable status is a privilege,
not a shield for political patronage.**

BRIDGES ARGUES FOR BOLD ENERGY REFORM

SOURCE: NZ Herald, 3-Jun-26



Simon Bridges argues that New Zealand's energy crisis has become the country's most important economic issue and is now a major constraint on growth, productivity and living standards. He contends that rising power prices and concerns about energy

security are deterring investment, increasing household costs and contributing to the growing number of New Zealanders leaving for Australia.

Drawing on his experience as Chief Executive of the Auckland Business Chamber, Bridges says international investors interested in data centres, artificial intelligence and green hydrogen projects consistently raise the same concern: whether New Zealand can provide sufficient electricity to support their investments. He argues the problem is not a lack of renewable energy resources, but rather a failure of market structure and political leadership.

Bridges points to a sharp increase in wholesale electricity prices since 2020 and warns that committed

generation projects fall well short of future demand, particularly from energy-intensive industries such as data centres. He claims the current "gentailer" model discourages competition, with large integrated generators and retailers having little incentive to support new independent generation that could reduce prices.

His central proposal is bold electricity market reform. Bridges argues that structural separation of generation and retail businesses, similar to the breakup of Telecom, would encourage greater competition, unlock investment, increase supply and lower prices. He believes reform could help deliver a significant economic dividend, citing Transpower estimates that an additional 20 terawatt hours of generation could add more than \$31 billion to GDP by 2035.

While acknowledging that electricity companies are responding rationally to the incentives created by the current system, Bridges argues the status quo is failing New Zealand. He concludes that the country possesses world-class renewable energy resources and that decisive reform is needed to transform those advantages into stronger economic growth, lower power prices and greater prosperity.

MAORI POPULATION UPDATE

StatsNZ has updated year ended 31 December 2025, provisional estimates showing:

- New Zealand's estimated **Māori ethnic population was 932,400** (an estimated 468,800 females and 463,700 males)

Updated estimates (30 June 2025) provisionally show:

- New Zealand's estimated Māori ethnic population was 932,200 (**17.5% of the national population**) – (an estimated 468,700 females and 463,600 males)
- the median ages for **Māori females is 28.5** and **males is 26.5 years**, respectively (NZ population median ages of 39.1 and 37.4 years)

During the June 2025 year, provisional estimates show:

- the Māori ethnic population grew by 10,800 (1.2% compared with 0.6% for the total New Zealand population)
- natural increase (births minus deaths) was 12,200
- net migration (migrant arrivals minus migrant departures) was **-5,400**
- net inter-ethnic mobility (those changing their ethnic identification to include Māori, minus those no longer including Māori in their ethnic identification) was 3,900.

**"Time in the market
beats timing the market."**



GLOBAL ECONOMIC OUTLOOK

Global equity markets staged a strong rebound in April despite ongoing conflict in the Middle East and rising energy market pressures. History shows markets do not need complete certainty to recover — they simply need investors to see a lower probability of worst-case outcomes. Renewed enthusiasm around artificial intelligence, particularly in the US, has also helped drive the rally.

However, investors may now be becoming slightly complacent. Markets have recovered partly because major downside risks have been priced out, leaving valuations more vulnerable to any renewed geopolitical or economic shocks. While the global economy has continued to show impressive resilience, the longer the Iran conflict persists, the greater the risks to earnings, inflation and market confidence.

The US earnings season has so far provided reassurance, but future market gains will ultimately depend on company profitability justifying higher valuations. Tactical investment opportunities now appear less obvious, and caution remains warranted.

There is a question as to why markets expect the Reserve Bank of New Zealand to deliver more than three rate hikes this year. While inflation pressures remain elevated, there is still scope for the RBNZ to remain patient. As a result, long-duration domestic fixed interest investments continue to look attractive, although the outlook for New Zealand equities may face reduced support.

NZ TRADING PARTNER REAL GDP (calendar years)

	Annual average % change			
	2024	2025	2026	2027
Australia	1.0	2.0	1.8	1.2
China	5.0	5.0	4.7	4.6
United States	2.8	2.1	2.0	1.8
Japan	-0.2	1.2	0.6	0.8
East Asia ex China	4.5	4.7	4.3	4.2
India	7.1	7.6	6.5	6.7
Euro Zone	0.9	1.5	0.7	1.1
United Kingdom	1.1	1.4	0.8	1.1
NZ trading partners	3.0	3.2	2.8	2.7
World	3.4	3.4	3.2	3.3

GLOBAL WEALTH – NEW ZEALAND NEAR THE TOP

According to the latest **UBS GLOBAL WEALTH REPORT 2025**, New Zealand remains one of the wealthiest countries in the world on a per-person basis.

The report estimates that New Zealand’s:

- Average (mean) wealth per adult is about US\$393,773
- Median wealth per adult is about US\$207,707

The median figure is often considered the more useful measure because it reflects the “typical” New Zealander and is less distorted by ultra-wealthy individuals.

WEALTH PER ADULT - TOP 25 COUNTRIES

Market	Average wealth per adult, in USD	Rank	Market	Median wealth per adult, in USD
Switzerland	687,166	①	Luxembourg	395,340
United States	620,654	②	Australia	268,424
Hong Kong SAR	601,195	③	Belgium	253,539
Luxembourg	566,735	④	Hong Kong SAR	222,015
Australia	516,640	⑤	Denmark	216,098
Denmark	481,558	⑥	New Zealand	207,707
Singapore	441,596	⑦	Switzerland	182,248
New Zealand	393,773	⑧	United Kingdom	176,370
Netherlands	370,697	⑨	Canada	151,910
Norway	368,410	⑩	France	146,017
Canada	365,953	⑪	Norway	142,501
Belgium	349,404	⑫	Netherlands	131,896
United Kingdom	339,700	⑬	Spain	126,290
Sweden	334,391	⑭	Italy	124,473
Taiwan	312,075	⑮	United States	124,041
France	301,503	⑯	Malta	120,875
Israel	284,224	⑰	Taiwan	114,871
Ireland	258,357	⑱	Singapore	113,976
Germany	256,715	⑲	Ireland	105,626
South Korea	251,223	⑳	South Korea	104,067
Austria	243,473	㉑	Japan	102,198
Spain	233,739	㉒	Qatar	102,178
Italy	214,663	㉓	Finland	94,794
Japan	205,221	㉔	Sweden	89,430
Finland	183,367	㉕	Israel	88,866

Source: Own calculation based on OECD data, complemented by International Monetary Fund (IMF), United Nations (UN), World Bank Group (WBG) data, and national statistics offices data.

NEW ZEALAND RANKS APPROXIMATELY:

- 8th globally for average wealth per adult
- 6th globally for median wealth per adult

These figures are heavily influenced by high levels of home ownership and residential property values.

Critics note that household cashflow and productivity performance have been considerably weaker than the wealth statistics alone might suggest.

NEW ZEALAND'S ECONOMIC OUTLOOK

Population: 5.4 million

New Zealand & Australia maintain population growth, mainly through migration.

The economic impact of the Middle East conflict is now spreading well beyond petrol prices, with warning that rising fuel, fertiliser and freight costs will increasingly weigh on businesses and households across New Zealand.

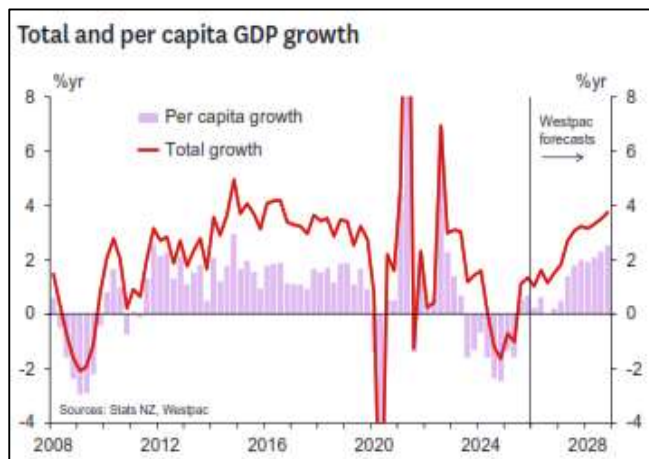
The closure of the Strait of Hormuz is creating inflationary pressures throughout supply chains, lifting the cost of transport, packaging, manufactured goods and farm inputs. Shipping giant Maersk has already imposed a 27% fuel surcharge, while Interislander has sharply increased charges for commercial vehicles.

The biggest impact is likely to fall on agriculture, manufacturing, construction and transport, while retail, hospitality and tourism may suffer as households cut discretionary spending. Fertiliser costs are also surging, with about one-third of global fertiliser trade normally passing through the Strait of Hormuz.

Retail diesel prices have already risen around 45% since the conflict began. This will likely weaken economic growth, squeeze business margins and reduce consumer spending power. While fuel shortages remain unlikely, businesses should prepare for prolonged volatility and review exposure across freight, suppliers and customer demand.

THE ECONOMIC OUTLOOK

New Zealand's fiscal outlook is becoming an increasingly dominant political and economic issue, with rising debt, persistent deficits, and higher global borrowing costs placing growing pressure on government finances. The latest figures paint a sobering picture: average government debt per household has reportedly risen from about \$29,000 in 2008 to around \$140,000 today, with forecasts suggesting it could exceed \$160,000 by 2030.

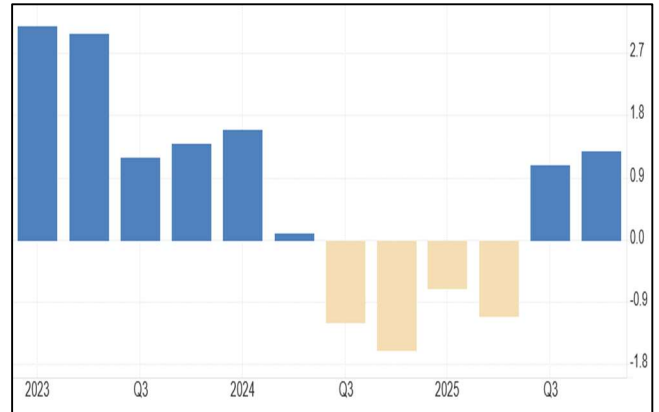


SOURCE: Westpac, 25-May-26



The National-led Government is using these numbers to reinforce its argument that New Zealand must return to stronger economic growth and tighter spending discipline. Ministers increasingly warn that ongoing deficits — with no meaningful surplus forecast this decade — leave the country exposed to future economic shocks, particularly in an uncertain global environment shaped by geopolitical tensions and rising interest rates.

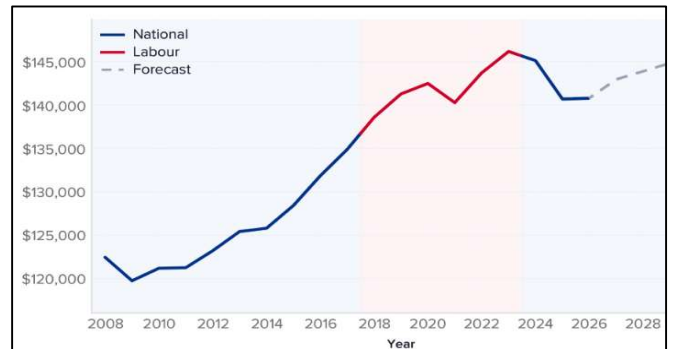
NEW ZEALAND ANNUAL GDP GROWTH



A major concern is the escalating cost of servicing debt. Household-equivalent interest costs have more than quadrupled in just five years. Unlike discretionary spending, interest payments cannot be deferred or reduced.

The Government also points to the rapid expansion of the public service under the previous Labour administration, arguing the state sector grew faster than the economy's ability to support it.

REAL GDP PER HOLDHOLD



SOURCE: NZTPU

Critics will argue spending restraint risks slowing growth further in the short term. However, supporters of the Government say the alternative — continued borrowing and rising debt servicing costs — would ultimately leave future taxpayers carrying an even heavier burden... spiraling NZ into a third (maybe even a fourth) world economy.

Time is running out
Hard decisions have to be made

New Zealand's economy remains under real pressure, with GDP per household falling from a 2023 peak of about \$146,000 to around \$141,000 in 2025 — a decline of roughly 3.7%. Economic growth has been weak since COVID, averaging less than 1% annually

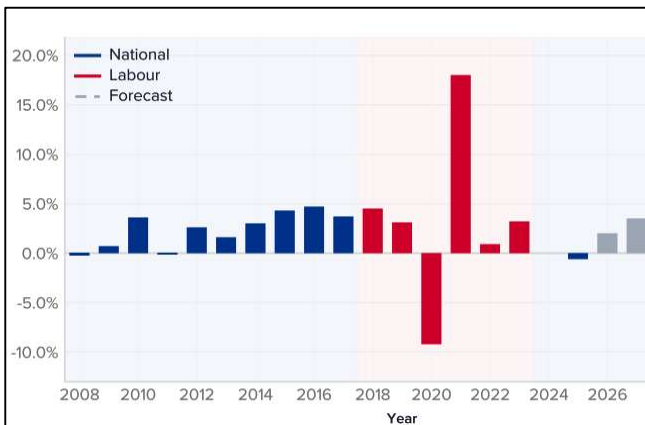
between 2022 and 2025, and the economy contracted again in 2025. Rising global instability, particularly the Iran conflict and higher energy prices, has further complicated the recovery outlook.

However, the National-led Government can at least argue it inherited an economy already losing momentum, burdened by high inflation, rising interest rates, and rapidly expanding public debt. Its challenge now is to rebuild growth while restoring fiscal discipline. Treasury is forecasting a return to stronger growth over the next two years, with projections of 2% this year and 3.5% next year, although those forecasts may prove optimistic given global uncertainties.

The Government’s central argument is that stronger economic growth — rather than continued borrowing and government expansion — is the only sustainable way to lift living standards, reduce deficits, and stabilise debt. Ministers are increasingly framing the debate around productivity, infrastructure investment, energy security, and reducing regulatory barriers to private sector investment.

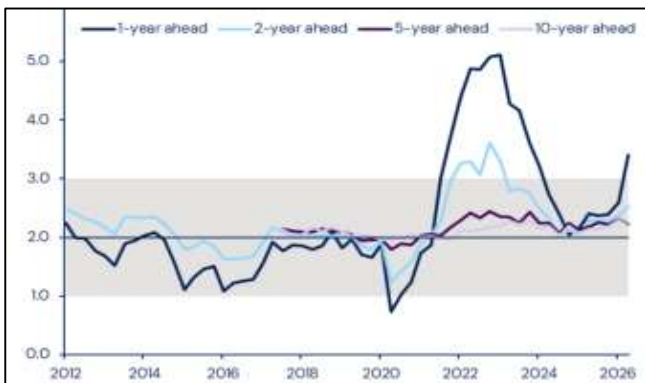
The reality is stark — weak growth and rising debt are closely connected. Unless New Zealand can grow its economy more quickly, households will continue to feel poorer and government finances will remain under pressure. The Government’s political challenge will be convincing voters that short-term restraint is necessary to rebuild long-term prosperity.

% CHANGE IN REAL GDP



NOTE: The spike in 2021 resulted from Government and Reserve Bank cash injections following COVID. This crashed quickly, and growth has been weak since. The Iran conflict will weaken forecast growth further.

RBNZ SURVEY OF EXPECTATIONS



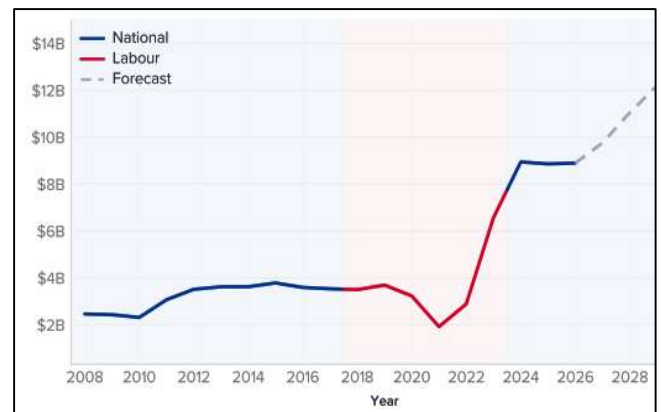
SOURCE: RBNZ

RISING DEBT SERVICING STAGNATES NZ INC

New Zealand’s rapidly rising debt servicing costs are becoming one of the Government’s biggest fiscal headaches. In 2021, the annual interest cost on Crown debt amounted to about \$1,025 per household. This year it has climbed to more than \$4,200, and forecasts suggest it could approach \$6,000 per household by 2030.

Total government finance costs, which sat below \$4 billion for more than a decade after 2008, are now expected to hit \$8.9 billion this year and could rise to \$13.4 billion annually by the end of the decade. That would exceed the combined annual budgets of the Police, Ministry of Justice, and primary and secondary schools.

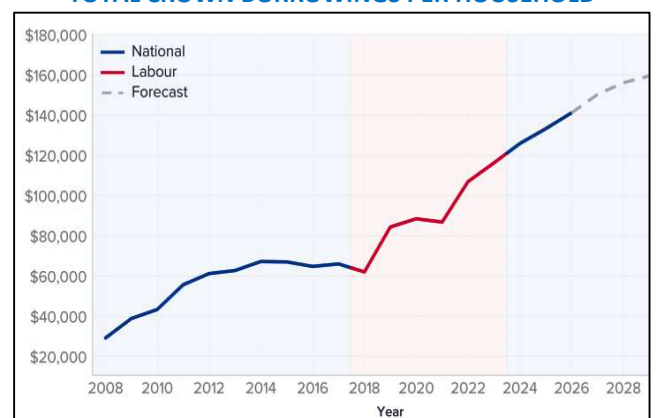
CORE CROWN FINANCE COSTS



SOURCE: NZTPU

The Government is using these figures to reinforce its argument for tighter fiscal discipline. Unlike many other areas of public spending, interest costs cannot simply be delayed or trimmed — they must be paid. Ministers argue every extra dollar spent servicing debt is money unavailable for infrastructure, healthcare, education, tax relief, or frontline services.

TOTAL CROWN BORROWINGS PER HOUSEHOLD



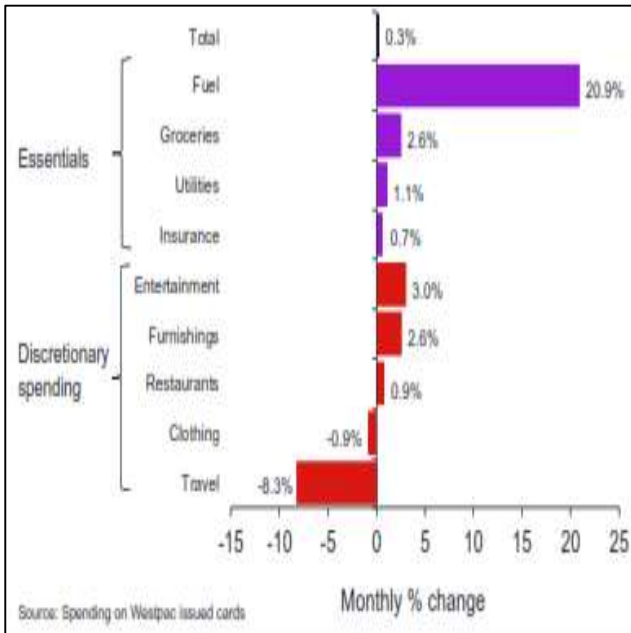
SOURCE: NZTPU

For the National-led Government, this strengthens its political case that controlling debt and restraining government spending are essential to restoring long-term economic stability. The message from ministers is increasingly clear — unless borrowing slows and economic growth improves, taxpayers will face an ever-growing interest bill with little to show for it beyond servicing past debt.

SPENDING SUBDUED

Under the surface, spending on fuel has risen 21% since the start of the Iran conflict (even though we're actually getting less in the tank when we top up).

SPENDING IN MARCH & APRIL versus PREVIOUS 2 MONTHS (per person)



On top of that, there's been a 3% rise in grocery spending, and retailers have reported that shoppers have been switching to more budget-friendly options and away from nice-to-haves. Spending on utilities is also up following recent increases in electricity charges.

THE WORST COULD BE YET TO COME

Inflation is set to rise to 4.5% over the coming months and is likely to remain above 3% until mid-2027.

KIWI EXPORTS UP STRONGLY

"Kiwi exports have increased by almost \$1 billion for the month of April compared to a year ago, that's a 12% lift to \$8.6 billion. This National-led Government is committed to backing New Zealand businesses on the world stage – because when we make it easier for them to compete internationally, it supports jobs, lifts wages, and puts more money in people's back pockets," said Todd McClay.

AUSTRALIAN ECONOMIC OUTLOOK

Population: 27.4 million

AUSTRALIA'S ECONOMY

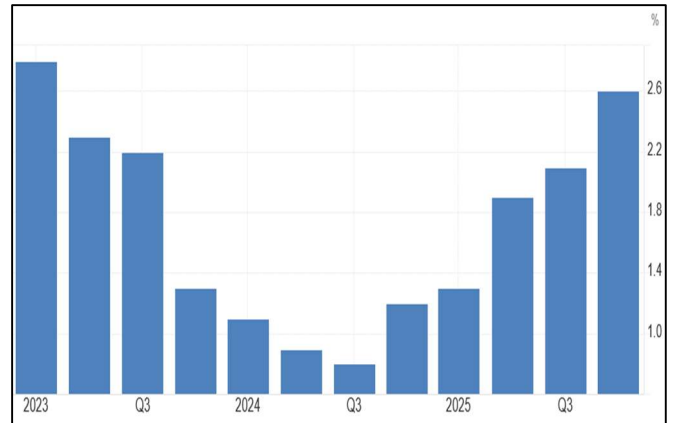
Australia's economy finished 2025 strongly, annual growth accelerating to 2.6% — the fastest pace in almost three years. However, growth is expected to moderate to around 1.9% during 2026, broadly in line with the Reserve Bank's estimate of "potential" growth.



OCR

The Reserve Bank of Australia is expected to lift the cash rate another 25 basis points to 4.6% later this year and keep rates "higher for longer" through 2027.

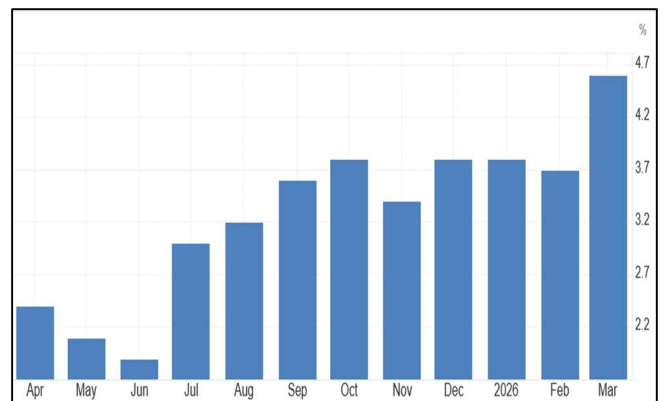
AUSTRALIA –ANNUAL GDP GROWTH



INFLATION

Inflation pressures remain a significant concern. Headline CPI is currently at 4.2% y/y and expected to push slightly higher by mid-2026, driven in part by higher global energy prices linked to Middle East tensions. Economists estimate a 10% rise in oil prices adds around 0.15% to Australian inflation while trimming economic growth. Core inflation is also proving sticky, reinforcing expectations that interest rates will stay elevated.

AUSTRALIA –ANNUAL INFLATION RATE



AUSTRALIAN LABOUR MARKET

Despite slowing growth, the labour market remains relatively resilient, although unemployment is forecast to rise gradually above 4.75%.

Looking at 2026 (post the Iranian War) Australia's economy has drifted into dangerous territory even before the war in the Middle East sent fuel prices skywards, along with inflation and interest rates. The Australian Government has committed A\$2.5 billion that it never planned to spend on cutting the fuel excise on diesel and petrol.

DEBT

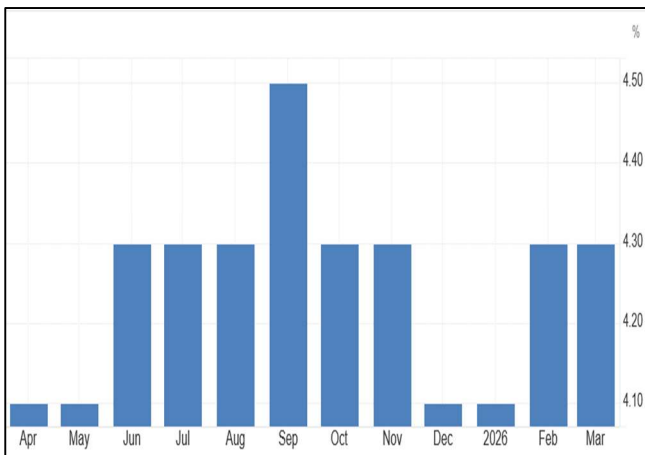
Australia's gross national debt stands at just under A\$1 trillion (34% of their economy) and is expected to increase to A\$1.2 trillion by 2028. This will be the highest level of debt to GDP since the 1950's.

Meanwhile the budget deficit for this financial year is a projected A\$36.8 billion - lower than previously projected due to higher taxation receipts.

UNEMPLOYMENT

Australia's seasonally adjusted unemployment rate stood at 4.3% in March 2026, unchanged from February and in line with forecasts.

AUSTRALIA – UNEMPLOYMENT RATE



BUDGET 2026 RELEASED

Australia's 2026 Federal Budget represents a major political and economic shift by the Albanese Government, but it remains a mixed and somewhat contradictory package. While the Budget contains some welcome restraint on spending growth and a stronger focus on productivity and housing affordability, it still relies heavily on higher taxation, continued deficits and greater government intervention in the economy.

The headline measures include significant changes to negative gearing and capital gains tax concessions, aimed at improving housing affordability and helping younger Australians into home ownership. Labor argues the reforms will rebalance the economy away from speculative asset investment, but critics warn they risk undermining private investment, reducing housing supply and discouraging entrepreneurship.

The Budget also includes tighter controls on NDIS spending, infrastructure investment, business regulation reforms and targeted tax relief for workers. However, Australia still faces ongoing structural deficits and **gross public debt above A\$1 trillion.**

The Budget's biggest weakness is that it still avoids the deeper structural reforms needed to restore long-term fiscal sustainability and lift productivity growth. There is concern that higher taxes on investment, trusts and property could weaken confidence at a time when Australia faces growing geopolitical and economic uncertainty.

Overall, the Budget appears designed more around political positioning and intergenerational fairness than delivering the kind of broad pro-growth economic reform agenda traditionally favoured by the centre-right.

UNITED STATES ECONOMIC OUTLOOK

Population: 349 million

It is predicted that there are between 12m and 14m undocumented (illegal) migrants in the US currently.



US ECONOMY

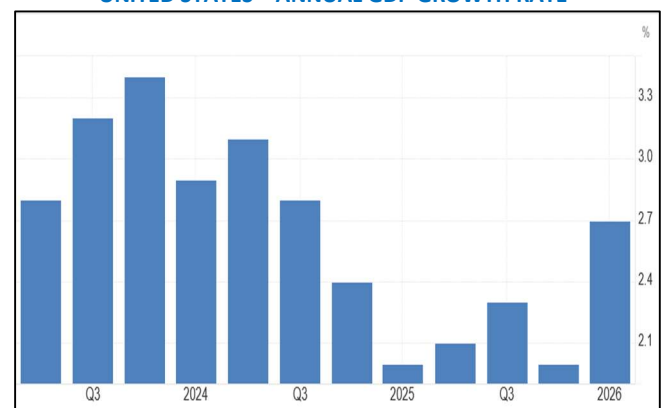
The United States is the world's largest economy. Yet, in the last two decades, like in the case of many other developed nations, its growth rates have been decreasing. In the 50's and 60's the average growth rate was above 4%, in the 70's and 80's dropped to around 3%. In the last ten years, the average rate has been below 2% and since the second quarter of 2000 has never reached the 5% level.

Their economy expanded 2.7% year-on-year in the first quarter of 2026, slightly above the previous period's growth of 2.0%, according to preliminary estimates. The US economy continues to show remarkable resilience despite higher interest rates, geopolitical tensions, and persistent inflation pressures.

Consumer spending and the labour market remain relatively strong, while the artificial intelligence and technology sectors are driving renewed business investment and equity market optimism. However, risks are building. Large fiscal deficits, rising government debt, and elevated bond yields are increasing concerns about long-term sustainability. Energy prices and global instability, particularly in the Middle East, also pose inflationary risks.

Large fiscal deficits and rising debt servicing costs are also becoming a growing concern. Overall, the outlook is for slower but still positive growth, with the US likely to continue outperforming most other advanced economies over the next two years.

UNITED STATES – ANNUAL GDP GROWTH RATE



GROWTH

The U.S. economy in 2026 is still growing, but the pace has clearly slowed as inflation, high interest rates and geopolitical tensions weigh on activity.

Most forecasts now put real GDP growth at around 2%–2.5% for 2026 — slower than the post-pandemic rebound, but still avoiding recession.

Consumer spending and business investment remain reasonably resilient, supported by a still-healthy labour market and continued investment in AI, infrastructure and energy. Unemployment is expected to remain relatively low at around 4.3%–4.6%, although hiring has slowed noticeably and the job market feels much weaker than in recent years.

US INFLATION

Core CPI rose 0.4% month on month in April, above expectations, driven by rent/OER, lodging, household operations and airfares. Offsetting weakness came from internet services, new cars and car rentals. Headline CPI increased 0.6% on higher energy and food prices.

US LABOUR MARKET

Nonfarm payrolls rose 115k in April, above expectations. Payroll growth was revised up 7k in March but revised down 23k in February. The unemployment rate was steady at 4.3%, while the underemployment rate increased by 0.2pp to 8.2%, largely reflecting an increase in part-time workers for economic reasons.

CHINESE ECONOMIC OUTLOOK

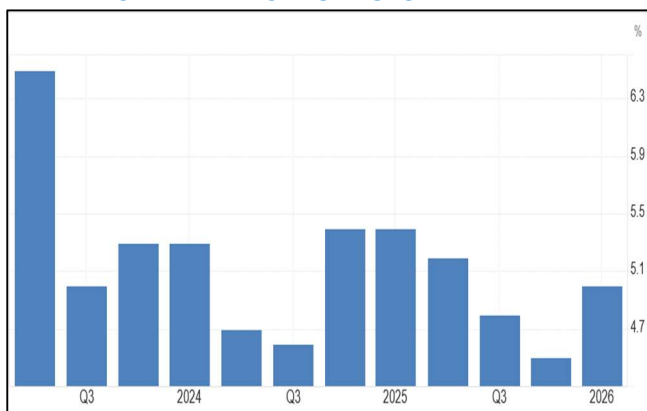
Population: 1.41 billion

CHINESE ECONOMY

China's economy expanded 5.0% yoy in Q1 2026, accelerating from 4.5% in Q4 and beating forecasts of 4.8%. It marked the fastest annual growth in three quarters, supported largely by resilient export performance although Beijing braces for potential fallout from the Iran conflict. So far, the economy has managed to absorb the shock with limited disruption, supported by ample oil reserves, a diversified energy mix, and state controls that help contain price volatility.



CHINA – ANNUAL GDP GROWTH RATE



GROWTH

The main weakness remains domestic demand. Consumer spending is subdued, the property sector continues to struggle, and business confidence remains fragile after several years of debt problems

and regulatory uncertainty. Retail sales and industrial production both disappointed in early 2026, suggesting growth has lost momentum since the start of the year.

However, China's export sector has remained surprisingly resilient, particularly in technology, electric vehicles, AI-related manufacturing and advanced industrial products. Strong exports are helping offset weakness in the domestic economy and continue to generate enormous trade surpluses.

INFLATION

Inflation remains very low compared with Western economies, reflecting weak consumer demand and excess industrial capacity. Policymakers are increasingly focused on shifting China toward more consumption-led growth, but economists believe major reforms to social welfare, pensions and private-sector confidence are still needed.

Overall, China is avoiding a hard landing, but the era of double-digit growth is long over. The country is now transitioning toward slower, more mature growth while grappling with ageing demographics, high debt levels and ongoing geopolitical tensions with the United States and the West.

UNITED KINGDOM ECONOMIC OUTLOOK

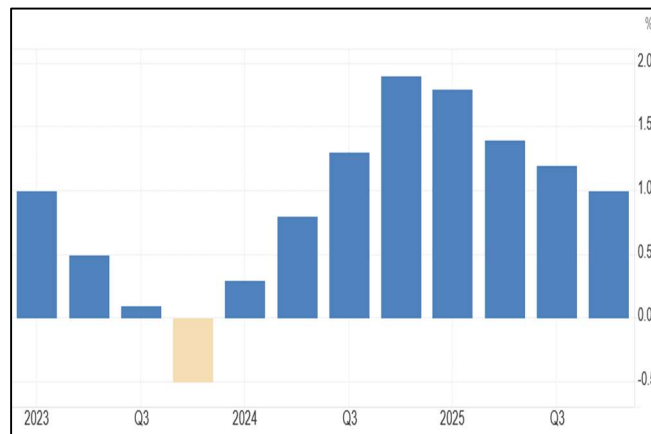
POPULATION: 69.9 million

The United Kingdom economy in 2026 is growing, but only weakly, with most forecasts now expecting GDP growth of around 0.8%–1.1% for the year.



The economy showed some resilience early in 2026, with first-quarter growth of 0.6%, briefly making the UK the fastest-growing G7 economy.

UNITED KINGDOM – ANNUAL GDP GROWTH RATE



However, momentum is fading rapidly. Higher oil and energy prices linked to the Middle East conflict are pushing inflation higher again, squeezing household incomes and business margins. The UK services sector — which makes up about 80% of the economy — has

recently slipped into contraction, while unemployment has risen to around 5%, with youth unemployment particularly weak.

INFLATION

Inflation remains stubbornly above the Bank of England's 2% target, with many economists expecting inflation to average around 3%–4% through 2026. As a result, the Bank of England has kept interest rates relatively high at 3.75%, with growing expectations that rates may stay elevated for longer.

GROWTH

The broader picture is one of a low-growth, high-cost economy. Britain continues to struggle with weak productivity growth, high public debt, expensive housing and lingering post-Brexit structural issues. While recession is currently being avoided, most analysts see the UK economy as fragile and vulnerable to further global shocks.

INDIA'S ECONOMIC OUTLOOK

Population: 1.48 billion

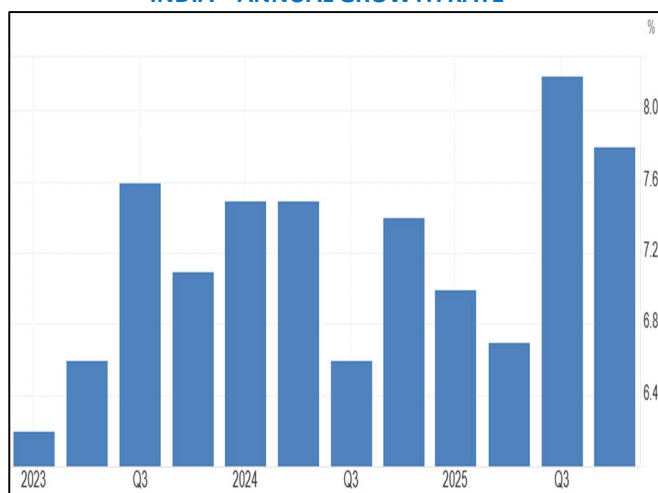
India has overtaken China as the highest population nation in the world.

FASTEST GROWTH

India remains the standout performer among the world's major economies in 2026, with growth forecast at around 6.5% — far stronger than the United States, Europe, Japan or China. The IMF expects India to remain the world's fastest-growing large economy this year and next.



INDIA – ANNUAL GROWTH RATE



Growth is being driven by strong domestic demand, major infrastructure spending, manufacturing expansion and rapid digitalisation. Investment in roads, rail, energy and technology continues at a massive scale, while a large and youthful population

supports consumption and labour force growth. India is also benefiting from companies diversifying supply chains away from China.

However, risks are increasing. Higher oil and fertiliser prices linked to the Middle East conflict are pushing inflation higher and lifting business costs. India remains heavily dependent on imported energy, making it vulnerable to oil shocks and supply chain disruptions through the Strait of Hormuz.

Despite these pressures, India's economy is proving remarkably resilient. Inflation is expected to remain manageable at around 4.5%–4.7%, while growth remains well above global averages. The country's sheer scale means India is now contributing a growing share of total world economic growth and is increasingly viewed as one of the key engines of the global economy over the next decade.

THE POWER OF MODI

Narendra Modi and his BJP party continue to tighten their grip on Indian politics, with recent state election victories leaving the opposition increasingly fragmented and ineffective.

The once-dominant Congress Party has never recovered from its 2014 collapse, while major regional rivals in West Bengal and Tamil Nadu have also suffered major defeats. The article argues India is increasingly resembling a "one-leader state", with Modi dominating national politics more than any leader since India's 1970s Emergency period.

The BJP's success has been driven by strong organisational discipline, Hindu nationalist messaging, welfare-focused campaigning and highly effective electoral machinery. Critics, however, accuse Modi's Government of using state institutions, voter roll changes and law enforcement agencies to weaken opponents and tilt elections in the BJP's favour.

Despite India still facing inflation, unemployment and economic pressures, opposition parties have failed to convert public dissatisfaction into electoral success. Analysts warn that while Modi's dominance remains strong, India's long-term democratic health depends on the emergence of a credible and effective opposition.

"If you feel dirty, insignificant or unloved, then rats are a good role model. They exist without permission, they have no respect for the hierarchy of society, and they have sex 50 times a day."

~ Banksy

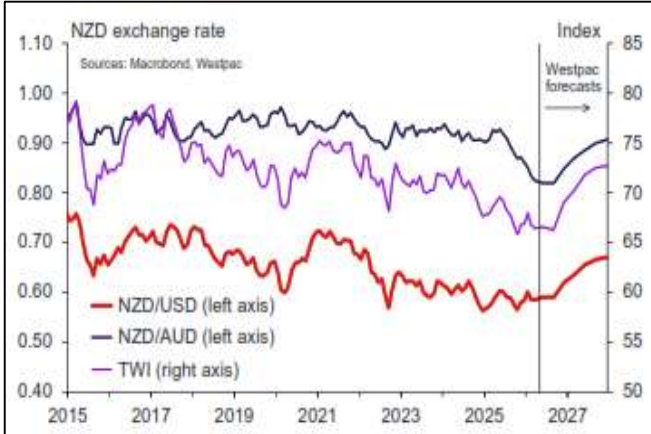
COMMODITIES

NZ FOREIGN EXCHANGE

The NZD has firmed modestly since the start of this year, both against the USD and on a trade-weighted (TWI) basis. This comes at a time when the US dollar has been relatively stable.

However, the NZD/AUD has declined to a 15-year low, likely influenced by the growing divergence in interest rates between New Zealand and Australia given the differing cyclical positions of these economies.

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



SOURCE: Westpac, 25-May-26

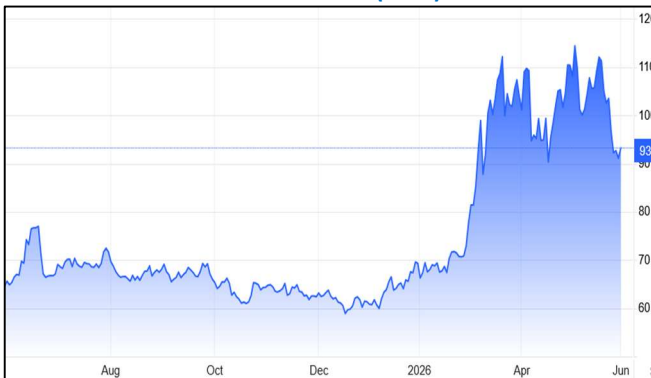
Soft economic growth and lingering excess capacity compared to similar economies will also weigh on the NZD for some time yet. The risk of a further leg down in the NZD/AUD can't be ruled out if the RBNZ lags the global tightening cycle, perhaps because growth underperforms even our reduced expectations.

The NZD will continue to be the key shock absorber helping cushion the New Zealand economy from the Iran war shock. Over the medium term, a further weakening of the USD – which remains overvalued in our view – should lend support to the NZD.

OIL – BRENT CRUDE

Although oil prices recently posted a monthly decline amid expectations that Washington and Tehran could eventually reach a more durable agreement, they remain elevated compared with pre-conflict levels as the near-shutdown of Hormuz triggered an unprecedented disruption to global energy supplies.

BRENT CRUDE (1-YR)



GOLD

Gold fell toward \$4,600 an ounce at the end of April, extending losses as investors assessed renewed diplomatic efforts to resolve the US–Iran conflict, which has triggered a historic energy supply shock and intensified inflation concerns.

GOLD (1-YR)



BITCOIN

Bitcoin traded at US\$73,817 on June 1st. Looking back, over the last four weeks, Bitcoin gained 6.16%. Over the last 12 months, its price fell by 30.3%.

BITCOIN (1-YR)



"The stock market is a device for transferring money from the impatient to the patient."

— Warren Buffett

AGRIBUSINESS – LOOKING FROM THE OUTSIDE IN



RECORD MILKSOLIDS PRODUCTION

New Zealand dairy farmers will finish the 2025-26 season on a rising plane of milk production with the prospect of a third consecutive \$10/kg milksolids season to begin.

Before May 31 the industry will have maximised the export earnings from high world commodity prices by producing a season-record 2 billion kilograms of milksolids.

In calendar 2026 the industry will pump more than \$23 billion into regional economies through the bank accounts of 10,000 dairy farms.

The momentum of milk in warm and wet autumn months is hovering around 10% higher than in 2025 as cows have been milked for longer and fed more.

The seasonal milk collection will end 4% higher than in 2024-25, on top of 3% increase the previous season.

Cow productivity is up 15% and the current 4.6 million cows in milk in the national herd exceed what 5 million produced a decade ago.

FONTERRA DELIVERS STRONG RESULT

Fonterra has reported another strong financial result, lifting both its earnings and its forecast milk payout for farmers.

Third-quarter operating profit rose to \$1.8 billion, up \$103 million on the same period last year, while earnings increased to 57 cents per share from 53 cents.

The co-operative has also announced an opening forecast milk price of **\$9.75 per kilogram of milksolids** for the 2026/27 season, with a forecast range of **\$8.00 to \$11.00**. At the same time, it has upgraded its full-year earnings guidance to **60-70 cents per share**, up from the previous range of 50-65 cents.

New Chief Executive Richard Allen said Fonterra's Ingredients and Foodservice businesses continue to perform well despite ongoing cost pressures and global shipping disruptions.

The positive result comes as dairy production is tracking towards a record season. Fonterra has collected 1.489 billion kilograms of milksolids so far this season, up 4% on last year, and expects milk volumes to remain strong next season.

For dairy farmers, the combination of high milk prices, strong production and improved earnings guidance points to another very healthy year for the sector and a significant boost to regional economies.

FUTURE DROUGHTS LOOK OMINOUS

A Waikato University PhD study by Adam Brown hypothesises that New Zealand could face droughts far worse than anything experienced in recent decades – based on new climate research examining historical rainfall records dating back to the 1860s.

The study challenges the assumption that modern droughts are the country's worst on record. Researchers found the three most severe meteorological droughts all occurred before 1950 – particularly the devastating 1914-15 drought, which affected much of the North Island and eastern South Island for more than a year. Many regions recorded their driest conditions ever observed.

Another severe drought in 1907-08 caused extreme rainfall shortages across much of the South Island, while the 1945-46 drought hit northern and eastern regions of the North Island significantly harder than the more recent 2012-13 drought that shaved an estimated 0.7% off New Zealand's GDP.

The findings are significant because many modern climate and drought risk assessments rely heavily on weather datasets that only extend back reliably to the 1970s. Researchers instead analysed long-term rainfall deficits from 97 historic weather stations to gain a clearer understanding of New Zealand's true drought history.

For an agricultural economy like New Zealand, the implications are serious. Past droughts have led to skyrocketing feed costs, shrinking water supplies, major pressure on farmers and multi-billion-dollar economic losses.

Climate change is expected to intensify those risks further, with rising temperatures increasing evaporation and drying soils more rapidly during prolonged dry periods.

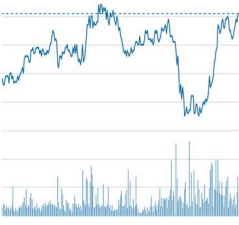





The key warning from the research is stark: New Zealand must prepare for the possibility of drought conditions beyond anything currently in living memory.

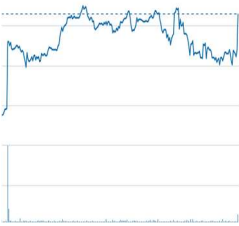
BEEF EXPORTS TO THE US UP 54%

The United States was the leading destination for beef in April 2026, up \$121 million (54%) to \$344 million. The US has experienced a combination of herd shortages and tariffs placed on beef imports this year.

Total meat exports were valued at \$1.3 billion in April 2026, an increase of \$272 million (26 percent) compared with April 2025

ALL GRAPHS ARE ONE YEAR		
	<p>THE A2 MILK COMPANY Research: 28th May</p> <p>ATM The key driver for ATM is continued expansion in the Chinese infant formula market, where its premium brand remains highly regarded. China recorded 1.697m marriages in the March quarter, down 6.2% YoY and below pandemic levels, signalling continued demographic pressures that weigh on infant-formula demand. Analysts are also focused on margin expansion, growing cash reserves, and the company's ability to diversify into broader nutritional products. The major risk remains China's declining birth rate and increased competition from both domestic and international formula brands. However, A2's strong balance sheet and market position leave it well placed to continue delivering above-average earnings growth. Most analysts remain positive, although the valuation already reflects high expectations.</p> <p>2026 P/E: 35.3 2027 P/E: 19.9 2026 EPS: 19.4 2027 EPS: 34.3</p>	<p>NZX Code: ATM Share Price: \$6.55 12mth Target: \$9.40 Projected return (%) Capital gain 43.5% Dividend yield (Net) 4.0% Total return 47.5%</p> <p>Rating: NEUTRAL 52-week price range: 11.90-6.40</p>
	<p>AIR NEW ZEALAND Research: 28th May</p> <p>AIR remains a recovery story. Earnings are heavily influenced by international travel demand, fuel prices, exchange rates and aircraft availability. Engine maintenance issues affecting parts of the fleet continue to constrain capacity and profitability. International routes are performing reasonably well, but domestic demand has softened alongside a weaker New Zealand economy. Analysts expect gradual earnings improvement as capacity returns and tourism continues recovering, although margins remain vulnerable to fuel price shocks and global economic uncertainty. The market remains cautious, with investors seeking evidence that profitability can sustainably return to pre-pandemic levels.</p> <p>2026 P/E: (6.9) 2027 P/E: (14.8) 2026 EPS: (6.0) 2027 EPS: (3.0)</p>	<p>NZX Code: AIR Share Price: \$0.44 12mth Target: \$0.55 Projected return (%) Capital gain 25.0% Dividend yield (Net) 0.0% Total return 25.0%</p> <p>Rating: NEUTRAL 52-week price range: 0.63-0.40</p>
	<p>AUCKLAND INTERNATIONAL AIRPORT Research: 28th May</p> <p>AIA offers investors a long-term infrastructure growth story. International passenger numbers continue recovering while strong migration supports domestic demand. Revenue growth is being driven by aeronautical charges, retail spending and property development opportunities around the airport precinct. The airport's major capital expenditure programme is expected to support long-term earnings growth but will continue to pressure debt levels. Analysts generally view AIA as a high-quality asset with significant barriers to entry, although its premium valuation reflects those strengths. Earnings growth is expected to steadily improve as passenger volumes continue normalising.</p> <p>2026 P/E: 44.5 2027 P/E: 44.6 2026 EPS: 19.0 2027 EPS: 19.5</p>	<p>NZX Code: AIA Share Price: \$8.27 12mth Target: \$8.14 Projected return (%) Capital gain -1.6% Dividend yield (Net) 1.7% Total return 0.1%</p> <p>Rating: NEUTRAL 52-week price range: 9.18-7.36</p>
	<p>CONTACT ENERGY Research: 28th May</p> <p>CEN is benefiting from strong wholesale electricity prices, a growing renewable generation portfolio and stable retail customer demand. The company's investment in geothermal generation provides a competitive advantage as New Zealand's electricity market continues transitioning toward renewable energy. Analysts remain positive on long-term earnings growth, supported by increasing electrification of transport and industry. Key risks include hydrology conditions, regulatory intervention and increased competition. CEN remains attractive to income investors given its relatively reliable dividend stream and exposure to long-term electricity demand growth.</p> <p>2026 P/E: 23.7 2027 P/E: 24.0 2026 EPS: 39.4 2027 EPS: 38.9</p>	<p>NZX Code: CEN Share Price: \$9.52 12mth Target: \$10.93 Projected return (%) Capital gain 14.6% Dividend yield (Net) 4.3% Total return 18.9%</p> <p>Rating: OVERWEIGHT 52-week price range: 9.99-8.71</p>
	<p>EBOS GROUP Research: 28th May</p> <p>EBOS continues to be regarded as one of the highest-quality companies on the NZX. Its healthcare and animal care distribution businesses provide defensive earnings and consistent cash flow. Growth is being driven by acquisitions, population ageing and increased healthcare spending across Australia and New Zealand. Analysts value the company's strong management, recurring revenue streams and ability to integrate acquisitions successfully. While growth rates are unlikely to be spectacular, earnings visibility remains high. The stock continues to attract investors seeking stable earnings growth and dependable dividend income.</p> <p>2026 P/E: 13.4 2027 P/E: 12.9 2026 EPS: 119.8 2027 EPS: 124.1</p>	<p>NZX Code: EBO Share Price: \$19.52 12mth Target: \$29.00 Projected return (%) Capital gain 48.6% Dividend yield (Net) 6.2% Total return 54.8%</p> <p>Rating: OVERWEIGHT 52-week price range: 41.98-19.42</p>
	<p>FLETCHER BUILDING Research: 28th May</p> <p>FBU remains highly leveraged to the New Zealand construction cycle. Residential building activity remains weak, while commercial construction has also softened. Management's focus on restructuring, cost reductions and balance sheet improvement is expected to support earnings recovery over the next two years. Analysts believe the worst of the construction downturn may be passing, although recovery is likely to be gradual. Significant upside exists if housing activity rebounds faster than expected, but the company remains exposed to economic weakness, infrastructure delays and ongoing pressure within the building products sector.</p> <p>2026 P/E: 25.5 2027 P/E: 18.0 2026 EPS: 12.2 2027 EPS: 17.3</p>	<p>NZX Code: FBU Share Price: \$3.14 12mth Target: \$4.32 Projected return (%) Capital gain 37.6% Dividend yield (Net) 2.0% Total return 38.6%</p> <p>Rating: OVERWEIGHT 52-week price range: 3.97-2.65</p>

	<p>GENESIS ENERGY Research: 28th May</p> <p>GNE is navigating the transition from thermal generation towards a more renewable-focused portfolio. GNE benefits from a strong retail customer base and relatively stable cash flows. Earnings are heavily influenced by wholesale electricity prices, hydrology conditions and the timing of investments in renewable generation. Analysts view Genesis as a solid income stock, supported by attractive dividend yields. However, future growth prospects are somewhat constrained compared with peers that possess larger renewable development pipelines. Regulatory changes and energy market reforms remain key areas for investor attention.</p> <p>2026 P/E: 22.4 2027 P/E: 23.7 2026 EPS: 9.8 2027 EPS: 9.2</p>	<p>NZX Code: GNE Share Price: \$2.51 12mth Target: \$3.05 Projected return (%) Capital gain: 21.5% Dividend yield (Net): 6.7% Total return: 28.2% Rating: NEUTRAL 52-week price range: 2.56-2.13</p>
	<p>INFRATIL Research: 28th May</p> <p>IFT continues to evolve into a global infrastructure and digital infrastructure investment company. The primary growth driver remains its investment in data centres through CDC, which is benefiting from accelerating demand for artificial intelligence and cloud computing. Renewable energy assets and airport investments also contribute to growth. Analysts generally regard IFT is one of the NZX's highest-quality growth companies due to its exposure to structural global trends. Valuations remain demanding, but investors are willing to pay a premium for its diversified portfolio and strong long-term growth prospects.</p> <p>2026 P/E: n/a 2027 P/E: 84.2 2026 EPS: n/a 2027 EPS: 19.0</p>	<p>NZX Code: IFT Share Price: \$15.76 12mth Target: \$14.97 Projected return (%) Capital gain: 0.3% Dividend yield (Net): 1.3% Total return: 1.6% Rating: OVERWEIGHT 52-week price range: 16.14-10.02</p>
	<p>MERCURY ENERGY Research: 28th May</p> <p>MCY's earnings outlook is supported by its large renewable generation portfolio, including hydro, geothermal and wind assets. MCY continues investing heavily in new renewable generation projects to meet growing electricity demand. Analysts expect earnings growth to accelerate as electrification increases across transport and industrial sectors. Hydrology conditions remain the largest short-term variable affecting profitability. Mercury remains popular with income investors due to its reliable dividends and strong ESG credentials. The long-term outlook remains favourable as New Zealand pursues greater renewable electricity generation and energy security.</p> <p>2026 P/E: 37.4 2027 P/E: 26.6 2026 EPS: 19.0 2027 EPS: 26.7</p>	<p>NZX Code: MCY Share Price: \$6.95 12mth Target: \$7.40 Projected return (%) Capital gain: 6.5% Dividend yield (Net): 3.7% Total return: 10.2% Rating: OVERWEIGHT 52-week price range: 7.16-5.66</p>
	<p>PORT OF TAURANGA Research: 28th May</p> <p>POT remains New Zealand's premier freight gateway and continues to benefit from strong container volumes and export growth. Capacity expansion projects, operational efficiency gains and ongoing trade growth are expected to support earnings. Analysts view the port as a high-quality infrastructure asset with strong market positioning and significant barriers to entry. Long-term growth remains linked to New Zealand's export sector, particularly forestry, dairy and horticulture. FY25 results were solid, with underlying NPAT of ~\$126m and dividends of 16.7cps, reflecting stable cash generation. Expect FY26 Earnings of ~\$135m and dividend of 17.5cps & FY27 Earnings of ~\$142m and a dividend of 18.5cps. Near-term momentum is positive, with FY26 interim profit up 16.6%, supported by volume growth and operational efficiencies. However, growth remains constrained by capacity limits and regulatory delays (Stella Passage consent), while valuation appears full relative to modest earnings growth. Once "Stellar Passage is resolved expect a strong 10-year growth profile.</p> <p>2026 P/E: 36.7 2027 P/E: 31.3 2026 EPS: 22.0 2027 EPS: 26.0</p>	<p>NZX Code: POT Share Price: \$8.13 12mth Target: \$7.97 Projected return (%) Capital gain: -2.0% Dividend yield (Net): 2.6% Total return: 0.6% Rating: NEUTRAL 52-week price range: 8.48-6.60</p>
	<p>SCALES CORPORATION Research: 28th May</p> <p>SCL offers investors diversified exposure to horticulture, global pet food ingredients and logistics. The company's apple business remains heavily dependent on export market conditions and weather patterns, while its pet food ingredients division continues to provide strong earnings growth. Analysts are increasingly attracted to the company's diversification and relatively attractive valuation. Earnings should benefit from improving horticultural conditions and continued expansion of the pet food business. Currency movements, weather events and global consumer demand remain the principal risks.</p> <p>2026 P/E: 15.9 2027 P/E: 14.4 2026 EPS: 38.0 2027 EPS: 42.0</p>	<p>NZX Code: SCL Share Price: \$6.11 12mth Target: \$6.35 Projected return (%) Capital gain: 3.9% Dividend yield (Net): 4.2% Total return: 8.1% Rating: OVERWEIGHT 52-week price range: 6.41-4.40</p>
	<p>SKY CITY ENTERTAINMENT Research: 28th May</p> <p>SKC remains in recovery mode following regulatory challenges, weak consumer spending and elevated debt levels. Management is focused on reducing costs, improving cash flow and restoring profitability. The opening of the New Zealand International Convention Centre is expected to be a major catalyst for future earnings growth once operational. Analysts remain cautiously optimistic but recognise significant risks from regulatory scrutiny, softer consumer spending and ongoing balance sheet pressures. If management executes successfully, the stock offers substantial recovery potential, although risk levels remain higher than many other NZX blue chips.</p> <p>2026 P/E: 38.9 2027 P/E: 21.4 2026 EPS: negative 2027 EPS: 2.5</p>	<p>NZX Code: SKC Share Price: \$0.50 12mth Target: \$0.95 Projected return (%) Capital gain: 90.0% Dividend yield (Net): 0.0% Total return: 90.0% Rating: OVERWEIGHT 52-week price range: 1.06-0.495</p>

	<p>TOURISM HOLDINGS</p> <p>THL is highly leveraged to international tourism recovery and global travel trends. Demand for recreational vehicle rentals has improved steadily across its major markets, including New Zealand, Australia and North America. Analysts expect earnings growth to accelerate as international visitor numbers continue recovering and fleet utilisation improves. The company also benefits from strong operational leverage, meaning revenue growth can translate into significant earnings gains. Risks include fuel prices, economic slowdowns in key tourism markets and fluctuations in visitor arrivals. Most analysts view THL as one of the more attractive cyclical recovery opportunities on the NZX.</p> <p>2026 P/E: 10.2 2027 P/E: 6.9 2026 EPS: 21.0 2027 EPS: 32.0</p>	<p>Research: 28th May</p>	<p>NZX Code: THL Share Price: \$2.65 12mth Target: \$3.20 Projected return (%) Capital gain: 20.8% Dividend yield (Net): 5.0% Total return: 25.8% Rating: OVERWEIGHT 52-week price range: 2.92-1.28</p>

NEW ZEALAND EQUITIES WATCH LIST

AS AT 31ST MAY 2026

NEW ZEALAND EQUITY WATCH LIST as at 31-May-2026		Rating	31-May-26 Price	30-Apr-26 Price	31-May-25 Price	Monthly Change	Annual Change	12-month Target
AIA	Auckland International Airport	N	\$8.27	\$8.25	\$7.72	0.2%	7.2%	8.14
ATM	A2 Milk Company	N	\$6.55	\$8.67	\$8.90	(24.5%)	(26.4%)	9.40
CEN	Contact Energy	O	\$9.64	\$9.50	\$9.09	1.5%	6.1%	10.93
CHI	Channel Infrastructure	N	\$3.16	\$3.04	\$2.08	3.9%	51.9%	3.10
CNU	Chorus	U	\$9.75	\$9.73	\$8.10	0.2%	20.4%	8.51
EBO	Ebos Group	O	\$19.52	\$21.28	\$38.40	(8.3%)	(49.2%)	32.00
FBU	Fletcher Building	N	\$3.14	\$2.79	\$3.14	12.5%	0.0%	3.43
FPH	Fisher & Paykel Healthcare	N	\$37.29	\$36.55	\$36.63	2.0%	1.8%	39.30
FRW	Freightways	N	\$13.59	\$12.65	\$10.95	7.4%	24.1%	15.20
HGH	Heartland Group	N	\$1.14	\$1.13	\$0.80	0.9%	42.5%	1.15
IFT	Infratil	O	\$15.76	\$12.47	\$11.27	26.4%	39.8%	15.80
MCY	Mercury	O	\$6.95	\$6.70	\$6.10	3.7%	13.9%	7.40
MEL	Meridian Energy	O	\$5.87	\$5.68	\$5.70	3.3%	3.0%	6.51
MFT	Mainfreight	O	\$64.75	\$59.00	\$67.00	9.7%	(3.4%)	72.00
NZX	NZX	O	\$1.38	\$1.40	\$1.57	(1.4%)	(12.1%)	1.83
OCA	Oceania Healthcare	N	\$0.77	\$0.75	\$0.64	3.4%	20.3%	0.84
POT	Port of Tauranga	N	\$8.13	\$8.30	\$6.63	(2.0%)	22.6%	7.97
RYM	Ryman Healthcare	N	\$2.26	\$2.12	\$2.44	6.6%	(7.4%)	2.94
SCL	Scales Corporation	O	\$6.11	\$6.07	\$4.45	0.7%	37.3%	6.15
SKC	Sky City Entertainment Group	O	\$0.50	\$0.64	\$0.95	(21.9%)	(47.4%)	0.95
SKL	Skellerup	O	\$6.15	\$5.87	\$4.60	4.8%	33.7%	5.90
SPK	Spark	O	\$1.96	\$2.08	\$2.26	(5.8%)	(13.3%)	2.82
SUM	Summerset Group Holdings	N	\$8.02	\$8.16	\$11.20	(1.7%)	(28.4%)	11.96
THL	Tourism Holdings	B	\$2.65	\$2.07	\$1.44	28.0%	84.0%	3.20
VCT	Vector	N	\$5.04	\$4.85	\$4.10	3.9%	22.9%	4.79

COMPARISON OF NZX50 INDEX v ASX200 (1-year)



AUSTRALIAN EQUITIES WATCH LIST

AS AT 30TH MAY 2026

AUSTRALIAN EQUITY WATCH LIST as at 30-May-2026		Rating	30-May-26 Price (A\$)	30-Apr-26 Price (A\$)	30-May-25 Price (A\$)	Monthly % Change	Annual % Change	12-month Target (A\$)
ALL.AX	Aristocrat Leisure	B	50.38	47.28	62.20	6.6%	(19.0%)	78.00
ALQ.AX	ALS	O	23.42	21.28	16.07	10.1%	45.7%	18.50
ANZ.AX	ANZ Banking Group	N	34.96	36.65	28.98	(4.6%)	20.6%	31.50
BHP.AX	BHP Billiton*	O	62.72	53.72	37.78	16.8%	66.0%	51.00
CBA.AX	Commonwealth Bank of Australia	S	163.17	173.66	176.42	(6.0%)	(7.5%)	142.00
CSL.AX	CSL	O	95.60	124.37	247.80	(23.1%)	(61.4%)	283.00
CWY.AX	Cleanaway Waste Management	O	2.25	2.22	2.76	1.4%	(18.5%)	3.10
IGO.AX	IGO	N	9.78	7.43	3.71	31.6%	163.6%	5.60
JHX.AX	James Hardie Industries	O	32.33	29.10	35.94	11.1%	(10.0%)	37.17
MQG.AX	Macquarie Group*	O	238.82	235.08	205.54	1.6%	16.2%	235.00
NAB.AX	National Australia Bank	N	37.35	39.88	37.74	(6.3%)	(1.0%)	38.00
NXT.AX	NEXTDC*	O	15.69	14.24	12.86	10.2%	22.0%	21.00
QBE.AX	QBE Insurance Group	O	22.22	22.34	23.46	(0.5%)	(5.3%)	23.00
RHC.AX	Ramsay Health Care	O	35.97	38.98	37.80	(7.7%)	(4.8%)	44.00
RIO.AX	Rio Tinto*	N	188.28	167.4	110.75	12.5%	70.0%	153.55
RMD.AX	Resmed	O	26.53	29.78	37.70	(10.9%)	(29.6%)	45.10
S32.AX	South32*	O	4.77	4.03	2.94	18.4%	62.2%	5.10
SEK.AX	Seek	B	12.37	13.84	24.21	(10.6%)	(48.9%)	28.00
TCL.AX	Transurban Group	N	14.75	14.00	14.26	5.4%	3.4%	15.00
TLS.AX	Telstra Group	O	5.07	5.32	4.82	(4.7%)	5.2%	4.80
WDS.AX	Woodside Energy	O	30.52	33.55	22.00	(9.0%)	38.7%	28.00
WES.AX	Wesfarmers	N	80.10	72.92	83.41	9.8%	(4.0%)	77.00
WOR.AX	Worley*	O	12.94	11.82	12.90	9.5%	0.3%	16.77
WOW.AX	Woolworths	O	34.54	34.39	32.10	0.4%	7.6%	38.00
XRO.AX	Xero	B	81.26	80.04	186.97	1.5%	(56.5%)	150.00

Note: Prices shown in local currency

*Target price reflects consensus

Source: Thomson Reuters

NEW ZEALAND EQUITY STRATEGY - post Budget

Halfway through 2026, New Zealand equity strategists are broadly united on one point: **the domestic economy is weaker than expected, but equity markets are looking through the current softness toward a 2027 recovery.** The surprise has been that the expected post-recession rebound has been delayed by the Iran-driven oil shock, higher inflation, and the Reserve Bank's pause on further easing. Treasury has cut growth forecasts materially and inflation is back around 4%, while unemployment remains elevated.

What Strategists Are Saying

1. ECONOMIC RECOVERY DELAYED, NOT CANCELLED

Most strategists at major NZ brokers such as Craigs, Forsyth Barr and Jarden appear to believe the recovery has been pushed out rather than derailed. The key view is that lower interest rates, recovering consumer confidence, and improving business investment will eventually feed through to earnings, but more slowly than expected.

2. FISCAL DISCIPLINE MATTERS

The Budget has reinforced the view that the Government is prioritising fiscal credibility over election-year stimulus. Strategists generally see this as positive for long-term bond yields and sovereign credit ratings, even if it means slower short-term growth.

3. NZ EQUITIES STILL CHEAP

Compared with Australia and the US, many NZ stocks continue to trade on relatively modest earnings multiples. Several strategists have noted that substantial household money remains in term deposits and could gradually rotate into equities as interest rates fall.

OVERWEIGHT

INFRASTRUCTURE AND UTILITIES

- Infratil
- Mercury
- Contact
- Auckland International Airport

These offer defensive earnings, inflation-linked revenue and exposure to long-term growth themes such as data centres and electrification.

QUALITY DEFENSIVES

- EBOS
- Skellerup

Strong balance sheets, dependable cashflows and relatively resilient earnings.

Election Implications

Most strategists are not positioning portfolios around a specific election result. Instead, they are focusing on companies that benefit under either government.

- A National-led government is viewed as more supportive of infrastructure, fast-track consenting, energy investment and business confidence.
- A Labour-Green coalition could favour healthcare, social housing and renewable energy, but may create more regulatory uncertainty for some sectors.

The dominant investment theme is therefore **"quality and resilience now, recovery exposure later."** Most NZ equity strategists are holding a barbell portfolio: defensive cash-generating companies such as EBOS, Freightways and utilities on one side, and recovery plays such as Summerset, Fletcher Building and tourism-related stocks on the other, waiting for economic growth to strengthen in 2027.

AUSTRALIAN EQUITY STRATEGY - post their Budget

Australian equity strategists are becoming increasingly cautious on the domestic economy and sharemarket, warning that recent Federal Budget tax changes could trigger a long-feared slowdown in the housing market. Combined with high oil prices and ongoing Reserve Bank interest rate hikes, UBS believes Australia now faces a "three-pronged attack" on growth and investor confidence.

The key concern is that if house prices stop rising, or begin falling, the negative "wealth effect" could sharply reduce consumer spending and pressure bank earnings. Australia has largely avoided a major housing downturn for decades, but analysts note that during previous periods of flat or falling house prices,

bank shares significantly underperformed the broader market.

As a result, they are underweight sectors most exposed to a housing slowdown, including banks, consumer discretionary and real estate stocks. Instead, they favour mining, healthcare and industrial companies, which are seen as more insulated from domestic economic weakness.

Preferred stocks include **BHP, Santos** (Resource stocks) **and ALS** (Mining) to its preferred stock list, arguing that global supply constraints continue to support resources and energy companies.

They also add **Aristocrat, Car Group and Telix** as 'best of breed' names which could provide relative defensiveness.

AUSTRALIAN EQUITY SECTOR RECOMMENDATIONS

Overweight	Neutral	Underweight
Healthcare	Consumer Staples	Banks
Industrials	Energy	Consumer Discretionary
Mining	Infrastructure / Utilities	Real Estate
	Insurance	
	Small Caps	
	Technonolgy, Media, Telecom	

GLOBAL EQUITIES ARE OVERVALUED NZ SUPER FUND'S STRATEGIC VIEW

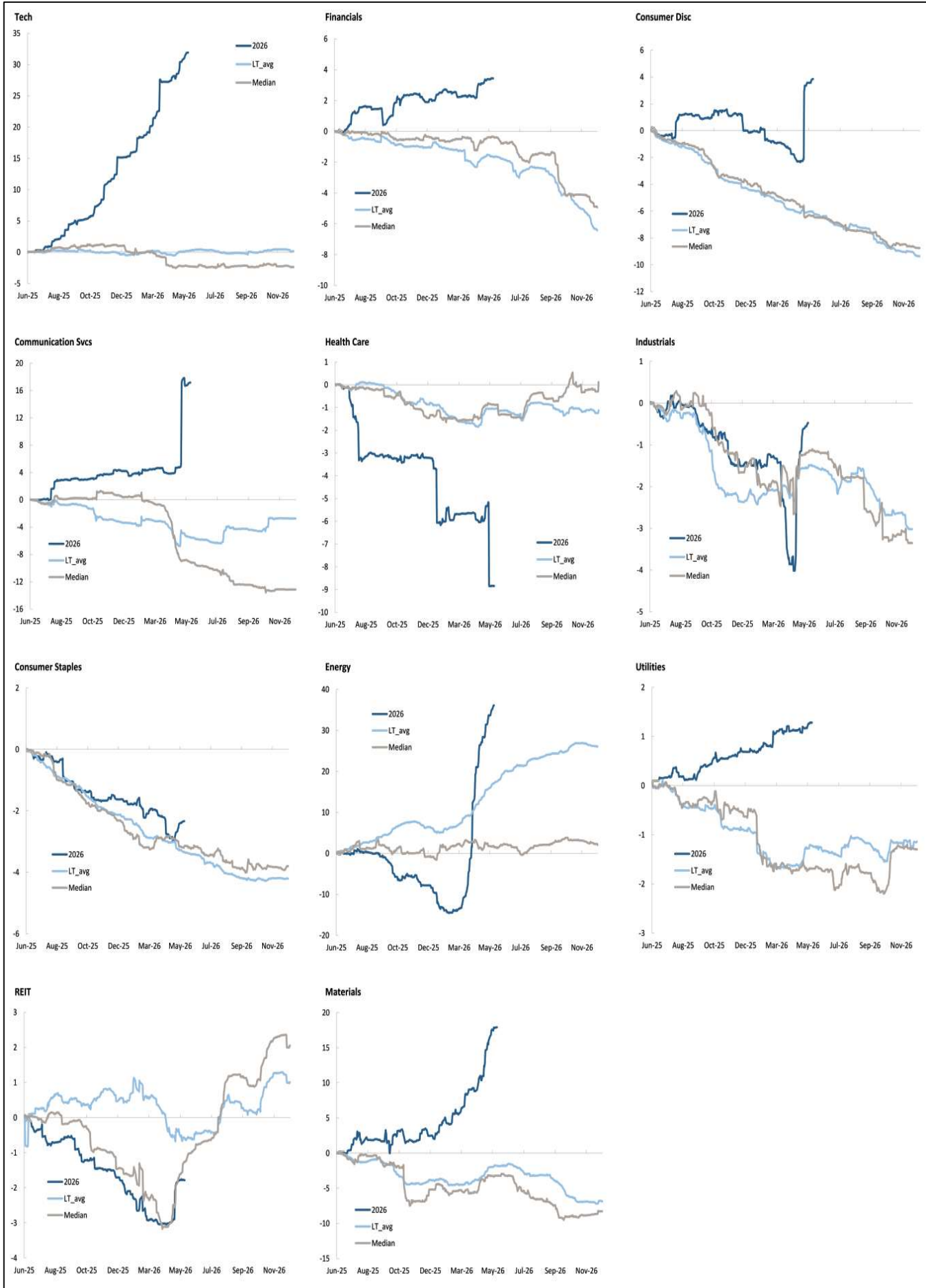
1. NZ Super Fund issues a valuation warning:
 - The Guardians believe global equities are now overvalued .
 - Co-chief investment officer Brad Dunstan says asset prices have surged across multiple classes and will eventually revert to fair value .
 - A market rebalancing is expected at some point .
2. Past returns have been exceptional — and unlikely to repeat:
 - The fund has been one of the best-performing sovereign wealth funds globally over the past 20 years .
 - It delivered 9.93% average annual returns over 20 years, well above global sovereign wealth and pension fund averages .
 - Dunstan cautions that this success was supported by strong market conditions that are unlikely to recur .
3. Equity markets (especially the US) have driven performance:
 - A large share of returns came from the outperformance of global equities, particularly in the United States .
 - Major indices have surged:
 - Dow Jones **up 15%**
 - S&P 500 **up 24%**
 - Nasdaq **up 36%** over the past year .
4. AI boom is inflating valuations:
 - Tech giants and AI-driven stocks are responsible for much of the market's rise.
 - **Nvidia** alone is now worth nearly US\$5.5 trillion, **up 1400%** in five years .
 - Alphabet, Amazon, Meta, and Microsoft plan to spend US\$700b on AI infrastructure in 2026, nearly double 2025 levels .
 - Some observers question whether this represents an AI bubble .
5. Higher prices mean lower future returns:
 - Dunstan warns that higher asset prices reduce future return expectations, especially long-term .
 - Inflation is also likely to weigh on equity returns in the near term .
6. Risk management is now critical
 - The Guardians say risk and liquidity management are “more important than ever” in the current environment .
 - They will continue seeking opportunities to add value but expect lower absolute returns compared with recent years

NOTE: The 6 largest TECH+ companies are expected to outgrow the rest of the market as a group (EPS growth 63.4% vs. 18.1%), though forecasts vary for each company

BIG 6 TECH+ EARNINGS GROWTH (EXPECTED VS. ACTUAL, YOY)

Code	Stock	1Q26 Estimate	1Q26 Actual	S&P 500 EPS Growth YoY	
ANZN	Amazon	6.6%	81.1%	TECH+	61.3%
META	Meta Platforms	5.5%	62.2%	Financials	24.7%
MSFT	Microsoft	17.3%	23.3%	Non-Cyclicals	1.8%
GOOGL	Google	7.2%	80.8%	Cyclicals ex-Energy	16.2%
AAPL	Apple	15.5%	19.1%	Energy	0.0%
NVDA	Nvidia	115.4%	129.1%		

US S&P500 SECTOR 2026 EARNINGS PER SHARE REVISION PATH V HISTORY



2026 LONG TERM AVERAGE MEDIAN

NOTE: The significance of these graphs are the huge lifts in 2026 Earnings per Share from many of the sectors in the S&P500

INVESTMENT TRUST WATCH LIST

AS AT 29TH MAY 2026

INVESTMENT TRUST WATCH LIST as at 29th May 2026		29-May-26 Price £	30-Apr-26 Price £	30-May-25 Price £	Month % Change	Annual % Change	Ticker		29-May-26 Price £	30-Apr-26 Price £	30-May-25 Price £	Month % Change	Annual % Change
ATR.L	Schroder Asian Total Return	7.08	5.60	4.60	26.4%	53.9%	JEGI.L	JPM European Inv. Trust	1.45	1.29	1.11	12.4%	30.6%
BGFD.L	Baillie Gifford Japan Trust	9.93	8.38	7.67	18.5%	29.5%	JFJ.L	JPMorgan Japanese	8.03	7.03	6.24	14.2%	28.7%
BNKR.L	Bankers Invest. Trust	1.50	1.28	1.15	17.2%	30.4%	JGGI.L	JPM Global Growth	5.98	5.42	5.89	10.3%	1.5%
BRWM.L	Blackrock World Mining	10.04	8.81	4.90	14.0%	104.9%	MWY.L	Mid Wynd International	7.46	7.18	8.20	3.9%	(9.0%)
CTY.L	City of London Investment Trust	5.63	5.38	4.78	4.6%	17.8%	MNKS.L	Monks ITC	16.42	14.04	11.98	17.0%	37.1%
IAD.L	Asia Dragon Trust	4.93	4.15	3.38	18.8%	45.9%	NAIT.L	Nth American Inc. Trust	4.03	3.76	3.64	7.2%	10.7%
ESCT.L	Euro Small Comp. Trust	2.44	2.01	1.95	21.4%	25.1%	PCT.L	Polar Cap Tech	7.12	6.03	3.45	18.1%	106.4%
FCIT.L	F&C Investment Trust*	3.39	3.01	2.75	12.6%	23.3%	RCP.L	RIT Capital Partners	22.9	21.00	18.76	9.0%	22.1%
GSCT.L	Global Smaller Companies Trust	1.90	1.75	1.64	8.6%	15.9%	SDP.L	Schroder Asia Pacific	8.47	6.61	5.28	28.1%	60.4%
HVPE.L	HarbourVest Global Private Eq.	34.50	30.20	24.20	14.2%	42.6%	SMT.L	Scottish Mortgage Trust	15.22	11.91	9.93	27.8%	53.3%
JAML	JPM American	12.18	10.68	11.72	14.0%	3.9%	TEML	Templeton Emerg.	3.32	2.45	1.67	35.5%	98.8%
JEDT.L	JPMorgan Eur Discovery Trust	5.61	5.75	4.52	(2.4%)	24.1%	WWH.L	Worldwide Health	3.53	3.34	2.96	5.7%	19.3%

GLOBAL EQUITIES WATCH LIST

AS AT 29TH MAY 2026

GLOBAL EQUITY WATCH LIST as at 29-May-2026		29-May-26 Price	30-Apr-26 Price	28-Apr-25 Price	Monthly % Change	Annual % Change	12-month Target
80700.HK	Tencent Holdings	370.80	409.00	440.40	(9.3%)	(15.8%)	743.90
AAPL	Apple	312.06	271.35	181.46	15.0%	72.0%	285.14
AMZN	Amazon	270.64	265.06	175.26	2.1%	54.4%	293.18
APH	Amphenol	148.76	147.27	60.90	1.0%	144.3%	163.89
APO	Apollo Global Management	128.71	128.72	112.36	(0.0%)	14.6%	165.07
ASML	ASML	1612.8	1438.99	573.80	12.1%	181.1%	1266.29
AXP	American Express	316.47	323.05	234.28	(2.0%)	35.1%	374.53
BRK-B	Berkshire Hathaway	474.48	473.60	490.38	0.2%	(3.2%)	537.00
CBOE	CBOE	333.56	300.09	207.27	11.2%	60.9%	278.45
COP	ConocoPhillips	113.98	125.78	85.67	(9.4%)	33.0%	113.12
GOOGL	Alphabet	380.34	384.80	146.75	(1.2%)	159.2%	328.17
IBE.MC	Iberdrola	19.50	19.95	14.43	(2.3%)	35.1%	18.17
JPM	JPMorgan	299.31	313.23	214.44	(4.4%)	39.6%	337.83
LLY	Eli Lilly	1105.00	934.60	723.73	18.2%	52.7%	1137.93
LULU	Lululemon	131.18	137.70	265.00	(4.7%)	(50.5%)	221.45
MA	MasterCard	493.98	502.92	485.52	(1.8%)	1.7%	655.89
MC.PA	LVMH Moet Hennessy	473.05	451.40	519.80	4.8%	(9.0%)	645.92
MSFT	Microsoft	450.24	407.78	357.86	10.4%	25.8%	600.84
NVDA	NVIDIA	211.14	199.57	97.64	5.8%	116.2%	254.21
OR	L'oreal Royalties	37.01	36.91	143.60	0.3%	(74.2%)	395.63
ORCL	Oracle	225.78	161.39	127.16	39.9%	77.6%	289.60
SU.PA	Schneider Electric	269.95	268.60	192.34	0.5%	40.4%	274.30
TSLA	Tesla	435.79	381.63	233.29	14.2%	86.8%	392.05
UNH	United Health	380.31	370.48	524.70	2.7%	(27.5%)	375.27
WMT	Walmart	115.75	131.93	83.83	(12.3%)	38.1%	122.39

Source: Thomson Reuters

Target Prices reflect consensus

FIXED INTEREST BONDS

AS AT 31ST MAY 2026

Ticker	SECURITY	Credit Rating	Coupon Rate	30-May-26 Yield %	30-Apr-26 Yield %	Monthly Change	Maturity
AIA240	Auckland Airport	A-	3.29%	2.98%	3.15%	5.4%	17-Nov-26
TRP100	Transpower NZ	AA	4.63%	3.67%	3.73%	1.6%	16-Sept-27
CNU030	Chorus Limited	BBB	1.98%	4.04%	4.15%	2.7%	2-Dec-27
IFT310	Infratil	Not rated	3.60%	5.60%	5.68%	1.4%	15-Dec-27
ANB180	ANZ Bank New Zealand	AA-	5.22%	3.88%	3.97%	2.3%	16-Feb-28
FBI220	Fletcher Building Industries	Not rated	6.50%	6.32%	6.30%	(0.3%)	15-Mar-28
KPG050	Kiwi Property Group	BBB+	2.85%	4.40%	4.78%	7.9%	19-Jul-28
SBS020	Southland Building Society	BBB+	6.14%	4.43%	4.45%	0.4%	7-Mar-29
FCG060	Fonterra Co-Operative	A-	4.60%	4.39%	4.42%	0.7%	8-Nov-29
SUM050	Summerset Group Holdings	Not rated	6.43%	5.29%	5.40%	2.0%	8-Mar-30
MEL070	Meridian Energy	BBB+	3.73%	4.45%	4.66%	4.5%	23-Mar-30
LGF170	NZ Local Govt Funding Agency	AAA	3.74%	4.08%	4.45%	8.3%	15-May-30
LGF140	NZ Local Govt Funding Agency	AAA	4.50%	4.24%	4.74%	10.5%	15-May-31
SPF600	Spark Finance	A-	5.45%	4.72%	4.23%	(11.6%)	18-Sept-31
HYBRID	HYBRID SECURITY	Credit Rating	Coupon Rate	Price/Yield	Price/Yield	Monthly Change	Reset
ANB170	ANZ Bank Subordinated Notes	A	3.00%	4.17%	4.23%	1.4%	17-Sept-26
IFTHA	Infratil Perpetual Infrastructure Bond	Not rated	5.51%	\$67.00	\$67.90	1.3%	1-yr swap rate
KWB1T2	Kiwibank Subordinated Notes	BBB	2.36%	\$1.03	\$99.91	99.0%	12-May-28
VCT110	Vector Perpetual Capital Bonds	BB+	6.40%	5.44%	5.60%	2.9%	15-Jun-27
WNZHA	Westpac Perpetual Preference Shares	BBB+	7.10%	\$1.03	\$1.03	0.0%	-

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