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VERSUS

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INVESTMENT STRATEGIES

We have moved a long way away from President John F Kennedy's January 1961 inauguration speech: "Ask not what your country can do for you – ask what you can do for your country." The new US president is (as also is Jacinda Ardern) encouraging Americans to do what is best for the greater good but six decades later we are clearly in the age of entitlement, an age when individuals and organisations put themselves first.

2022 has got off to a rough start. In New Zealand, Omicron has arrived. The impact on most of our lives is likely to be relatively muted. The rough 2022 start has seen the share prices of many high growth, richly priced companies tumble as long-term interest rates have ground higher. More pedestrian companies have fared better. Hence, while technology stocks, many of which benefited from the "working from home" thematic, are down over 10% so far this year, equity markets remain volatile. Other new age investments like Bitcoin have also started the year weaker, falling nearly 20% at one stage, year to date, although the extreme volatility of Bitcoin renders prices at a point in time somewhat meaningless.

In the near-term, disruptions to economic activity will likely continue, not so much from government-imposed mobility restrictions, but from the surge in Omicron-related work seeing a high number of people infected and/or isolating.

However, although Omicron is highly transmissible, infection periods are relatively quick compared to the Delta variant. Therefore, combined with its less severe effects, it may be a speed bump rather than a major roadblock to the global economic recovery.

Clogged supply chains has also been a blight on the global economy, and NZ sitting at the bottom of the world, has been badly impacted. Hopefully, this will abate this year.

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STATISTICS NZ DATA

Estimated population at 16-Feb-22	**5,165,930**
Fertility Rate (births per woman)	**1.61**
Births 31-Dec year	**57,357**
Deaths 31-Dec year	**32,613**
Natural Increases (Births minus Deaths) Dec year	**24,960**
Net Migration Dec-21 year (45,900 in; 49,800 out)	**-3,900**
Annual GDP Growth Sep-21 year (-3.7% Sep-21 qtr)	**4.9%**
GDP per Capita Sep-21 year	**-3.7%**
Inflation Rate (CPI) Sep-21 year (↑ 2.2% in Sep qtr)	**4.9%**
Minimum wage from 1-Apr-22 (+$48/week)	**$21.20**
Annual Wage Inflation Dec-21 Year	**3.8%**
Wages average per hour Dec-21 qtr (↑2.8% yoy)	**$35.61**
Average FTE weekly earnings at Sep-21	**$1,367.00**
Employment rate Sep-21 qtr (up from 67.7%)	**68.8%**
Unemployment Dec-21 year (↓ 0.1% yoy)	**3.3%**
Underutilisation rate Sep-21 qtr	**9.2%**
Beneficiaries (Job seeker/Solo/Supported living) **(8.9% of working-age population)**	**368,172**
Size of Māori Economy 2020 (2013: $42 bn)	**$70 bn**
Size of NZ Economy Dec-21 year	**$343.5 bn**

Ardern and Police have lost control of Wellington Protest

The Wellington Protest is now "out of control", and Police will require this Labour Government to introduce emergency powers, if this protest is to finish any time soon.

Canada has just instigated this, including making it illegal to take children to participate in any protest.

The New Zealand public attitude is shifting towards agreement with the protesters demand to "end the mandate" – with a 95+% vaccination rate achieved nationwide, the need for mandates has passed.

Ardern is failing to read public opinion on this and many other covid-related decision making. Ardern has ruled by FEAR, and New Zealanders are now over it.

It is no use criticising past pandemic mistakes. We need to more forward, and recognise that the likes of MIQ has passed its use-by date. We need to ensure that all New Zealanders take personal responsibility, now that we have moved to the "Omicron" phase of this pandemic.

Labour has also wasted so much money on its "spray and walk away" Covid Fund allocations. They continue to use this crisis as a way to move forward their ideology that "mother knows best", and that all decision-making should be Wellington centric.

And don't forget the likes of He Puapua, where Labour is encouraging Māori to drive towards sovereign self-determination. This is just one more example of Labour encouraging an increasingly devisive country. This risks democracy, and suits Jacinda Ardern's Cummunist leanings.

This protest in Wellington (and now spreading into provincial New Zealand too) is just a signal that devisiveness is rampant; and this country now risks moving into anarchy.

Only the Labour Government can now de-escalate this growing protest. Police incopetency, through poor initial decision making by a "woke" Police Commissioner, has lost the opportunity to get on top of this demonstration peacefully. From here, it will require Ardern to step up – but I believe that she has lost the courage to govern for all New Zealanders.

ALL COMMENTS REGARDING LOCAL GOVERNMENT ARE MY PERSONAL VIEWS, AND DO NOT PURPORT TO REPRESENT THE VIEWS OF OUR REGIONAL COUNCIL – OF WHICH I AM AN ELECTED REPRESENTATIVE.

WHEN WILL WAKA KOTAHI (NZTA) BE HELD TO ACCOUNT?

Locally, we worry about the continually delayed completion of the Bayfair to Baypark Link. Not only has the cost blown from $120 million to $262 million, but what should have been completed in 2019 is now scheduled (if we believe them) for completion in 2023.

If you think that was bad you should look at Wellington's $125 billion Transmission Gully (up from the original estimate of $850 million. This project started construction in September 2014, with an expected completion date of April 2020. Yes, we did have the Kaikōura earthquake in 2016, but we are now in 2022 and still no official opening date has been committed to. It has already missed 4 revised deadlines for opening.

These are just two projects where no-one seems to want to take responsibility for the massive financial and completion time blowouts. At the end of the day the Minister of Transport is the person required to hold Waka Kotahi and the contractor to account. This is systemic failure, and the buck stops squarely on Central Government (Labour).

Waka Kotahi seem to prefer to deflect attention to road safety issues (and especially lowering the speed limit), and yet even there they are failing abysmally.

Across the public sector, from mental health to debt management, the same agencies that deliver policy also evaluate it. Consequently, their evaluations inevitably seem to recommend – a few small changes.

It's rare to see an admission that a delivery model is failing; rare to see individuals publicly take ownership of a policy failure.

State sector control agencies (Treasury, the Public Service Commission, and the Department of Prime Minister and Cabinet) no longer seem to provide cross agency leadership and evaluation. Instead, they appear to performance manage themselves on ideological compliance.

We need to rethink the public sector, and insist that it gets much better at delivery. The buck stops with Minister Wood and his leader, Jacinda Ardern.

WHY TAURANGA ISN'T ALLOWED SMALLER BUSES – ANSWER: GOVERNMENT POLICY

The Public Transport Operating Model (PTOM) was introduced by government in April 2012. PTOM is a combination of planning, funding, procurement and contracting tools, which are designed to support local government authorities with delegated responsibility for public transport; and public transport operators to build stronger collaborative relationships to grow patronage with less reliance on public subsidy.

The problem is that the Labour Government changed the rules around what size buses that were prepared to help fund. They wanted to build consistency into the procurement of bus system. Unfortunately, ideology once again got in the way, and what looked like a good idea on paper ended up constraining sensible purchasing decisions. Labour Ministers wanted a consistent bus size throughout the country, to facilitate new contracts when old ones needed renewing.

The result, however means that BOP Regional Council is forced to retain 55 seater buses – despite knowing that electrified buses are twice the weight of the equivalent diesel bus, so aren't appropriate for many of our suburbs.

And yet these same Labour Ministers have signed of an insistence that we only have new buses being zero carbon by 2025, and all buses replaced with EV equivalents by 2035.

I chair our Regional Council Public Transport Committee, and would like to order (say) 20 new 20 to 30 seater EV buses, as we head towards the 2025 requirement. The problem is that you need lead time to schedule the building of these new buses, and yet Labour are dragging the chain on whether they will allow the legislation to accommodate this.

In the meantime we have empty 55 seater buses running around our city, emitting carbon.

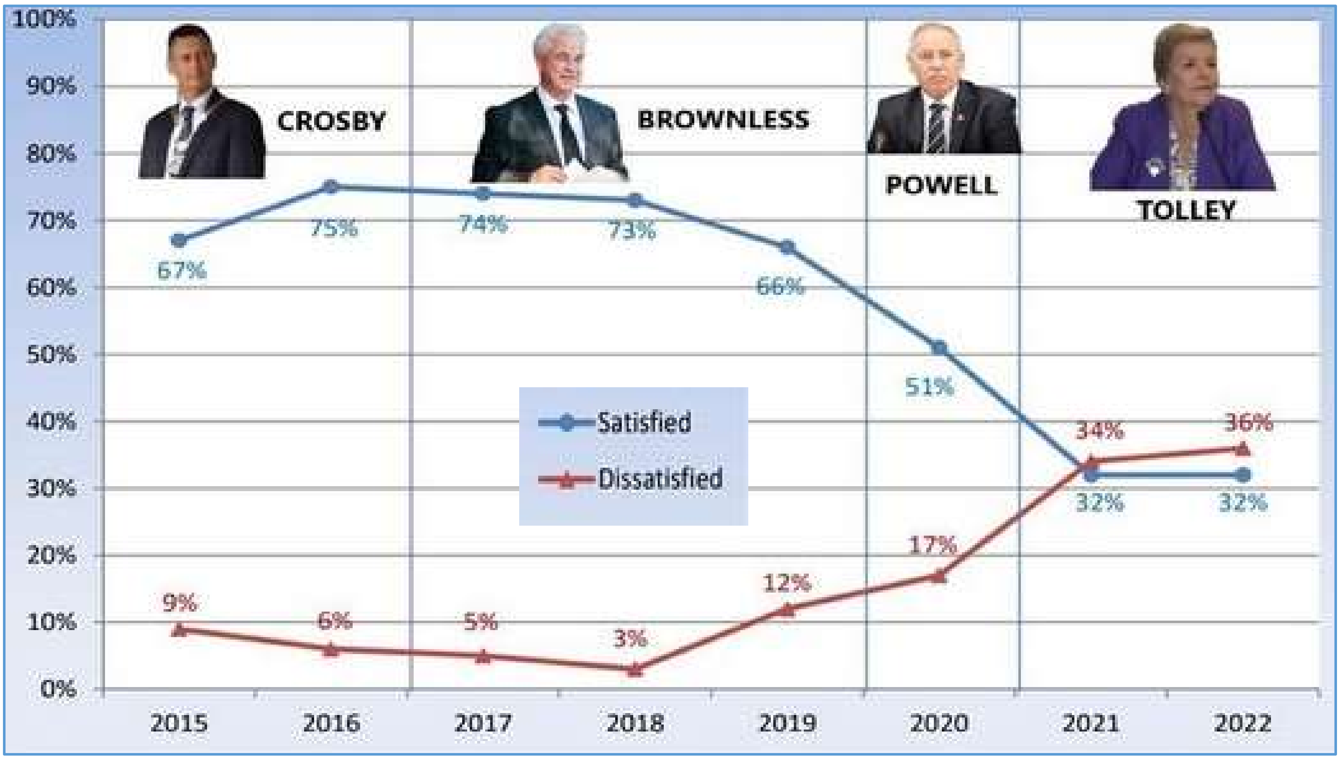
SOURCE: Tauranga City Council/Key Research Annual Residents Survey, June 2021

Overall, 2020/21 was a very challenging year for Tauranga City Council. With the Commissioners officially replacing the last Council at the beginning of the year, the residents, having already lost a lot of trust in the leadership, and the new Commissioners have struggled to restore trust.

Key Research data recorded a significant decrease in overall satisfaction with the Council (-17%) and more decrease in perception of image and reputation (-18%).

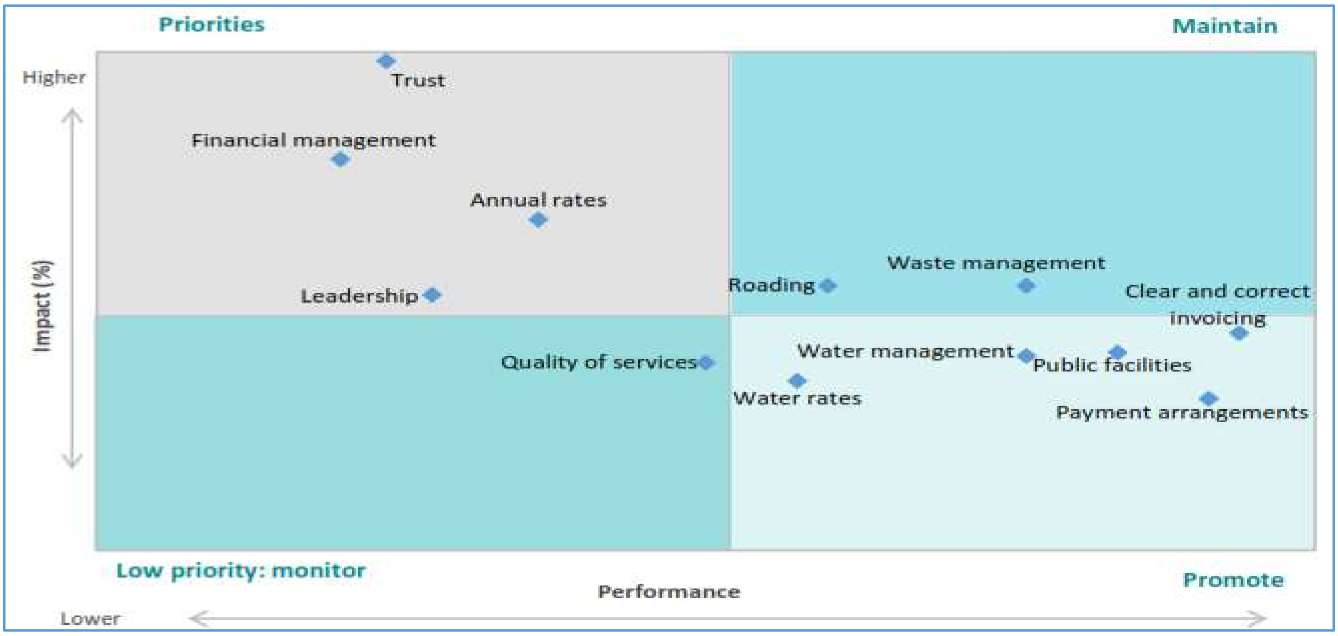
However, through the analysis of the responses to the open-ended questions, the majority of the respondents, while criticising the Council, were referring to the previous Councillors that have now been replaced.

This survey puts some historical context as to what the City Commissioners faced upon arrival. The 2022 Survey will give a better picture as to the perceived performance of the current Commissioners.



TAURANGA CITY COUNCIL SATISFACTION

OPPORTUNITIES & PRIORITIES



OUR POLITICAL CLIMATE

LATEST POLITICAL POLLS

Curia February 2022 Poll		
	Vote	Change*
Labour	42.3%	1.1%
National	38.4%	5.4%
ACT	6.6%	(4.9%)
Green	6.3%	(4.4%)
Maori	1.0%	0.5%
NZ First	1.5%	0.6%
Other	3.8%	1.5%
* Change from January 2022		

There have been 4 major *Political Opinion Polls released in February, and while there is no consensus, it is obvious* that there is a definite swing to the right.

This indicates that it is likely to be "all on" for a closely contested 2023 election.

NEWSHUB - REID RESEARCH POLL - February 2022					
	Vote		Change*	Seats	Change**
Labour	44.3%	↑	1.6%	56	(9)
National	31.3%	↑	4.4%	39	6
Act	8.0%	↓	(8.0%)	10	nc
Green	9.6%	↑	2.4%	12	2
māori	2.0%	↓	(0.1%)	3	1
NZ First	1.8%	↓	(0.7%)	0	nc
* Change from November		** Change since election			

Despite Omicron arriving at our shores and a strong current of anger and frustration over MIQ, the Government is still somehow riding its pandemic popularity wave.

Support for Labour has increased in the latest Newshub-Reid Research poll. And there's bad news for David Seymour. ACT has absolutely tanked with the arrival of Christopher Luxon, a National leader that people actually seem to like. While ACT will be licking its Luxon-inflicted wounds, the Omicron omni-shambles doesn't seem to have hit the Government where it hurts.

What the polls don't pick up, but focus groups do, is the intensity of the mistrust in Labour's spin doctoring.

Recent polls are only now just taking into account the full impact of the DJ Dimension scandal, the Government not taking Omicron seriously and going on holiday, revelations DHBs have only 108 ICU beds for Covid, the debacle over rapid antigen tests, the Soundsplash outbreak, the worst inflation since 1990, and the shameful discovery that 65 pregnant New Zealand citizens have been refused entry to give birth back home.

ROY MORGAN JANUARY 2022 POLL				
	Vote	Change	Seats	Change**
Labour	33.0%	-2.5%	42	-23
National	35.0%	3.5%	45	12
Green	10.5%	2.0%	13	3
Act	13.5%	-5.0%	17	7
Maori	2.5%	1.5%	3	1
NZ First	2.5%	0.5%	-	-
* Change from December		** Change since election		

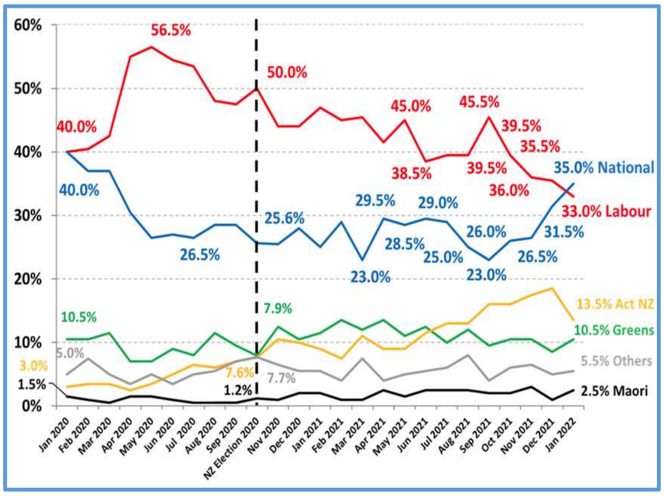
The January Roy Morgan Poll was released on 7th February, and shows support for National overtaking Labour for the first time since 2019.

Support for a potential National/Act NZ coalition government is now at 48.5% and clearly ahead of the current Labour/Greens government of Prime Minister Jacinda Ardern on 43.5%.

Although support for National increased for a fourth straight month the increase in January came at the expense of fellow right-leaning party Act NZ for which support fell 5% points to 13.5% to its lowest since August 2021. Support for the Māori Party increased 1.5% points to 2.5%.

In contrast, support for New Zealand's Labour/Greens 'coalition' government was down 0.5% points to 43.5% in January – the fourth straight month of declines for the government. Labour support dropped 2.5% points to only 33% to the lowest since Prime Minister Jacinda Ardern took office in late 2017 while support for the Greens increased 2% points to 10.5%.

ROY MORGAN POLLS – NZ PARTY VOTE 2020 TO 2022



ONE NEWS/KANTAR POLL - JANUARY 2022				
	Vote	Change	Seats	Change**
Labour	40%	(1.0%)	51	(14)
National	32%	4.0%	41	8
ACT	11%	(3.0%)	14	4
Green	9%	nc	12	2
Maori	2.0%	1.0%	2	nc
NZ First	2.0%	(1.0%)	0	nc
* Change from November		** Change since election		

As evidenced in recent One News/Kantar Poll Labour has steadily declined in the last six polls since the 2020 election, sitting on 53% in the December 2020 poll, now down to 40%.

National is clawing back support and biting off chunks from ACT, while Labour looks relatively unscathed despite a turbulent time managing the pandemic.

However, its leader Jacinda Ardern has dropped to her lowest result as preferred PM since September 2017, while National's Christopher Luxon jumped up the preferred PM rankings in the first poll since becoming leader.

ACT dropped to 11% support – a result that was still one of the highest the party had received. Leader David Seymour said ACT was in a "very strong position as the third most popular party".

Luxon, late last year emerged as leader from the rubble of National's political storm, surged up 13pp. to 17% as preferred Prime Minister. Ardern continued her slide – down 4pp to 35%.

DISHONESTY IN UNEMPLOYMENT REPORTING

"There are still almost 90,000 more people on a benefit today than when Labour first took office. It begs the question, what is the Government actually doing to support those on benefits into jobs?" asked National Party Social Development & Employment spokesperson, Hon Louise Upston. *"It will surprise many at a time of low unemployment and high job vacancies that there are still more than 187,000 people sitting on the Jobseeker benefit,"* she said.

The reality is that this Labour Government has created a dependency crisis because of the using spin to mask not only the level of underemployment, but also due to their refusal to address those fit for work from getting off the couch.

Failure to get people off the benefit and into work is the fact that Kiwis are spending far longer on the benefit too. 116,000 people now spend more than one year on a Jobseeker benefit, an increase of almost 50,000 since Labour were first elected.

"*We know that the longer someone is stuck on a benefit, the harder it becomes to return to the workforce. The Labour Government has engineered a dependency crisis that is the exact opposite of kindness. We need to be more aspirational for New Zealanders and break the cycle of dependency,"* Upston said.

Failing to make headway in revitalising a worsening economy, the Government has been accused of citing 'misleading' economic figures and brazenly refusing to take responsibility for the nation's inflation crisis - the opposition calling Finance Minister Grant Robertson's performance 'abysmal' and 'ignorant'.

In one of its more recent blunders, Ardern's administration was quick to jump the gun in congratulations itself for what it deemed 'historic' employment figures, Robertson going as far to claim it as an indication of a prospering economy.

The reality is that that while the headline unemployment rate of 3.2%, this is a far cry from the 6% that economists and the parliamentary opposition deem it to be in actuality.

The headline unemployment rate of 3.2% equates to 93,000 people. Nobody – not even Grant Robertson – believes that is the real number. Almost 188,000 or 6% of adults were receiving the Jobseeker Support benefit at the end of December. That is the reality.

NZ INFLATION NEARLY DOUBLE THAT OF AUSSIE

The opposition has accused the Government of downplaying its own role in the inflation crisis. ***"It's not credible for him and the Prime Minister to simply blame New Zealand's rising cost of living on international factors,"*** said National's Finance Spokesman Simon Bridges.

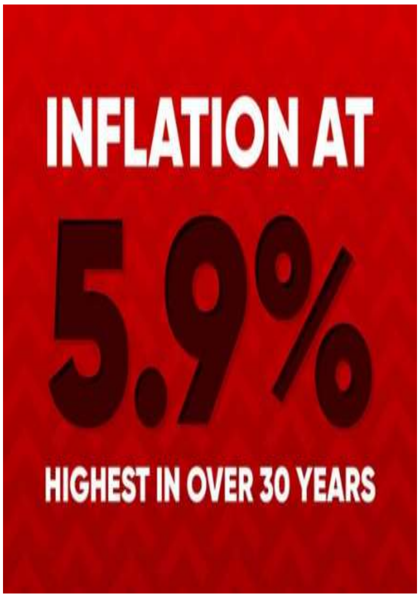
CURRENT INFLATION	
1. US	7.5%
2. New Zealand	**5.9%**
3. Ireland	5.5%
4. UK	5.4%
5. Germany	4.9%
6. Canada	4.8%
7. Singapore	4.0%
8. Sweden	3.9%
9. Australia	3.5%
10. France	2.9%

"The OECD's Economic Survey of New Zealand, recently released, backs up National's call for the Government to rein in its spending. If they don't, inflation will be higher for longer and the Reserve Bank will be forced to keep hiking interest rates which will take even more money out of Kiwis' pockets."

CORRECT – When Robertson blames "International factors"…. Compare our economy with that of Australia – 5.9% inflation versus Australia's 3.5% - nearly double.

GOVT POLICIES, INFLATION MAKE THE RICH RICHER WHILE THE POOR GET POORER

SOURCE: Richard Prebble, NZ Herald



Since the Covid pandemic began, the rich have become about a trillion dollars richer and the poor are a further $400 million in debt.

The wage subsidies went to employers, not to employees.

Houses are the least affordable in the world.

Education, the ladder out of poverty, has been kicked away. In the English-speaking world, New Zealand pupils are worst at maths, science and literacy. Last year, 44% of Auckland students did not turn up for NCEA exams.

Inflation hits fixed incomes. My [Richard Prebble's] bank is offering 0.1% on a savings account. As the CPI is a trailing Index, inflation is really over 8%. Any saving is losing 8% a year. And then the government taxes the interest earned.

No one gets a wage increase in anticipation of inflation. About 40% of wage earners did not get a rise last year.

Covid is not responsible for the growth in inequality. Covid infects the rich and the poor.

The growing inequality is the result of government policies and galloping inflation. In the real world we live in, inflation is not just the items included on the consumers price index. It is the price of everything, including housing. House prices have gone up 50% in the past two years.

Sir Roger Douglas warned that big companies did not need wage subsidies. There are companies that met the wage subsidy rules but had their best year ever.

This former Finance Minister warned that quantitative easing was not needed after the first shock of lockdown. Road User Charges showed the economy had rebounded strongly. Labour was warned that printing money will lead to asset price inflation and then consumer inflation.

The wage subsidies and cheap credit were always political and never economic. The policies were designed to win Labour the election.

Labour is now in denial. Prime Minister Jacinda Ardern "absolutely refutes" that government spending has contributed to inflation.

But the Reserve Bank monetary policy committee says: "*An ongoing boost from government spending ... is adding to strong demand*".

Grant Robertson says "*It is a global issue*". **YEAH RIGHT**

Last year's domestic inflation - for non-tradables - was 5.3%. All of our trading partners - China, Australia, Japan and South Korea except the US - have lower inflation.

The Government is becoming Muldoonist. Like Muldoon, Labour calculates huge "think big" spending is electorally more popular than the pain of tackling inflation.

Light rail through the Prime Minister's electorate will be hugely expensive. The City Rail Link is a sobering example. The rail link is behind schedule and over budget. It was to cost $3.4 billion. In 2019 officials admitted the cost had reached $4.42bn. The link will not be completed in 2024. The final cost will be over $5bn.

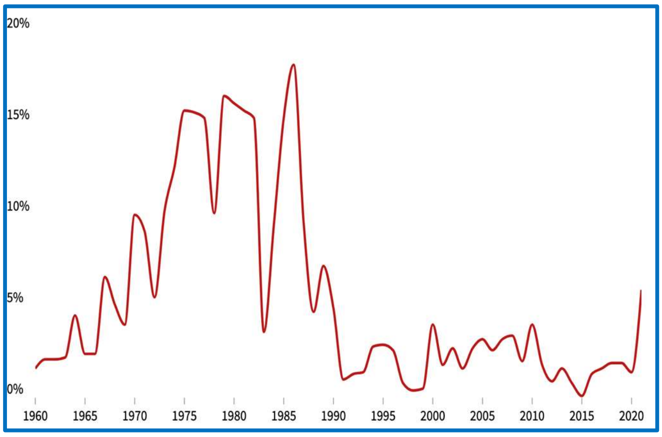
Studies reveal that urban rail schemes never come in on budget or on time and rarely meet passenger projections. Worldwide, 75% of urban rail projects have cost escalations of at least 33 per cent. A quarter have cost escalations of 60% or more. The cost of light rail will escalate from the estimate of $15bn to over $20bn.

Here is another way to think about the cost. For less taxpayers' money, every passenger could have a free Uber ride in an electric car to where they actually want to go.

Labour is not going to tackle inflation, and neither will the Reserve Bank. The Bank has two remits, "keep future annual inflation between 1 and 3%" and "support maximum sustainable employment". To paraphrase the Bible, no central bank can serve two remits.

Reading through the minutes of the monetary policy committee, concern about employment motivated the bank's inflation-creation money printing. No committee member questions why the bank's inflation projections are wildly inaccurate. Every quarter the bank projects inflation will be 2%.

ANNUAL INCREASE IN CONSUMER PRICE INDEX



In February 2021, it stated: "*inflation ... would likely remain below its remit targets*". In May 2021: "*medium-term inflation ... would likely remain below its remit targets*". By August 2021: "*consumer price inflation expectations remain anchored near 2%*". And in November 2021: "*returning towards the 2% midpoint over the next two years*".

The Bank's inflation predictions have no credibility. Business tells surveys that inflation this year will be 7%. Most plan price increases. Why would workers this year accept less than a 5.9% wage rise?

If we all believe prices will rise, they will increase. I put the word inflation into the Herald's search box and got back 42906 results. Articles like "How to protect your investments against inflation".

The Reserve Bank is seeking a soft option. Returning "*inflation to target too quickly would result in unnecessary instability*". Now inflation is established, there are no soft options. All that printed money is debt. The bank is yet to tell us how it is going to reduce its bond holdings.

While the Reserve Bank procrastinates, the rich will get richer and the poor will get poorer.

HOUSING IS DRIVING INFLATION IN NZ

Housing – only the cost and price of a new home and not the land it sits on – and transport made the largest contributions to the increase in the CPI in 2021 through a combination of weightings and price increases.

The main sub-sector contributions for the year were:

- New house prices rose by 15.7% and had a total index weighting of 9.05%.
- Petrol prices increased by 30.5% and had a 4.0% weighting.
- Used car prices rose 11.5% and had a 2.4% weighting.

CPI weightings & 2021 year outcomes	Weighting	Prices	Contribution
Housing	28.3%	7.6%	2.2%
Food	18.5%	4.1%	0.8%
Transport	12.4%	15.0%	1.9%
Recreation	8.2%	4.7%	0.4%
Alcohol	7.5%	1.8%	0.1%
Household contents	4.3%	3.8%	0.2%
Health	4.2%	2.3%	0.1%
Clothing	4.2%	2.8%	0.1%
Other	12.4%	0.9%	0.1%
	100.0%		**5.9%**

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Australia had a 2021 inflation rate of 3.5%, compared with New Zealand’s 5.9%, and these are the main differences between the two countries:

- The price of new houses increased by 7.5% in Australia, compared with 15.7% in NZ.
- Total 2021 CPI housing sector prices rose by 4.0% in Australia, compared with 7.6% on this side of the Tasman, while housing has a 23.2% weighting in Australia’s CPI, compared with a 28.3% weighting in NZ’s inflation index.

The runaway housing market is now a major contributor to New Zealand’s escalating inflation rate.

Credit Contracts and Consumer Finance Act (CCCFA)

Changes to the CCCFA were introduced on Dec 1 to protect vulnerable consumers from taking on too much debt.

As part of this new process, borrowers are being asked to provide detailed information about their income and expenditure.

Consequently, loan approvals have become much more bureaucratic and long-winded, and many loan requests have been rejected because of an applicant’s spending habits.

Borrowers in the 1980s would have benefited from this scrutiny.

Banks are arguing that it takes twice as long to approve loans and this is adding to costs. The banks will become less profitable if these costs can’t be passed on, and their Australian owners could allocate capital away from NZ to their more profitable operations.

This would reduce the number of funds available to lend to the NZ housing market in the years ahead.

Similarities with the NZX in 1987

Brian Gaynor, in BusinessDesk on 6t4th February, noted that there are a large number of similarities between the housing market at present and the NZX just before the ’87 crash. These include:

- In 1986 and 1987 most shareholders believed that share prices would never fall and residential property investors now have a similar view.
- In the mid-1980s, comparative analysis showed that the NZX was materially overvalued compared with global markets – and residential property data now points to a similar conclusion.
- Thirty-five years ago the mainstream media was a major sharemarket cheerleader, as it has been with residential property in recent years.

- In the 1980s, brokers and tipster sheets talked up the NZX just as real estate agents and data providers – including CoreLogic and OneRoof – have in recent years.
- The number of brokers and sharemarket analysts increased dramatically in the 1980s and there has been a significant increase in real estate companies and agents over the past few years.
- Stockbrokers criticised any regulation initiatives in the 1980s just as bankers and real estate participants criticise recent changes to the Credit Contracts and Consumer Finance Act.
- Share investors had huge borrowings 35 years ago, just as house buyers have today.
- There was a substantial increase in NZX listings in 1986 and 1987, and there has been a massive increase in new house building activity over the past 24 months.

Gaynor concluded that ***"Most NZ residential property investors believe that there are no similarities between houses and shares, particularly as far as any potential price downturns are concerned. Only time will tell whether this optimistic view is warranted."***

INEQUALITY

Asset inequality has accelerated since 1996, mainly because of land. Clark, Key and Ardern were all elected on promises to fix it. All failed, and the wealth gap between the middle class and the upper middle class has grown ever wider. Most notoriously, **Ardern has overseen the greatest transfer of wealth from the poor and young to the rich and old in New Zealand's history.** High inflation will (and is) making it worse.

Grant Robertson's proposed income insurance scheme, plus his 2017 policy of one year of free tertiary education, will certainly help people transition from declining to growing industries. But it will also create a two-tier welfare system that will further widen the gap between the middle class, getting 80% of their incomes when on the dole, and the underclass getting much less.

The divisions are not just economic. Māori aspirations to exercise full sovereignty or at least share power in 50:50 co-governance models are well beyond what tauiwi (non-Māori) will accept.

Unless narrowed in one or the other direction, or preferably both, that gap could well lead to political violence. Rural and provincial New Zealanders think those in the cities undervalue both their economic contribution and the environmental improvements they have made.

They think their thriving agricultural communities are being turned into permanent forest sinks so that James Shaw can balance his climate-change books.

With the long four-month lockdown, Aucklanders have had a different experience of Covid than the rest of the country and think their sacrifices were taken for granted by the rest.

The Wellington bureaucracy has never been more out of touch from the people it is meant to serve.

NEW TAX ON EMPLOYERS AND EMPLOYEES WILL FURTHER LOWER PRODUCTIVITY

Robertson might call it "insurance" but be clear, it is another new tax. This "insurance" is actually a pumped up benefit, which will see a top up to 80% of earnings (up to $1,820 per week) for anyone who are made redundant via restructure or recession; as well as for disability sickness.

Why bother finding work when you can take a six month holiday on nearly full pay, courtesy of the taxpayer?

This policy is a productivity killer, and will increase unemployment. If you tax workers more, and then pay them more to not work, you'll inevitably see fewer people working and more unemployed.

These payouts won't come cheap - two 1.39% levies on the worker and employer will effectively stack together as a 2.78% tax on income – an extra $1,580 per year for someone on the average wage.

The tax is especially unfair on the responsible hard workers with stable careers and happy employers. They'll pay the tax but may not ever get the payouts.

GOVT SEEKS OVERSEAS TREES TO MEET PLEDGE

SOURCE: Newsroom Pro, 8-Feb-2022

Cabinet documents reveal the Government will have to pull on all its available levers to reduce emissions by 41% this decade. That includes a renewed focus on reducing emissions at home, a rush to hash out deals to pay for emissions reductions in developing countries in the Asia-Pacific region and exploration of hooking up

NZ's Emissions Trading Scheme with overseas carbon markets.

More than two-thirds of the reductions over the next decade are likely to come from offshore and then be attributed to NZ's record. Climate Change Minister James Shaw has conceded we could well end up paying poorer countries to plant trees. There's plenty of suitable land for carbon forestry in NZ, but the issue has become a hot button topic in rural areas as farmland is swallowed up by exotic pine. Planting trees in Indonesia or Papua New Guinea avoids the negative political repercussions and could end up being cheaper.

CHEAP ABUNDANT ENERGY IS THE PROBLEM, NOT THE SOLUTION

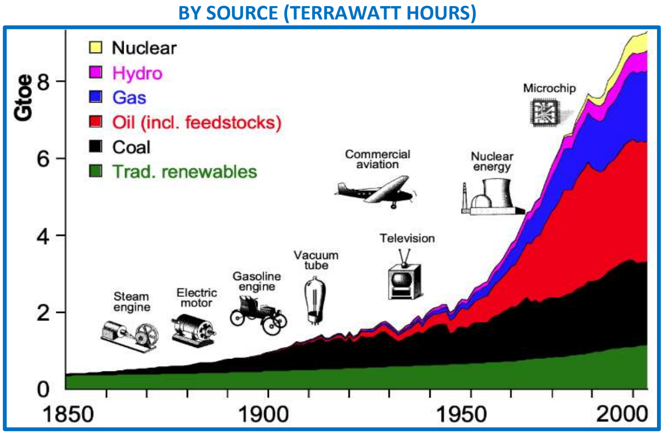
Much of the world seems obsessed with technologies that will provide cheap abundant energy to replace fossil fuels. Almost daily we hear announcements of a new breakthrough in nuclear fusion development, or a more efficient solar panel or battery technology, or a new addition to the "hydrogen economy."

Our history with fossil fuels should be a clear warning that we do not yet have the maturity as a species to wisely use enormous amounts of cheap energy.

The amount of cheap energy provided by coal, natural gas and petroleum over the last century is several orders of magnitude greater than the total energy consumed by all previous societies combined. The rapid rise of fossil energy use since 1950 allowed the enormous expansion of human societies across much of the globe.

Without fossil energy the rapid expansion of the human population, and the global economy would have been impossible. Almost all our built infrastructure and new technologies over the last half century have relied on fossil energy.

GLOBAL PRIMARY ENERGY CONSUMPTION
BY SOURCE (TERRAWATT HOURS)



Everyone living today has experienced the benefits of the cheap, abundant energy fossil fuels have provided.

At some level of awareness we do understand the conflict between genuine sustainable consumption and natural systems. That's why we try to make things less unsustainable. We know we have a problem.

Humanity's current quest for technologies to provide cheap and abundant energy is in direct conflict with humanity's need for sustainable consumption. Our technological cleverness is enormous. But unless it is guided by some wisdom about our relationship with the natural world, it could well be our undoing.

MINIMUM WAGE TO $21.20

To move the minimum wage by $48 per week while we are engulfed in the Omicron pandemic, and with inflation already out of control at 5.9% (and going higher), is plainly irresponsible governance.

We already had one of the highest minimum wages in the world. In 2020, the ratio of the minimum wage to the medium wage was:

1. NZ	65%	5. Germany	51%
2. France	61%	6. Canada	49%
3. UK	58%	7. US	29%
4. Australia	53%		

The focus must be on increasing NZ's productivity, where workers and employers both benefit.

AIRLINE LOGIC

"The Labour Government has engineered a dependency crisis that is the exact opposite of kindness. We need to be more aspirational for New Zealanders and break the cycle of dependency."

Hon Louise Upston

TRAINS A 20TH CENTURY SOLUTION

SOURCE: Sam Stubbs, Stuff, 4-Feb-2022

Sam Stubbs is chief executive of KiwiSaver fund Simplicity and a regular Stuff opinion contributor.

Sam says "*The reality is, while our politicians and planners are wedded to the idea of trains, they are not the future of public transport. Globally, research and development are focused on electric and hydrogen cars and buses, electric bikes and new forms of air transport. Trains are a 20th-century solution for a 21st-century problem*."

And trains are very inflexible. Most people have to drive or cycle to a train station, and drive home. Trains work in dense environments where people can walk home, but that is not Auckland [and definitely not Tauranga]. By landmass, Auckland is one of the largest cities in the world and forever expanding outwards.

"*As a KiwiSaver manager, nothing would please me more than to have more New Zealand-based infrastructure to invest in. Yet I fear we will be now be hobbling ourselves to a single massively expensive option, which is more a nod to a romantic past than a leap into the future,*" Sam said.

"*The future of public transport is probably going to be electric driverless vehicles that will pick you up at your door and drop you off at your destination. You'll share them with half a dozen or more other people. It definitely isn't going to be trains or trams*."

LUXON EXTENDS HELPING HAND TO PM ON VACCINE MANDATES

Christopher Luxon says vaccine mandates, rapid antigen testing and mental health are at least three areas where the Opposition and the Government could easily work together. "*I don't care if our ideas get stolen, we shouldn't be precious about that,*" he told Newsroom.

It's a very different style of leadership from what the National Party has had in recent years, and Luxon says that's deliberate because he isn't a politician and doesn't come to the job with years of Parliament under his belt. "*I'd love mental health to be a collaborative space, I really would, and I genuinely mean it*."

OLD FART PRIDE

It's not a bad thing to be called an Old Fart.

Old Farts are easy to spot at sporting events; during the National Anthem, Old Farts remove their hats and stand at attention and sing without embarrassment. They know the words and believe in them.

Old Farts remember World War II, Normandy , Spitfires and Hitler. They remember the Atomic Bomb, Vietnam , the Korean War, the Cold War, the Moon Landing and all the Peacekeeping Missions from 1945 to 2005.

If you bump into an Old Fart on the pavement, he will apologise. If you pass an Old Fart on the street, he will nod or tip his cap to a lady. Old Farts trust strangers and are polite, particularly to women.

Old Farts hold the door for the next person and always, when walking, make certain the lady is on the inside for protection.

Old Farts get embarrassed if someone swears in front of women and children and they don't like any filthy language on TV.

Old Farts have moral courage and personal integrity. They seldom brag except about their children and grandchildren.

It's the Old Farts who know our great country is protected, not by politicians, but by the young men and women in the Air Force, Army, and Navy.

This country needs Old Farts with their work ethic, sense of responsibility, pride in their country and decent values.

We need them now more than ever.

Thank Goodness for Old Farts!

Pass this on to all the "Old Farts" you know.

I was taught to respect my elders. It's just getting harder to find them.

Goal-based regulation key to business' tech adoption

SOURCE: Henry Burrell, BusinessDesk, 2nd Feb 2022

The OECD has advised the New Zealand government to embrace goal-based regulations to help drive businesses' use of digital technology.

"Some of New Zealand's regulations lack flexibility to accommodate disruptive digital innovation, a framework to support data portability, and agility to prevent anticompetitive mergers and acquisitions in digital services," a new OECD report said.

"The effective use of digital technologies and data would enable New Zealanders to participate in society in a more inclusive way, firms to boost productivity and exports and the government to offer better services."

> New Zealand can thank then National Party Minister Steven Joyce for his foresight in driving New Zealand's push towards its digital capability.

"New Zealand's doing a pretty poor job of due diligence when it comes to data at the moment, probably one of the worst in the world," Catalyst managing director Don Christie told BusinessDesk.

"It's pretty ad-hoc, the governance around where our citizen data is, our government data, where it goes, how it's handled.

"There are no strong, clear directives and mandates of its value, and how it should be looked after and how it should be used to derive further economic and societal benefit for New Zealand."

Clark and the government are expected to present the digital identity trust framework, which will be rolled out on a sector-by-sector basis, to Parliament this year.

STRONG FOUNDATION

The quality of digital infrastructure in NZ is high, with fibre connections far outstripping that of the OECD average and countries such as Australia, the USA, and Great Britain.

"The diffusion of digital technologies is also held back by a copyright regime that does not accommodate the use of some digital technologies, the cost of adopting digital tools for small businesses and the difficulty of reaping high returns on investment in digital technologies by exporting."

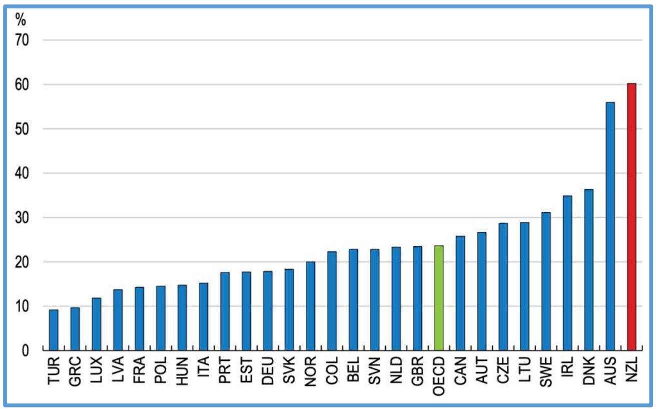
R&D spending by information industries was about 0.3% of GDP in 2018, lower than the OECD average of 0.4% and higher than Australia's 0.2%.

A further source of worry was NZ's tech skills shortage, one that the report blamed directly on border restrictions and longer-term competition from other countries.

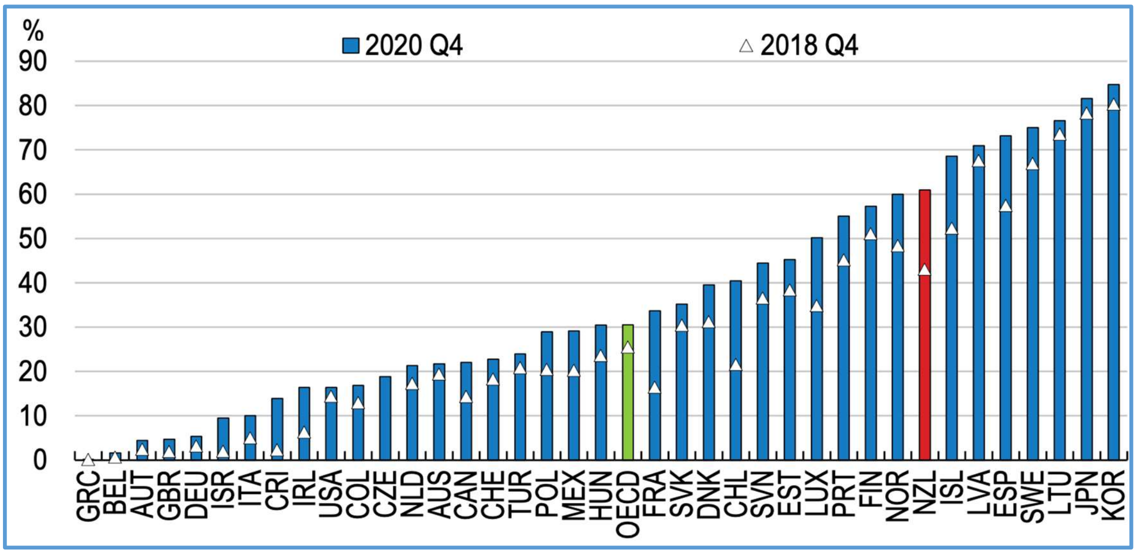
"There are severe shortages of specialised ICT skills owing to covid-19 related border restrictions and a weak domestic pipeline of these skills that partly results from school students' poor mathematics achievement," the OECD concluded.

Though local companies are tackling the lack of student training in tertiary technology fields, the report highlighted shortages in ICT skills in NZ dating back to 2015. But despite such shortages, hourly labour productivity in the sector had grown faster than in agriculture, construction, and other industries.

THE SHARE OF SMALL FIRMS SELLING ONLINE

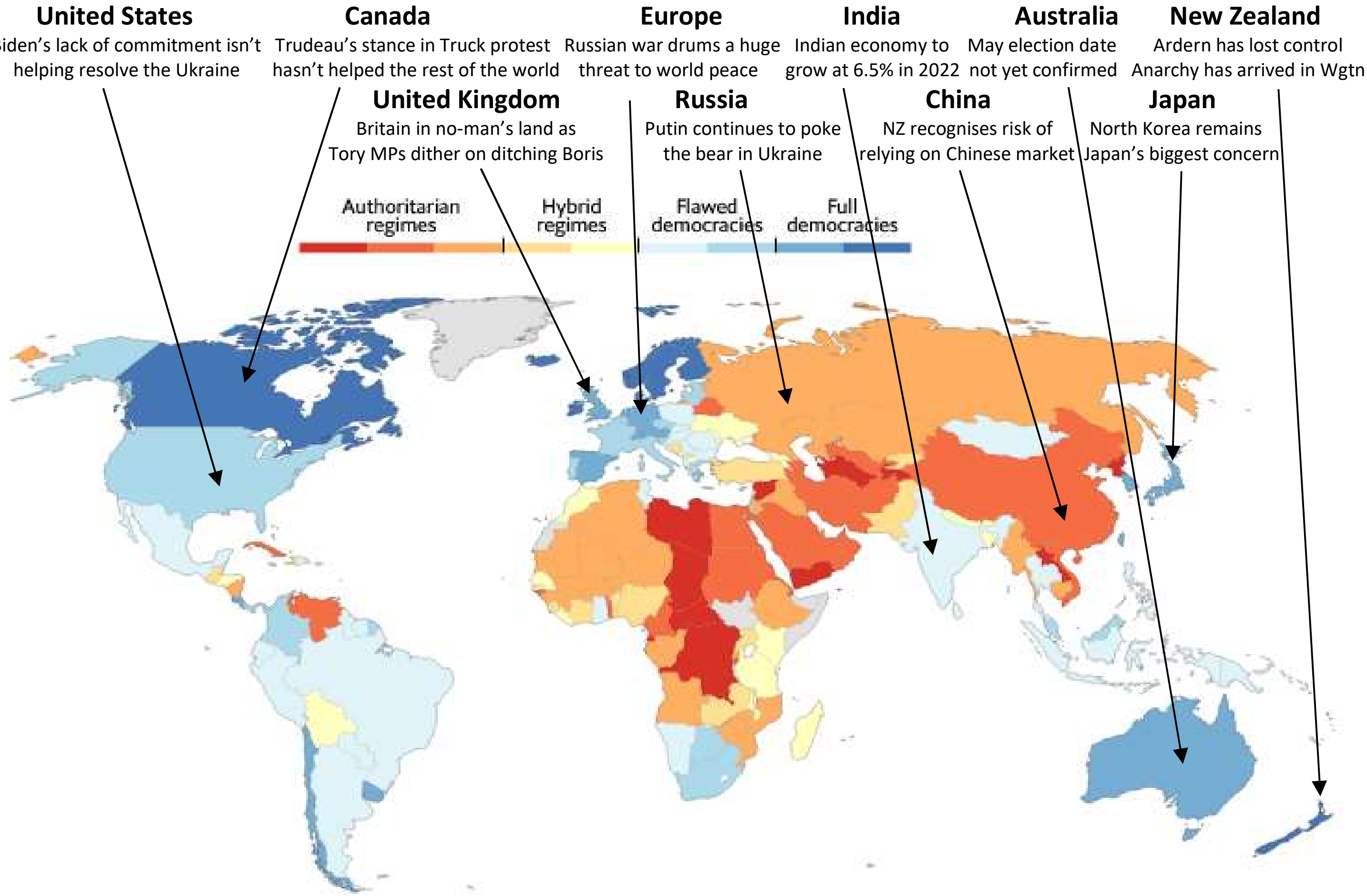


THE SHARE OF FIBRE CONNECTIONS IN TOTAL FIXED BROADBAND



THE WORLD AT A GLANCE

GLOBAL DEMOCRACY INDEX



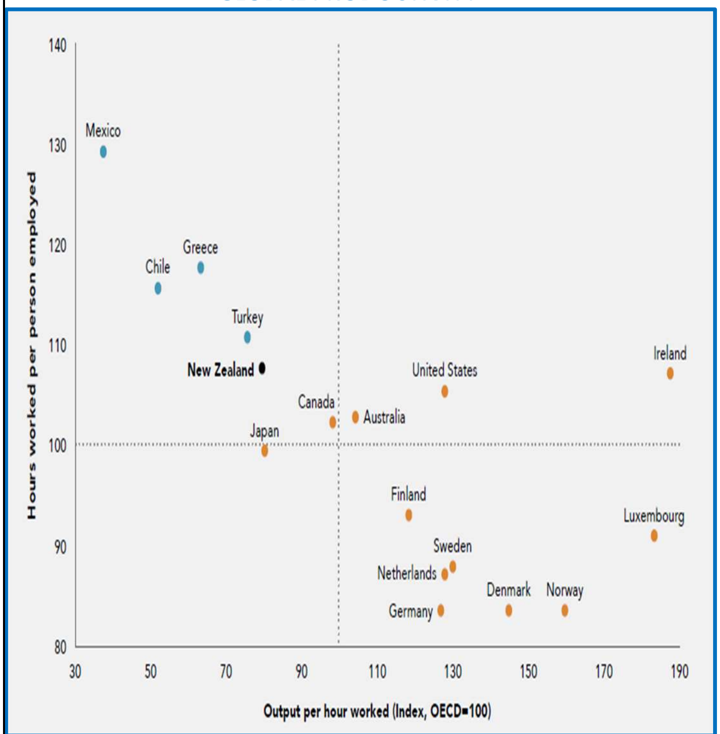
THE GLOBAL ECONOMIC OUTLOOK

GLOBAL OUTLOOK

Jarden continues to have a moderately positive outlook for global equities, despite the prospect of markedly tighter central bank policies this year. Equity markets often get jitters when there is a marked shift towards tighter monetary policies. However, these periods tend to dissipate as investors digest the news.

More important for equity markets is whether economic expansion and earnings growth will continue, thus providing fundamental support for equity prices. Despite the likelihood of higher interest rates and less liquidity this year, Jarden expects most developed economies to grow above long-term trends in 2022. Interest rates will likely remain low by historical standards and below the level likely justified by economic fundamentals - such as productivity growth and demographic changes. Leading economic indicators suggest the US economy continues to have good momentum. Based on a collection of indicators that have historically had good records in predicting economic recessions, the US Federal Reserve Bank of New York estimates the probability of a recession is currently around 12%, which is the lowest odds of recession since the mid-2019.

GLOBAL PRODUCTIVITY



NOTES:

1. Countries in the top half of the OECD in terms of GDP per capita are shown in orange; those in the bottom half in blue.
2. Output per hour worked is based on GDP per hour worked in current USD.

SOURCE: Productivity Commission, OECD data

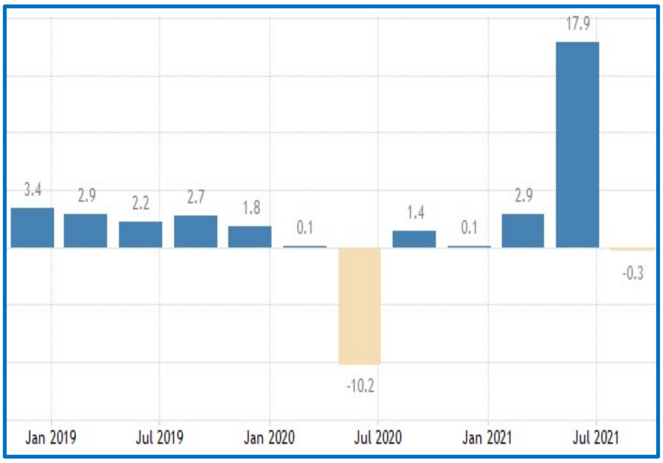
NZ PRODUCTIVITY REMAINS WEAK

- Since World War II, New Zealand has gone from being one of the most productive economies to one of the least productive in the OECD.
- Today, New Zealanders work more hours but achieve less output per hour than many typical comparator countries (see graph on previous page).

NEW ZEALAND'S ECONOMIC OUTLOOK

POPULATION: 5.2 MILLION

NZ - ANNUAL GDP GROWTH RATE



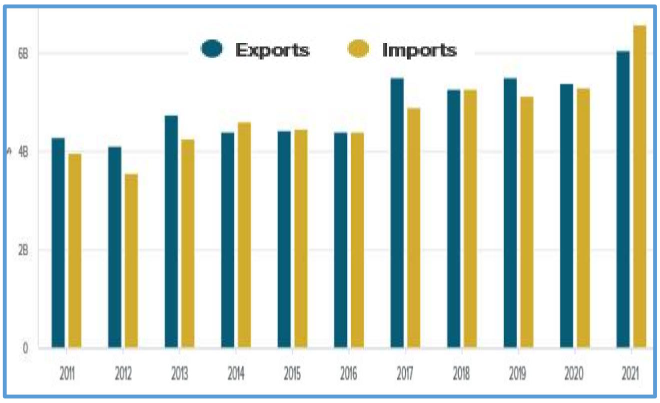
	2019/20	2020/21	
Economic Growth	-1.5%	4.9%	Annual average GDP Growth (September year)
Unemployment	4.9%	3.2%	Unemployment Rate (December quarter)
Inflation	1.4%	5.9%	Annual Inflation Rate (December year)
Current Account Deficit	$2.4b	$15.9b	Current Account Deficit (September year)
Interest Rates	0.25%	0.75%	Official Cash Rate (at 8 February)

NEW ZEALAND'S GROWING DEBT MOUNTAIN

Core Crown borrowing as at	30-Nov-21 ($m)	30-Nov-21 (%GDP)
Gross sovereign-issued debt *	116,914	34.0
Net core Crown debt **	118,444	34.5

MERCHANDISE TRADE VALUES ($), EXPORTS & IMPORTS

DECEMBER MONTHLY VALUES - 2011-2021



CHINA LEADS RISES IN MONTHLY EXPORTS ACROSS MAJORITY OF TOP DESTINATIONS

Exports to most of our top export partners rose in December 2021. The monthly movements for December 2021 for our top export partners (ranked by total annual goods exports) were:

- China – up $95m (5.2%) to $1.9bn, led by rises in milk powder (up $58m) and beef (up $55m). Fish, crustaceans, and molluscs fell $37m (52%).
- Australia – down $69m (9.3%) to $676m, led by a fall in fruit (down $36m) and wine (down $21m). The largest rise was in preparations of cereals, flour, starch, and milk (up $21m).
- USA – up $83m (15%) to $639m. The largest rise was meat and edible offal (up $31m). The largest fall was crude oil (down $30m).
- EU – up $41m (14%) to $347m, led by a rise in meat and edible offal (up $31m).
- Japan – up $51m (22%) to $286m, led by a rise in aluminium and aluminium articles (up $15m).

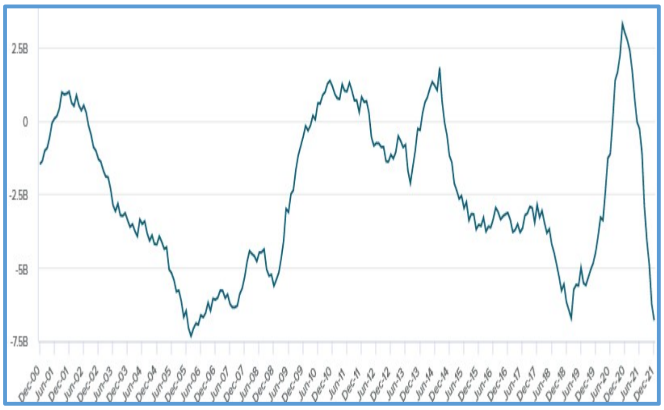
The December monthly trade balance was a deficit of $477m. This is the difference between exports valued at $6.1bn (up $686m or 13%) and imports valued at $6.5bn (up $1.2bn or 23%).

ANNUAL EXPORT & IMPORT FIGURES

Annual goods exports were valued at $63.3bn in 2021, up $3.3bn (5.6%) from the previous year.

ANNUAL TRADE BALANCE ($)

YEAR ENDED DECEMBER 2000 TO 2021



- Milk powder, butter, and cheese led the increase, up $1.2 bn (7.3%) to $17bn. This was led by rises in milk powder (up $824m) and milk and cream (up $250m).
- Wood and wood articles rose $1.0bn (22%) to $5.5bn, the main contributor being logs (up $921m).
- Meat and edible offal rose $592m (7.3%) to $8.7bn. Leading this increase was exports of beef (up $328m) and sheep meat (up $197m).

Annual goods imports were valued at $70.1bn in December 2021, up $13.1bn (23%) from the previous year.

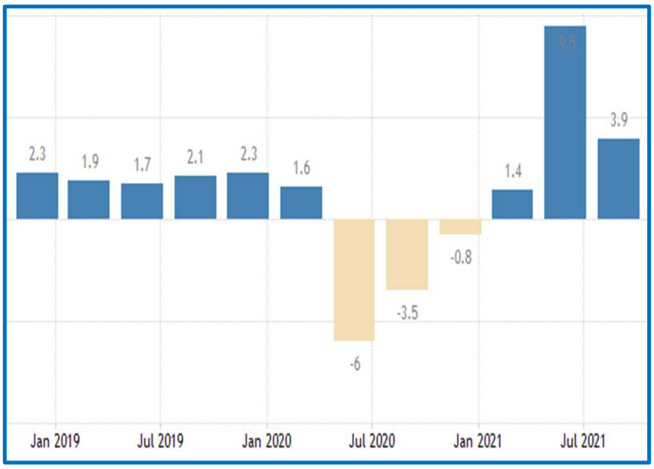
- Vehicles, parts, and accessories was the largest contributing commodity, up $3.8bn (58%) to a total of $10.2bn.
- Mechanical machinery and equipment rose $1.6bn (up 20%) to $9.8bn.
- Electrical machinery and equipment rose $881m (17%) to $6.2bn.

In the year ended December 2021, the annual trade deficit was $6.8bn. In the year ended December 2020, there was a surplus of $3.0bn.

Australian Economic Outlook

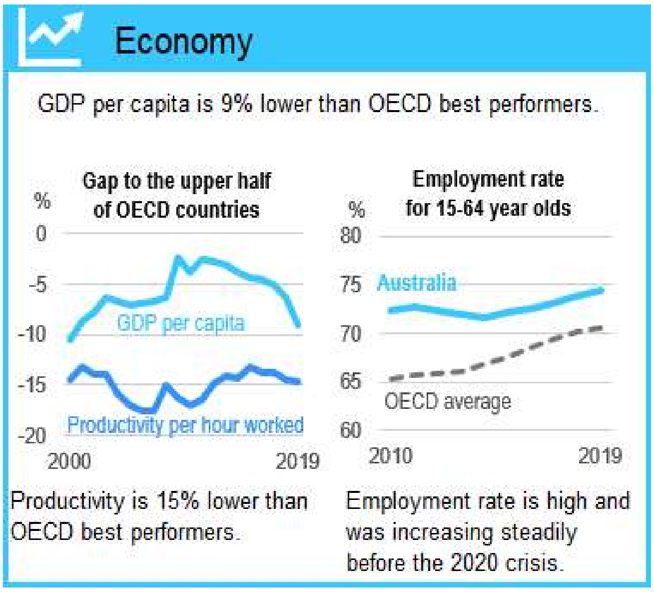
POPULATION: 27.1 MILLION

AUSTRALIA – ANNUAL GDP GROWTH RATE



Australia appears to be outperforming New Zealand in almost every aspect of economic management. This risk with this (and we are just starting to see this now) is that New Zealanders once again start the "brain drain" and move to Australia. The Key Government reversed this trend, and any renewal will be disastrous for the NZ economy.

Real GDP in Australia expanded 3.8% in 2021**,** and the OECD expects it to reach 4.1% in 2022, before easing to 3% in 2023.



United States Economic Outlook

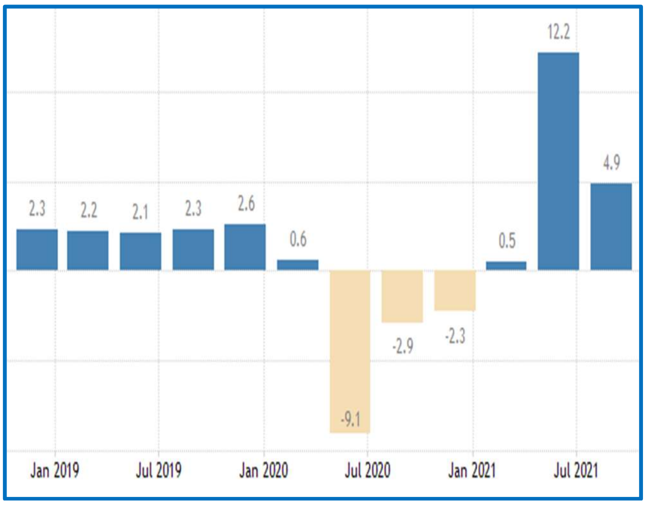
POPULATION: 335.2 MILLION

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

US DEBT

US Debt has now reached US$30 trillion for the first time in history. This will inevitably see taxes rising for future generations.

UNITED STATES – ANNUAL GDP GROWTH RATE



US GDP Growth in the 2021 year was recorded at 5.7% - the highest since 1984.

Chinese Economic Outlook

POPULATION: 1,411.8 MILLION

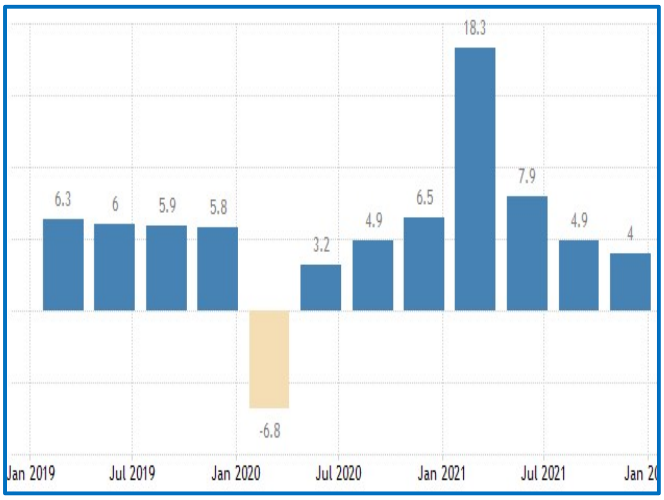
OUTLOOK - After being the first major economy to rebound from Covid- slowed to an annual pace of only 4% in the fourth quarter 2021. This is a substantial slowdown for an economy that is accustomed to consistently growing at over 6% annually.

Woes in China's property market have been a key reason for the slowdown, as falling property prices have forced highly indebted property developers (such as giant property developer Evergrande) to sell assets and attempt to restructure their balance sheets.

In addition, a restrictive approach to controlling the spread of Covid-19 and chronic power shortages in parts of the country have hindered retail spending and manufacturing production.

Expect China's economy to continue to slow over the first half of 2022 as the government chooses to persist with its elimination approach to Covid-19 in the runup to the Winter Olympics, and with downward momentum in the property sector continuing and economic restructuring to quell excesses is ongoing.

CHINA - ANNUAL GDP GROWTH RATE

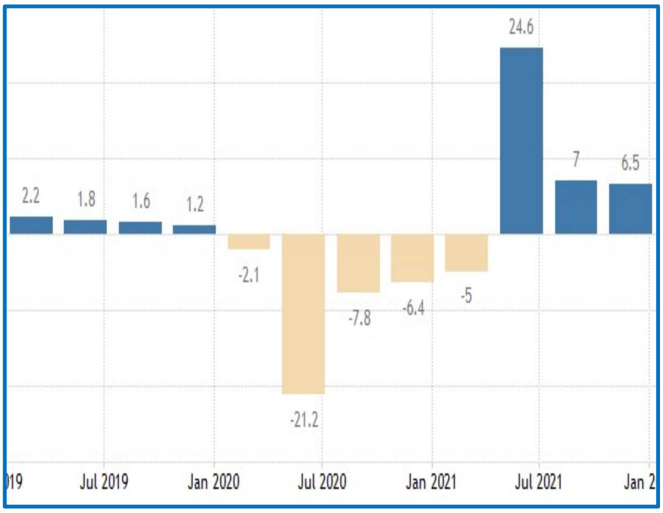


UNITED KINGDOM ECONOMIC OUTLOOK

POPULATION: 68.4 MILLION

The British economy advanced 6.5% year-on-year in the fourth quarter of 2021, following an upwardly revised 7% growth in the previous period and slightly higher than forecasts of 6.4%, preliminary estimates showed. Government spending recorded the biggest increase (11.6%), followed by household expenditure (8.9%) and gross fixed capital formation (2.3%). On the other hand, business investment declined 0.8%, exports fell 0.6% and imports 5.3%. Considering full 2021, the economy advanced 7.5%, the most since 1941, following a record 9.4% fall in 2020. The GDP is now 0.4% below its pre-pandemic level.

UNITED KINGDOM – ANNUAL GDP GROWTH RATE

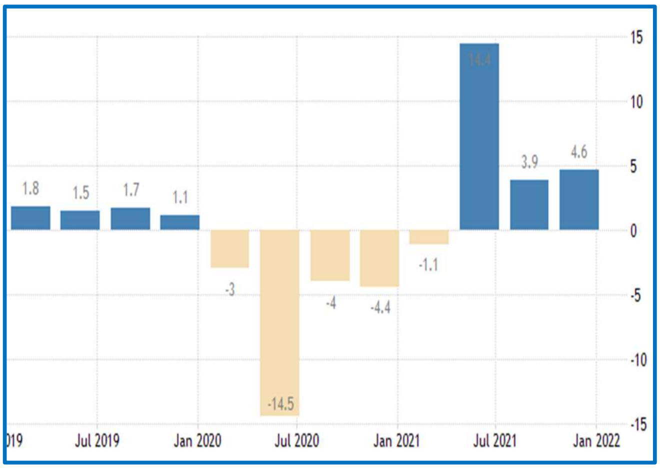


EU ECONOMIC OUTLOOK

POPULATION: 447.7 MILLION

The Euro Area economy expanded 4.6% year-on-year in the last three months of 2021, following a 3.9% rise in the third quarter and matching flash estimates. Considering full 2021, the Eurozone GDP advanced at a record 5.2%, slightly above ECB estimates of 5.1% and following a 6.4% contraction in 2020.

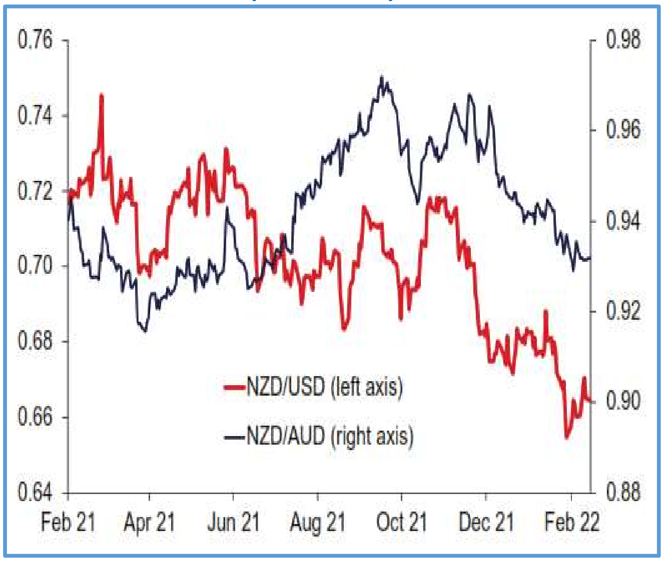
EUROZONE – ANNUAL GDP GROWTH RATE



The biggest risk for the EU Area is the potential outbreak of an attack by Russia on Ukraine. This crisis is playing out before our eyes, and the uncertainty is spooking global markets.

CURRENCIES

NZD/USD & NZD/AUD



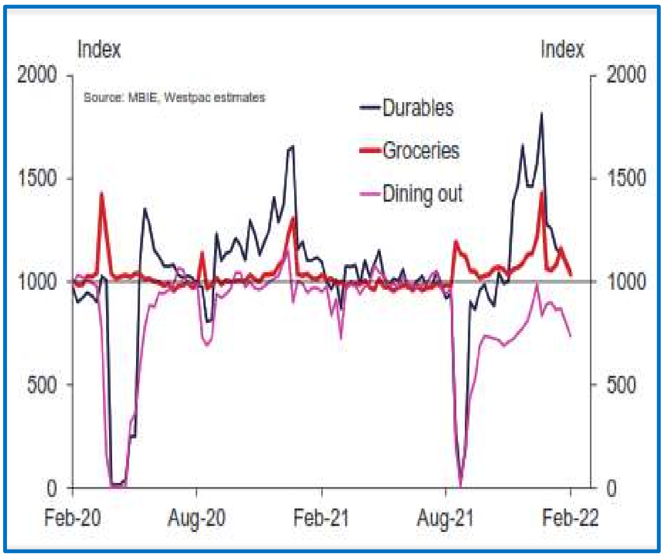
SOURCE: Westpac

WESTPAC'S CHART OF THE WEEK

As New Zealand has moved away from elimination to living with Covid in the community, household spending is now starting to show the split that we've seen in other countries – less on services, more on physical goods.

Card spending on durable goods has remained solid, with a particularly strong Christmas period, and supermarkets are benefiting from people stocking up and eating more at home. However, spending on dining out remains well down on pre-Delta levels, and is likely to fall further as Omicron gathers momentum.

NZ RETAILSPENDING



INFLATION

The IMF expects elevated inflation rates to persist longer than initially thought internationally, due to *"ongoing supply chain disruptions and high energy prices continuing in 2022"*.

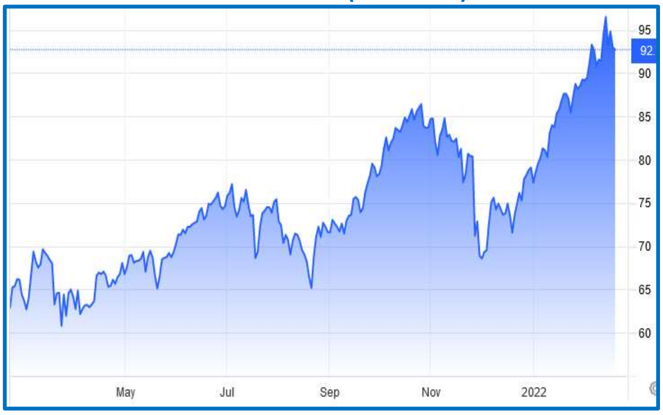
Annual inflation rates (%)			
Country	**Oct-21**	**Nov-21**	**Dec-21**
Australia	n/a	n/a	3.5
Japan	0.1	0.6	0.8
NEW ZEALAND	n/a	n/a	5.9
United Kingdom	3.8	4.6	4.8
United States	6.2	6.8	7.0
European Union	4.4	5.2	5.3
OECD Total	5.2	5.9	6.6

Source: OECD.

OIL

Brent increased 15.52 USD/BBL or 20.06% since the beginning of 2022, according to trading on a contract for difference (CFD) that tracks the benchmark market for this commodity.

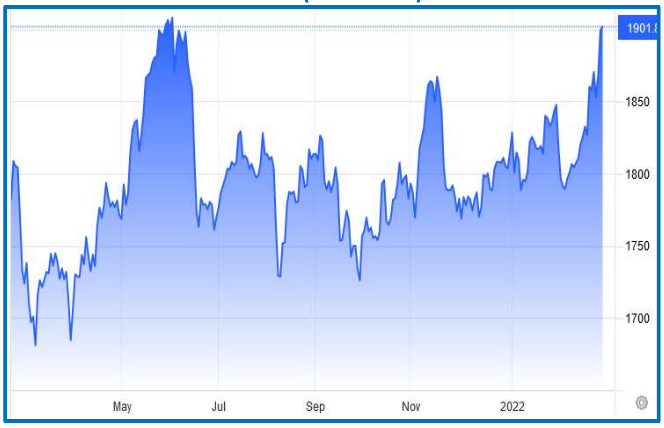
BRENT CRUDE (1YR GRAPH)



GOLD

Gold has increased US$71.64/t oz. or 3.9% since the beginning of 2022. It has shown significant volatility over the past year - opening the year at US$1800, with a low of US$1,679 in early March 2021, to a high of US$1,906 at the beginning of June. Today, it is near its one year peak, sitting currently at US$1,902. This volatility can be explained by both the pandemic uncertainty, as well as global uncertainty both in Ukraine and in East Asia (China and North Korea).

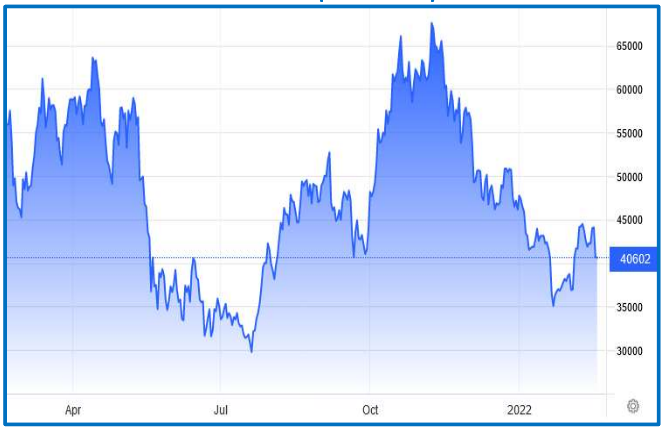
GOLD (1YR GRAPH)



BITCOIN

Cryptocurrency prices continue to remain extremely volatile, closing at US$29,426928/unit on 20th July 2021 and peaking at US$67,823 on 7th November 2021. Today, it has eased back and is currently trading just overUS$40,600.

BITCOIN (1YR GRAPH)



AGRIBUSINESS – LOOKING FROM THE OUTSIDE IN

RECORD YEAR FOR RED MEAT DESPITE COVID

A NEW analysis by the Meat Industry Association (MIA) shows the country's meat sector set a new record for exports in 2021.

The sector's exports reached $10 billion last year, despite the disruption caused by covid-19. The exports represented a 9% lift on 2020. The value of red meat and coproducts exported in December 2021 was also up 22% year on year, at just over $1b. Both sheepmeat and beef exports increased by 5% and 9% year-on-year respectively, with both worth more than $4b for the year. Co-products exports also increased by 19% to almost $2b.

While chilled sheepmeat exports to the UK dropped by 42% in December, to the lowest volume in 25 years, frozen sheepmeat exports to the UK increased by 95%.

While chilled sheepmeat exports to the UK dropped by 42% in December, to the lowest volume in 25 years, frozen sheepmeat exports to the UK increased by 95%.

While there has been some softening in Chinese demand for sheepmeat from the previous high levels, prices in China have remained strong. Overall, sheepmeat export volumes to China dropped by 15%

in the fourth quarter. However, the value of sheepmeat exports to China increased by 3% in the same period.

China remained the largest overall importer for that quarter at 41%, followed by the US (20%), the UK (4%) and Japan (4%). While overall sheepmeat markets were down 8% by volume for the quarter, they increased by 17% in value. Sheepmeat volumes to China and the UK dropped by 15% and 6% respectively.

However, there were increases in a number of markets including the US (+15%), the Netherlands (+59%) and France (+34%). China was the largest beef export market, followed by the US and Japan. Beef export volumes to China were the same as the final quarter of 2020, at 46% of total, but increased 33% by value.

Exports to the US dropped by 15% by volume but increased by 16% in value. Exports to Japan remained the same at 7% of volume but grew 39% by value.

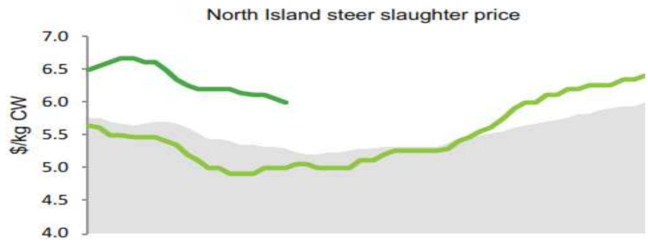
RABOBANK OPTIMISTIC FOR PRIMARY SECTOR

RABOBANK believes New Zealand agricultural producers are positioned for another profitable year in 2022 despite ongoing global turmoil. This would represent the sixth consecutive year of general profitability for the country's agricultural sector.

The bank's 2022 outlook for agribusiness said that while it was likely there will be another profitable run for the outlook for agricultural commodities, it is "*too early to break out the champagne just yet, as elements of 2022 remain "unpredictable*".

Cattle

BEEF			
Slaughter price (NZ$/kg)	**Last week**	**Prior week**	**Last year**
NI Steer (300kg)	6.00	6.05	5.00
NI Bull (300kg)	5.95	6.00	5.00
NI Cow (200kg)	4.40	4.45	3.50
SI Steer (300kg)	5.90	5.90	4.60
SI Bull (300kg)	5.85	5.85	4.60
SI Cow (200kg)	4.40	4.40	3.50
Export markets (NZ$/kg)			
US imported 95CL bull	10.27	10.64	7.75
US domestic 90CL cow	9.00	9.33	6.81



Sheep

SHEEP MEAT			
Slaughter price (NZ$/kg)	**Last week**	**Prior week**	**Last year**
NI lamb (17kg)	8.40	8.50	6.55
NI mutton (20kg)	5.90	5.95	5.00
SI lamb (17kg)	8.30	8.30	6.40
SI mutton (20kg)	5.80	5.80	5.10
Export markets (NZ$/kg)			
UK CKT lamb leg	14.03	14.10	9.93

Deer

VENISON			
Slaughter price (NZ$/kg)	**Last week**	**Prior week**	**Last year**
NI Stag (60kg)	7.55	7.35	5.45
SI Stag (60kg)	7.55	7.35	5.45

NEW ZEALAND EQUITIES

NZ PROPERTY SECTOR AS AT 31-JANUARY-2022

The NZ 10-year government bond yield rose a touch further, ending at ~2.6% at January 2022, from 2.5% at November 2021. Notwithstanding this, the LPV sector was up 1.6% over December and January (vs. S&P/NZ50G -6.5%). VHP, NZL and PCT outperformed, while APL, SPG and IPL underperformed.

Stock	Rating	Price 31 Jan	Target Price	P/NTA	P/NAV	12m fwd P/AFFO	Net div Yield	Gross Div Yield	Committed Gearing
APL	Overweight	$0.29	$0.31	0.64x	0.88x	39.7x	6.2%	8.6%	43%
ARG	Neutral	$1.49	$1.47	0.91x	1.04x	23.0x	4.4%	6.2%	33%
GMT	Underweight	$2.48	$2.07	0.99x	0.95x	35.8x	2.3%	3.1%	24%
IPL	Neutral	$1.82	$1.75	0.83x	1.01x	21.9x	4.3%	6.0%	38%
KPG	Overweight	$1.14	$1.15	0.80x	0.86x	18.2x	4.9%	6.8%	29%
NZL	Overweight	$1.15	$1.14	0.82x	1.09x	21.9x	4.3%	6.0%	37%
PCT	Neutral	$1.61	$1.47	1.06x	1.04x	25.1x	4.2%	5.8%	37%
PFI	Underweight	$2.77	$2.53	1.02x	0.93x	29.5x	2.9%	4.1%	27%
SPG	Overweight	$2.00	$2.07	0.89x	0.86x	19.9x	5.0%	6.9%	28%
VHP	Underweight	$3.11	$2.49	1.08x	1.32x	26.4x	3.1%	4.2%	34%
Average (market cap based)				0.97x	1.01x	26.8x	3.6%	5.0%	30%

In line with Jarden's practice across the sector, to derive our 12-month target price for each of the LPVs in their universe, they utilise a blended valuation methodology using a 25, 25, 50 weighte

d blend of their DCF, NAV and relative yield valuations, respectively. They summarise our ratings and risks below.

- Jarden's rating for KPG is Overweight. Key downside risks to our rating include a deterioration in trading conditions impacting KPG's retail tenants and investment execution.
- Jarden's rating for PCT is Neutral. Key upside/downside risks to our rating include structural risks impacting demand from occupiers for office space, oversupply of new office space and investment execution.
- Jarden's rating for ARG is Neutral. Key upside/downside risks to our rating include the outlook for occupier demand and rents in the office and industrial sectors and investment execution.
- Jarden's rating for IPL is Neutral. Key upside/downside risks to our rating include the outlook for occupier demand and rents across IPL's portfolio and investment execution.
- Jarden's rating for GMT is Underweight. Key upside risks to our rating include better rental growth for SMT's industrial assets and greater upside from deployment of balance sheet capacity.
- Jarden's rating for PFI is Underweight. Key upside risks to our rating include better rental growth for PFI's industrial assets and greater upside from deployment of balance sheet capacity.
- Jarden's rating for VHP is Underweight. Key upside risks include stronger rental growth in VHP's portfolio and the company's ability to extract greater margin from the large development pipeline.
- Jarden's rating for APL is Overweight. Key downside risks include a softer occupier market translating to higher vacancies and lower rental growth and construction execution.
- Jarden's rating for NZL is Overweight. Key downside risks include tenant default, acquisition execution, regulatory, land values and capex.
- Jarden's rating for SPG is Overweight. Key downside risks are timing and success in scaling up funds management, as well as underlying demand and valuation risks impacting SPG's directly owned assets and AUM.

JARDEN'S NZ FEBRUARY REPORTING SEASON PREVIEW

Jarden's key focus stocks include the following:

AIA – largely another academic earnings result given international borders remain shut and Auckland experienced prolonged delta lockdown restrictions. Of interest will be initial thoughts from the new CEO due to start early in the new year and the level of balance sheet capacity left.

AIR - given Omicron and that the NZ Government is still to detail its plans (possibly tomorrow) as to how and when it will reopen the border, we expect the likelihood of AIR completing its capital structure reset in 1Q to be delayed further. We also expect forward earnings visibility to remain low.

ATM – expecting a weak 1H performance as new management focus has been on stabilising price points and reducing excess inventories, both of which should be largely complete. The harder issue is the risk to a material 2H improvement given Omicron disruption to daigou and that the sector (based on our peer analysis) is still struggling to find a bottom from a momentum perspective.

CVT – another window to judge improved execution on the simplification plan - on both the brand and supply side. Jarden is also expecting hot central North Island summer weather to underpin low harvest risk, notwithstanding a mixed Northland start.

CNU - the big reveal on the new dividend policy, balancing regulatory certainty, cycling down capex and future network competition. Jarden's expectation includes capacity for CNU to start at 30cps for FY22, ramping up to 50cps in FY25. Recent S&P and Moody's uplifts in credit threshold limits for CNU are also supportive in this regard.

HGH – Jarden is expecting solid 1H receivables growth from motors and reverse mortgages. This growth combined with the existing COVID provision in place should underpin limited risk to 2H guidance. On the efficiency front, they will also be interested in back office progress, which remains a key internal activity to improve the cost-to-income ratio over time.

SKL – strong 1H growth result and needs to be given strong price rerate over the past 12 months. Outlook comments should also be solid given order flow from existing customers/sectors, with upgrade potential possible from expansion into the health and hygiene sectors with new products.

FEBRUARY REPORTING CALENDAR – 1H22/FY21 DASHBOARD IN DATE ORDER

							Revenue (NZ$mn)		Norm. EBITDA (NZ$mn)		Norm. NPAT (NZ$mn)		DPS (NZ¢)	
	Company	Price	Target Price	Rating	Est. Date	Report	Forecast	Growth	Forecast	Growth	Forecast	Growth	Forecast	Growth
SKC	SKYCITY Entertainment Group	$2.80	$3.35	O	Mon 14 Feb	1H22	-	-	29.5	(75.4%)	(23.6)	(154.0%)	-	-
CEN	Contact Energy	$7.85	$9.80	B	Mon 14 Feb	1H22	1,176.0	3.1%	322.0	31.0%	131.0	74.7%	14.0	-
FBU	Fletcher Building	$6.48	$7.36	N	Wed 16 Feb	1H22	3,887.5	(2.5%)	311.0	(3.7%)	185.0	1.1%	23.0	4.5%
NZR	The New Zealand Refining Company	$0.96	$1.02	N	Thu 17 Feb	FY21	224.2	(8.8%)	69.8	-	(20.2)	-	-	-
NZX	NZX	$1.76	$1.80	N	Thu 17 Feb	FY21	86.3	9.0%	34.7	(1.1%)	16.4	(7.3%)	6.1	-
SKL	Skellerup Holdings	$6.00	$6.20	B	Mon 21 Feb	1H22	153.3	12.2%	38.3	13.3%	22.1	13.3%	7.5	15.4%
EBO	Ebos Group	$39.28	$38.00	O	Mon 21 Feb	1H22	5,119.0	10.0%	180.0	12.0%	106.6	13.0%	43.5	10.4%
PFI	Property for Industry	$2.80	$2.53	U	Mon 21 Feb	FY21	94.7	11.7%	84.5	12.2%	53.7	14.3%	7.9	2.6%
FRE	Freightways	$12.08	$13.00	N	Tue 22 Feb	1H22	431.8	5.2%	74.8	(4.3%)	38.7	(6.0%)	19.0	22.6%
NZL	New Zealand Rural Land Company	$1.17	$1.19	O	Tue 22 Feb	1H22	4.4	-	3.0	n/a	2.1	n/a	2.3	-
HGH	Heartland Group Holdings	$2.42	$2.46	B	Tue 22 Feb	1H22	126.6	5.4%	75.6	16.8%	46.3	7.2%	4.5	12.5%
PGW	PGG Wrightson	$5.55	$4.15	N	Tue 22 Feb	1H22	572.0	14.6%	46.4	10.2%	21.0	20.7%	12.0	-
CNU	Chorus	$7.00	$6.38	N	Wed 23 Feb	1H22	470.0	(0.6%)	324.0	0.3%	22.0	(8.3%)	11.0	4.8%
MCY	Mercury NZ	$5.55	$6.67	O	Wed 23 Feb	1H22	942.5	24.0%	275.0	(6.5%)	87.1	(24.3%)	7.5	10.3%
STU	Steel & Tube Holdings	$1.54	$1.46	N	Wed 23 Feb	1H22	276.1	22.0%	30.6	84.3%	13.3	432.0%	5.0	233.3%
PCT	Precinct Properties New Zealand	$1.61	$1.47	N	Wed 23 Feb	1H22	64.4	6.9%	59.5	11.1%	49.6	0.7%	3.4	3.1%
MEL	Meridian Energy	$4.50	$5.55	O	Wed 23 Feb	1H22	1,783.6	(4.6%)	418.4	(0.9%)	167.9	(26.0%)	5.8	1.8%
MHJ	Michael Hill International	$1.42	$1.45	O	Wed 23 Feb	1H22	325.1	2.4%	51.3	(40.4%)	34.8	(14.0%)	4.0	166.7%
NZM	NZME	$1.28	$1.45	O	Wed 23 Feb	FY21	346.2	4.5%	65.9	(2.1%)	22.2	(11.9%)	6.0	-
SKT	SKY Network Television	$2.48	$2.55	O	Thu 24 Feb	1H22	361.5	0.7%	74.5	(35.9%)	18.0	(54.5%)	-	-
SPK	Spark New Zealand	$4.38	$4.61	O	Thu 24 Feb	1H22	1,825.0	1.6%	515.0	2.6%	168.0	13.5%	12.5	-
AIA	Auckland International Airport	$7.18	$6.60	U	Thu 24 Feb	1H22	134.5	4.8%	57.8	(51.4%)	(23.9)	127.6%	-	-
DGL	Delegat Group	$13.30	$15.10	O	Thu 24 Feb	1H22	164.8	(4.6%)	65.9	(13.4%)	34.9	(19.0%)	-	-
SUM	Summerset Group Holdings	$12.08	$16.50	O	Thu 24 Feb	FY21	195.4	13.3%	34.0	32.8%	132.5	34.8%	17.4	33.8%
AIR	Air New Zealand	$1.47	$0.80	S	Thu 24 Feb	1H22	1,211.3	(1.8%)	101.0	(66.7%)	(227.2)	74.3%	-	-
VHP	Vital Healthcare Property Trust	$3.12	$2.49	U	Fri 25 Feb	1H22	59.5	9.9%	40.7	(2.5%)	22.8	(5.0%)	4.6	5.0%
VCT	Vector	$3.84	$3.63	S	Fri 25 Feb	1H22	642.8	(0.8%)	345.5	6.2%	112.9	11.7%	8.3	-
CVT	Comvita	$3.37	$4.00	O	Fri 25 Feb	1H22	98.8	(0.1%)	13.5	8.9%	5.9	20.4%	2.0	-
SCL	Scales Corporation	$5.09	$4.90	N	Fri 25 Feb	FY21	473.1	0.5%	70.8	10.5%	28.3	3.3%	19.0	-
SEK	Seeka	$5.09	$5.40	N	Fri 25 Feb	FY21	366.4	24.8%	47.7	42.4%	11.7	290.0%	37.0	68.2%
POT	Port of Tauranga	$6.46	$6.00	S	Fri 25 Feb	1H22	171.3	7.9%	90.2	7.3%	54.4	10.1%	6.5	8.3%
ATM	The A2 Milk Company	$5.62	$6.40	N	Fri 25 Feb	1H22	591.0	(12.7%)	79.0	(56.8%)	51.0	(57.5%)	-	-
GNE	Genesis Energy	$2.74	$3.39	O	Mon 28 Feb	1H22	1,321.2	(6.2%)	228.4	5.1%	58.4	(6.4%)	8.7	1.2%
RBD	Restaurant Brands New Zealand	$14.70	$14.00	U	Mon 28 Feb	FY21	1,091.9	18.1%	181.5	19.6%	51.0	36.7%	-	-
VGL	Vista Group International	$2.12	$2.80	O	Tue 01 Mar	FY21	97.8	11.8%	4.9	(143.0%)	(7.9)	(73.0%)	-	-

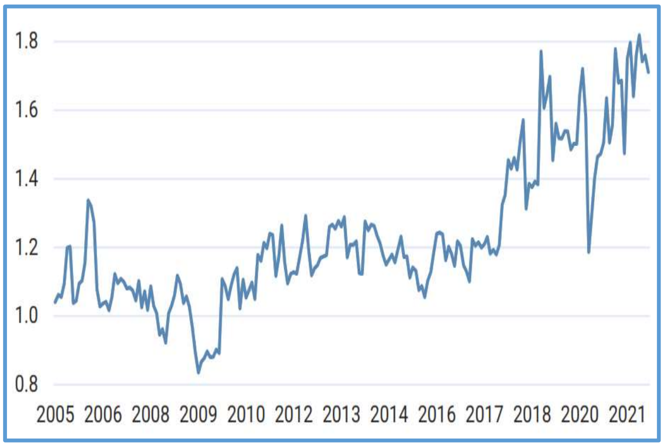
NZ EQUITY OUTLOOK

Despite substantial underperformance of New Zealand equities last year, valuation multiples remain amongst the highest globally. Looking forward, a predicted gradual rise in interest rates will reduce the justification for high local equity valuation ratios. This will likely manifest through lower demand for the NZ Equity market's high dividend yield equities, which benefited greatly in recent years from low and falling interest rates.

In addition, the New Zealand equity market is not significantly linked to the global economy due to the largely domestic focus of many New Zealand listed companies. Hence, it will not benefit to the same degree as many other developed equity markets from a revival of global economic activity.

NZ EQUITIES PRICE TO EARNINGS MULTIPLE

RELATIVE TO GLOBAL EQUITIES



KEY MARKETS	CODE	YTD	1 YR	5 YR/pa
NZ 50 Index	^NZ50	-6.6%	-7.0%	15.3%
ASX 200 Index	^AXJO	-1.9%	10.9%	5.6%
London FTSE 100	^FTSE	3.0%	16.0%	1.4%
US Dow Jones	^DJI	-3.9%	14.9%	15.2%
US S&P500	^GSPC	-6.1%	19.1%	19.7%
US NASDAQ	^IXIC	-9.7%	10.2%	31.9%

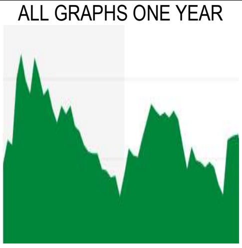
JARDEN'S NEW ZEALAND EQUITY RECOMMENDATIONS

Sell		Underweight		Neutral		Overweight		Buy	
AIR	POT	AIA	NZK	ARG	ARV	APL	AFT	MFB	CEN
SAN	RYM	GMT	RBD	FSF	ATM	EBO	CVT	MHJ	HGH
	VCT	PFI	SKO	GTK	CNU	KPG	DGL	MPG	KMD
		VHP	TPW	IPL	FBU	MFT	ERD	SKL	
				NZR	FPH	NZL	GNE	TRA	
				PGW	FRE	OCA	MCY		
				SCL	IFT	PCT	MEL		
				SEK	NZX	SKT	NZM		
				SML	PEB	SPK	PPH		
				STU	ZEL	VGL	SKC		
							SPG		
							SUM		

STOCKS TO WATCH NEW ZEALAND

Prices as at 16st February 2022

ALL GRAPHS ONE YEAR



Air New Zealand

Research: 4th February

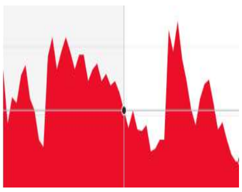
The confirmation of the timing for reopening New Zealand's borders and clarity on the removal of MIQ is an important development for AIR. The clear timetable provided by the Government should allow the company to proceed with route and schedule planning with greater confidence. Despite this positive step forward, Jarden believes the ongoing requirement for one week of self-isolation will weigh heavily on the demand recovery profile. In particular, they expect this condition to be a major deterrent for both tourism passengers and higher yielding business travel.

2022 P/E: (6.6)   2023 P/E: (20.0)

NZX Code:	**AIR**
Share Price:	**$1.60**
12mth Target: ↓	**$0.75**
Projected return (%)	
Capital gain	-53.1%
Dividend yield (Net)	0.0%
Total return	**-53.1%**

Rating: SELL

52-week price range: 1.39-1.89



Auckland International Airport

Research: 4th February

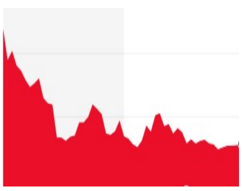
The confirmation of border reopening for New Zealanders and eligible travellers from Australia (28 February)/RoW (14 March), Australia and visa waiver countries (by July) and all other countries (October) is an important step in normalising AIA's operating environment. This greater certainty regarding border settings should allow AIA to engage with airline partners more actively to confirm flight schedules in time for the peak spring/summer travel period.

2022 P/E: (331.6)   2023 P/E: 139.4

NZX Code:	**AIA**
Share Price:	**$7.20**
12mth Target: ↓	**$6.50**
Projected return (%)	
Capital gain	-9.7%
Dividend yield (Net)	0.0%
Total return	**-9.7%**

Rating: UNDERWEIGHT

52-week price range: 6.70-8.34



A2 Milk

Research: 1st February

Weak 1H22 but pre-flagged. At its ASM in mid-November, ATM reiterated its FY22 guidance but noted its mix favouring English label IMF over China label and flagging that its 1H performance would remain weak with improving prospects in the 2H. Importantly, management also noted that its tier 1 distributor inventory levels had reached their internal assessment of required levels for both IMF labels. Against this backdrop and based on Jarden's analysis, they estimate 1H IMF revenues could be down 23% to $405m on pcp, with total revenues -13% to $591m, 1H EBITDA -57% to $79m (margin 13%), NPAT -59% to $49m and net cash ~$630m, post MVM settlement.

2022 P/E: 39.3   2023 P/E: 31.6

NZX Code:	**ATM**
Share Price:	**$5.75**
12mth Target: ↓	**$6.40**
Projected return (%)	
Capital gain	11.3%
Dividend yield (Net)	0.0%
Total return	**11.3%**

Rating: NEUTRAL

52-week price range: 5.31-11.48

Contact Energy Research 15th February

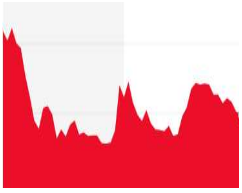
CEN delivered positive 1H22 results, with EBITDA of $322), up $76m vs the pcp and $55m on the company's normalised hydro expectation. CEN is on track to achieve Jarden's $588m FY22 EBITDA estimate, $68m up on its hydro normalised $520m guidance. The outlook is dependent on hydro inflows, with dam levels up on average, and wholesale price development. The ASX forward electricity curve is at an elevated level, reflecting high coal prices, continued rising carbon prices and some gas shortage. The interim dividend of 14.0cps is in line, with full-year guidance remaining 35cps. With good short-term momentum and market-leading build options for the medium and longer term, CEN remains Jarden's sector top pick.

2022 P/E: 28.2 2023 P/E: 37.9

NZX Code:	**CEN**
Share Price:	**$8.11**
12mth Target:	**$9.80**
Projected return (%)	
Capital gain	20.7%
Dividend yield (Net)	4.4%
Total return	**25.1%**

Rating: BUY

52-week price range:6.60-8.35



Chorus Research: 1st February

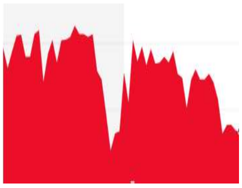
S&P has delivered CNU with an uplift in the rating downgrade threshold from 4.25x to 5x EBITDA, in line with Moody's. This is a good outcome for CNU and should open the way for it to progress capital management settings and dividend policy at the 1H22 result with ratings dealt with and ~0.75x net debt/EBITDA headroom flexibility on gearing (CNU currently around ~4.25x for FY22E). Jarden's spot DCF valuation is $4.56 and yield-based valuation is $8.09. They apply a 50/50 weighting given the importance of DCF in highlighting the long-term outlook for fibre and non-regulated earnings, with it supporting a long-term price path less likely to be threatened by competition but resulting in lower long-term dividends.

2022 P/E: 72.3 2023 P/E: 79.7

NZX Code:	**CNU**
Share Price:	**$6.66**
12mth Target:	**$6.38**
Projected return (%)	
Capital gain	-4.3%
Dividend yield (Net)	4.3%
Total return	**0.0%**

Rating: NEUTRAL

52-week price range: 6.03-8.38



Delegat Group Research: 2nd February

Jarden views the 1H results as rudimentary, with our focus on any change to full-year guidance. The medium to long-term outlook remains strong, with a favourable global supply/demand outlook and DGL being a beneficiary of higher margin channels on global reopening. The results will be the first chance for investors potentially to hear from the new CEO.

2022 P/E:25.0 2023 P/E:

NZX Code:	**DGL**
Share Price:	**$13.30**
12mth Target:	**$15.10**
Projected return (%)	
Capital gain	13.5%
Dividend yield (Net)	1.2%
Total return	**14.7%**

Rating: OVERWEIGHT

52-week price range: 12.90-15.50

EBOS Group Research: 16th February

Strong 1H result in line with Jarden's expectation, across both divisions: Underlying EBITDA of A$208mn was +13% on the pcp (JARDe A$206mn), with underlying NPAT growing +16% vs the pcp to A$109mn (JARDe A$106mn). The dividend of NZ47cps was +11% on the pcp. Record ROCE of 18.2% was +70bp on the pcp, driven by earnings growth and working capital discipline. Management attributes 8-9% operating earnings growth to underlying factors, with c. 4% due to acquisitions and c. 1% net COVID benefit. Labour inflationary pressures are running at a normal level (c. +3%), with elevated freights costs of +5-10% being offset by volume growth, share gains and a gradual shift to a higher margin mix.

2022 P/E: 30.2 2023 P/E: 24.9

NZX Code:	**EBO**
Share Price:	**$39.90**
12mth Target: ↑	**$40.00**
Projected return (%)	
Capital gain	0.3%
Dividend yield (Net)	2.6%
Total return	**2.9%**

Rating: OVERWEIGHT

52-week price range: 27.51-43.13

Fletcher Building Research: 16th February

FBU reported FY1H22 EBIT of $332m, up on $323m in the pcp, a positive surprise and a beat of Jarden's estimate of $311m. The bigger surprise was the stated COVID impact of $105m, which is borne out by 1Q22 EBIT being down 60% on the pcp. This is positive for normalisation assumptions. FY22 EBIT guidance of $750m, excluding a potential $25-50m negative Omicron impact, implies an $835m COVID normalised FY22 estimate. With an interim dividend of 18.0c, a 68% payout ratio, up on 12.0c in the pcp, FBU is now on track for a c. 38cps FY22 dividend, implying a 5.7% net yield. Jarden increases their FY22 and FY23 EBIT estimates to $737m and $834m, respectively, and raise their 12-month target price from $7.36 to $7.46.

2022 P/E: 12.0 2023 P/E: 10.6

NZX Code:	**FBU**
Share Price:	**$6.92**
12mth Target: ↑	**$7.46**
Projected return (%)	
Capital gain	7.8%
Dividend yield (Net)	5.7%
Total return	**13.5%**

Rating: OVERWEIGHT

52-week price range: 6.28-7.99

Freightways Research: 4th February

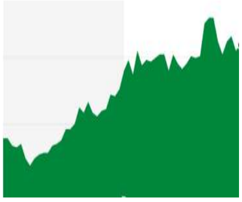
Jarden expects FRE's 1H22 results to reflect the impact of lockdown restrictions in Express Package's key Auckland market, with underlying EBITDA (pre-IFRS 16) declining by 4% to $74.8m. At the company's ASM in late October, it highlighted that it was encouraged by the increase in volumes from eCommerce and market share gains in Express Package. Jarden expects to see further evidence of these trends in the upcoming results. Elsewhere, they expect company commentary to highlight the impact of a tight labour market on staff availability and costs along with the disruptive impact of constrained supply chains..

2022 P/E: 27.8 2023 P/E: 27.1

NZX Code:	**FRE**
Share Price:	**$12.14**
12mth Target:	**$13.00**
Projected return (%)	
Capital gain	7.1%
Dividend yield (Net)	1.5%
Total return	**8.6%**

Rating: NEUTRAL

52-week price range:10.45-13.85



Heartland Group Research: 4th February

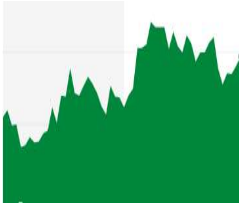
Jarden expects HGH to deliver a solid 1H22 result having guided a 7.5% (midpoint) lift in NPAT for the full year, driven by strengthening receivables growth coming out of FY21. Given the strength in consumer balance sheets and key business sectors (particularly construction), They expect Motors and Asset Finance to show a continuation of double-digit growth. A strong forward outlook at year-end, combined with our expectation of lower repayments should similarly see double-digit growth in Reverse Mortgages. Jarden will be interested in commentary on the recent impacts of CCCFA regulatory changes, in terms of additional costs and lending approvals, with Motors the key area of interest.

2022 P/E: 13.8 2023 P/E: 13.1

NZX Code:	**HGH**
Share Price:	**$2.40**
12mth Target:	**$2.46**
Projected return (%)	
Capital gain	2.2%
Dividend yield (Net)	7.5%
Total return	**9.7%**

Rating: BUY

52-week price range:1.72-2.59



Infratil Research: 16th February

Updated FY22 proportionate EBITDAF guidance range narrowed slightly to $500-520m (previously $500-530m). Around $2.5m of the movement can be attributed to TPW (51% held) $5m FY22 guidance downgrade and Jarden expects COVID19 weakness (reduced GP referrals) at Qscan and PRG has probably also had an impact at the margin. CDC (48% held) and Vodafone (51% held) FY22 guidance ranges both remain unchanged. Likely to be at the margins, a lift in RetireAustralia (50% held) resales (490-520 units vs pcp 340) suggests a promising improvement in its performance. IFT guided for modest dividend progression to continue (circa 1H22's 4% progression rate).

2022 P/E: 50.5 2023 P/E: 93.8

NZX Code:	**IFT**
Share Price:	**$7.95**
12mth Target: ↑	**$8.60**
Projected return (%)	
Capital gain	8.4%
Dividend yield (Net)	2.4%
Total return	**10.8%**

Rating: OVERWEIGHT

52-week price range:6.74-8.47

Kathmandu Holdings Research: 14th February

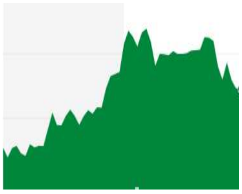
KMD has provided a 1H22E trading update with revenue of $405m and underlying EBITDA guidance of $9-11m. This earnings guidance was disappointing. The primary driver of this miss was an additional $14m of brand investment across both Rip Curl and Kathmandu. Expect that this increased marketing spend reflects a combination of ongoing and one-off brand investment but also includes normalisation of marketing spend which had been managed down due to COVID. In addition, ongoing COVID-related disruption was also a notable contributor to the miss vs. Jarden forecasts. This business has seen a larger-than-expected impact on Oboz with ~50% of orders being unable to be fulfilled.

2022 P/E: 21.1.3 2023 P/E: 11.6

NZX Code:	**KMD**
Share Price:	**$1.39**
12mth Target: ↓	**$1.65**
Projected return (%)	
Capital gain	18.7%
Dividend yield (Net)	2.8%
Total return	**21.5%**

Rating: BUY

52-week price range:1.21-1.68



Mainfreight Research: 4th February

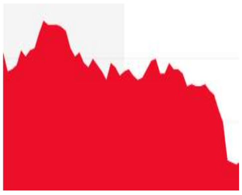
Trading update 8% ahead of required run-rate for FY22 earnings. MFT has reported revenue of $4,134.9m (+45% YoY) and PBT of $372.0m (+85% YoY) for the 43 weeks to the end of January. This performance in the 17 weeks since 1H22 sees an acceleration of both revenue (+50.1% vs. +41.4% at 1H22) and PBT (+92.9% vs. +78%). Importantly, this trading update was 3% ahead of our required run-rate for previously published FY22E revenue and 8% ahead for PBT.

2022 P/E: 27.8 2023 P/E: 27.1

NZX Code:	**MFT**
Share Price:	**$81.90**
12mth Target:	**$91.00**
Projected return (%)	
Capital gain	11.1%
Dividend yield (Net)	1.5%
Total return	**12.6%**

Rating: NEUTRAL

52-week price range:65.00-99.78



NZ King Salmon Investments Research: 1ST February

NZK has downgraded FY22 EBITDA guidance from $10.5-12.5m to $6.5-7.5m (-38% at midpoint vs. Eikon consensus) due to higher-than-expected summer mortalities as a consequence of above average seawater temperatures. As a further consequence of these mortalities, NZK also signalled a "serious impact" to FY23 as it will now need to reduce its harvest. Jarden notes NZK is continuing to assess the situation and expect further detail at the FY22 result in March.

2022 P/E: 28.9 2022 P/E: 14.8

NZX Code:	**NZK**
Share Price:	**$1.02**
12mth Target:	**$1.15**
Projected return (%)	
Capital gain	12.7%
Dividend yield (Net)	0.0%
Total return	**12.7%**

Rating: UNDERWEIGHT

52-week price range 0.99-1.69

Pushpay Holdings

While PPH originated in Auckland it refocused its business to focus on the United States due to the preponderance of high growth churches there. These days close to 80% of its employees are based in the US. Unsurprisingly, Seattle or more precisely Redmond, the home of Amazon and Microsoft, was chosen as the location for its main US office due to large number of people employed in the technology sector there. PPH employs top talent who enjoy working hard and who foster a culture of innovation and collaboration. Being named as one of Seattle' Business Magazine's Best Workplace in 2021 is evidence of achievement of this aim.

2022 P/E: 33.9 2022 P/E: 31.6

NZX Code:	**PPH**
Share Price:	**$0.99**
12mth Target: ↓	**$1.75**
Projected return (%)	
Capital gain	76.8%
Dividend yield (Net)	0.0%
Total return	**76.8%**

Rating: OVERWEIGHT

52-week price range: 0.97-2.10

Rakon

RAK specialises in frequency control and timing solutions, said it has succeeded in mitigating the supply chain pressures identified last November. It now expects underlying earnings before interest, tax, depreciation and amortisation (ebitda) for the year ending March to be between $49m and $53m, up from November's guidance of $44m-$49m. They said the significant supply chain risks have required month-to-month management of raw materials and parts to meet orders. "We are now delighted to report we have largely overcome these challenges for the remainder of 2022 and have secured sufficient inventory to meet customer orders," the CEO said. The annual result is due on 26th May.

2022 P/E: 33.9 2022 P/E: 31.6

NZX Code:	**RAK**
Share Price:	**$1.81**
12mth Target: ↓	**$1.75**
Projected return (%)	
Capital gain	-2.8%
Dividend yield (Net)	0.0%
Total return	**-2.8%**

Rating: OVERWEIGHT

52-week price range: 0.82-2.27

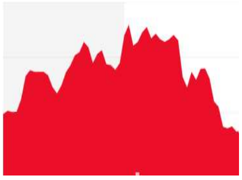
Seeka Kiwifruit

Research: 2nd February

Jarden expects a strong earnings outlook from acquisitions and sector growth, offset by dilution, labour risk and high gearing. Efficiency post acquisitions remains an overhang, with little evidence to date of significant improvement following acquisitions. While acquisitions have expanded the balance sheet, earnings have been offset by dilution. Therefore, while Jarden believes it is likely there will be strong earnings growth going forward, we remain cautious given further dilution coupled with high gearing. We also note the operational risk given the reliance on aggressive Sungold growth on top of the usual agricultural harvest risk.

2022 P/E: 16.6 2023 P/E:

NZX Code:	**SEK**
Share Price:	**$5.09**
12mth Target:	**$5.40**
Projected return (%)	
Capital gain	6.1%
Dividend yield (Net)	4.8%
Total return	**10.9%**
Rating: NEUTRAL	
52-week price range: 4.73-5.68	



Serko

Research: 4th February

Omicron disruption dampens near-term revenue outlook - SKO has lowered its FY22 revenue guidance range 16% at the midpoint, to $18.0m - $20.5m (from $21.0m - $25.0m), highlighting Omicron-related travel disruption as the key driver of the downgrade. Offshore bookings were meaningfully lower than expected (albeit from a low base) through the December/January period, as Omicron cases surged in Europe and North America. While those markets have illustrated improving activity levels in recent weeks, Australia and New Zealand (the important revenue markets in FY22) have experienced a slowdown through January as the new variant emerged. The top end of guidance reflects a gradual recovery in Australian activity levels and growth offshore, while the low end assumes a further worsening in activity levels.

2022 P/E: (16.9) 2023 P/E: (19.8)

NZX Code:	**SKO**
Share Price:	**$5.14**
12mth Target:	**$4.75**
Projected return (%)	
Capital gain	-7.2%
Dividend yield (Net)	0.0%
Total return	**-7.2%**
Rating: UNDERWEIGHT	
52-week price range: 4.90-8.35	

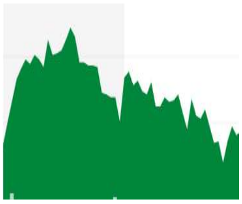
Skellerup Holdings

Research: 17TH February

1H22 result gave little surprise with NPAT of $23m pre-guided two weeks ago. This was a record result driven by broad-based growth, notably in key areas, demonstrating execution to capture opportunities available. Maiden FY22 guidance was provided for NPAT of $44-47m (+13% y/y at the midpoint), which isn't an indication of 2H growth slowing noting January and February have been strong, rather it's an indication that because of freight and supply challenges, there could be some timing issues and that some key projects have slipped back. Additionally, some Omicron conservatism has been factored in.

2022 P/E: 25.7 2022 P/E: 22.5

NZX Code:	**SKL**
Share Price:	**$6.27**
12mth Target: ↑	**$6.40**
Projected return (%)	
Capital gain	1.6%
Dividend yield (Net)	3.4%
Total return	**5.0%**
Rating: OVERWEIGHT	
52-week price range: 4.00-6.50	



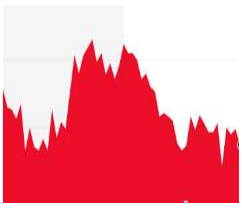
Sky City Entertainment

Research: 15th February

As expected 1H Normalised EBITDA was materially impacted by Covid Delta restrictions, down 70% vs pcp to $36m (Jarden $30m). Normalised NPAT -145% vs pcp to a net loss of $20m and no dividend. Net debt $685m but with committed liquidity of $258m. The key operating highlight was the solid local gaming performance in periods when casinos were fully operational, as well as Adelaide revenue growth. Margin performance was weak across all properties, due to fixed cost deleverage. Management focus remains on prudent cost and capex control with both corporate costs and maintenance capex temporarily reined in. NZICC/Horizon Hotel major project remains on budget but progressing slower than expected due to Covid complexities.

2022 P/E: (221.1) 2023 P/E: 21.5

NZX Code:	**SKC**
Share Price:	**$2.98**
12mth Target:	**$3.30**
Projected return (%)	
Capital gain	10.7%
Dividend yield (Net)	0.0%
Total return	**10.7%**
Rating: OVERWEIGHT	
52-week price range: 2.73-3.69	



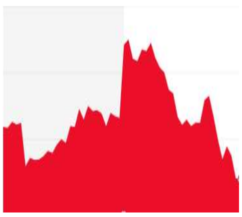
Spark

Research: 4TH February

Jarden expects SPK to generate modest overall earnings growth at its 1H22 results from key drivers (mobile, IT services), while flexibly managing some of its headwinds (broadband), with ongoing focus on cost reduction. Inflation is a relevant challenge for SPK especially on the labour cost front, although Jarden notes that a high portion of opex and capex are non-labour. However, SPK has demonstrated its ability to manage its overall cost base and they do not expect any deviation from its guided FY22 EBITDAI, which implies modest growth and is sufficient to underpin a 25cps dividend.

2022 P/E: 19.2 2023 P/E: 17.7

NZX Code:	**SPK**
Share Price:	**$4.42**
12mth Target: ↓	**$4.61**
Projected return (%)	
Capital gain	4.3%
Dividend yield (Net)	5.8%
Total return	**10.1%**
Rating: OVERWEIGHT	
52-week price range: 4.30-4.94	



Summerset

Research: 16TH February

Jarden expects a strong FY21 result. They forecast an underlying NPAT of $139.4m, +42% vs. a COVID-impacted FY20 result. In addition, they expect robust fair value gains will see uplift in NTA/share from $7.07 reported at the 1H21 result. In terms of key operating metrics, given SUM has already released its resale (438) and new sale (540) unit volumes for FY21, Jarden's focus will be on margins, inventory levels and development guidance. They forecast net debt to have increased to $760m from $643m at 1H21, with gearing to remain conservative at ~28% (vs. 28.5% at 1H21E) and for SUM to continue to have significant debt headroom (~$815m).

2022 P/E: 18.7 2023 P/E: 16.0

NZX Code:	**SUM**
Share Price:	**$11.36**
12mth Target:	**$14.50**
Projected return (%)	
Capital gain	27.6%
Dividend yield (Net)	1.6%
Total return	**29.2%**
Rating: OVERWEIGHT	
52-week price range: 11.25-15.69	

JARDEN'S NZ LISTED COMPANIES GROSS DIVIDEND YIELD

AS AT 17TH FEBRUARY 2022

COMPANY	RATING	PRICE (NZ$)	GROSS DIVIDEND YIELD				DIVIDEND COVER				NET DEBT/ EQUITY[1] CURRENT
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2	
The Warehouse Group	N	$3.10	16.0%	11.4%	11.8%	12.5%	1.4	1.4	1.4	1.4	-30.4%
Seeka	N	$5.07	6.0%	10.1%	5.4%	8.3%	0.4	0.9	2.0	1.5	57.0%
Asset Plus	O	$0.29	9.1%	9.1%	9.1%	9.6%	1.2	0.7	0.1	0.9	42.8%
Michael Hill	O	$1.50	4.4%	8.3%	8.3%	8.3%	2.8	1.4	1.3	1.4	-37.7%
My Food Bag	B	$1.05		9.0%	9.9%	10.8%		1.3	1.3	1.2	26.3%
Genesis Energy	O	$2.77	8.3%	8.3%	8.5%	8.8%	0.4	0.6	0.6	0.7	53.3%
Spark	O	$4.50	7.8%	7.8%	7.8%	7.8%	0.8	0.9	1.0	1.0	76.5%
Turners	B	$4.27	6.5%	7.5%	8.2%	8.8%	1.4	1.7	1.6	1.5	172.6%
Kiwi Property Group	O	$1.10	7.0%	7.5%	7.6%	7.9%	1.3	1.2	1.1	1.1	47.4%
Stride	O	$1.98	7.5%	7.5%	7.5%	7.6%	1.2	1.1	1.1	1.2	27.9%
Heartland Group	B	$2.37	6.4%	7.1%	7.6%	8.2%	1.4	1.3	1.3	1.3	639.0%
Fletcher Building	O	$6.70	6.3%	7.9%	8.3%	7.9%	1.7	1.5	1.6	1.6	14.7%
Steel and Tube	N	$1.55	2.9%	6.6%	6.9%	6.7%	1.7	1.4	1.4	1.4	-7.3%
Trustpower	U	$6.94	6.1%	6.5%	5.4%	3.3%	0.8	1.4	1.0	1.0	58.5%
Argosy Property	N	$1.40	6.9%	6.9%	7.2%	7.3%	1.2	1.2	1.2	1.1	49.0%
Investore Property	N	$1.78	6.4%	6.6%	6.6%	6.7%	1.1	1.0	1.1	1.2	42.1%
Precinct Properties	N	$1.59	6.1%	6.3%	6.4%	6.6%	1.0	1.0	1.1	1.1	48.4%
NZME	O	$1.22		6.8%	7.4%	7.4%		1.9	2.0	2.1	0.6%
NZ Rural Land Co	O	$1.20		5.8%	6.7%	7.4%		1.3	1.2	1.0	60.1%
Fonterra	N	$3.60	5.6%	5.6%	6.4%	7.8%	1.7	1.7	1.6	1.3	55.3%
Contact Energy	B	$8.10	5.3%	5.5%	5.5%	6.6%	0.7	0.8	0.6	0.6	33.3%
PGG Wrightson	N	$5.38	7.2%	5.7%	5.8%	6.1%	0.8	1.1	1.1	1.1	6.1%
Scales Corporation	N	$4.94	5.3%	5.3%	5.3%	5.3%	1.0	1.0	0.9	1.2	-29.5%
Meridian Energy	O	$4.99	4.5%	4.5%	4.7%	4.9%	0.5	0.7	0.7	0.7	33.3%
NZX	N	$1.73	4.9%	4.9%	5.4%	5.6%	1.0	1.0	1.0	1.0	23.6%
Chorus	N	$6.70	5.1%	5.2%	5.2%	6.7%	0.4	0.3	0.2	0.3	264.3%
Vector	S	$3.81	4.8%	4.8%	4.8%	4.8%	1.1	1.0	0.9	0.9	156.6%
Vital Healthcare	U	$3.13	4.2%	4.5%	4.8%	5.1%	1.3	1.3	1.3	1.3	51.8%
Freightways	N	$12.17	3.9%	4.4%	5.4%	5.8%	1.3	1.1	1.1	1.1	48.3%
Property For Industry	U	$2.79	4.2%	4.2%	4.3%	4.5%	1.2	1.4	1.3	1.3	36.8%
Mercury	O	$5.85	4.0%	3.9%	5.0%	5.5%	0.6	0.7	0.8	0.8	43.0%
Skellerup	B	$6.30	3.2%	3.8%	4.2%	4.5%	1.2	1.2	1.2	1.2	8.8%
Kathmandu	B	$1.39	3.6%	3.2%	5.7%	6.6%	1.9	1.6	1.7	1.7	-6.5%
Oceania Healthcare	O	$1.08	3.1%	3.8%	5.2%	5.9%	1.7	1.8	1.8	1.8	43.6%
Sky Network Television	O	$2.50		3.4%	9.4%	10.0%		0.9	1.6	1.5	-12.5%
Goodman Property	U	$2.48	3.1%	3.3%	3.4%	3.7%	1.3	1.3	1.3	1.3	22.7%
Port of Tauranga	S	$6.45	2.9%	3.1%	3.3%	3.3%	1.1	1.1	1.1	1.1	34.8%
Arvida	N	$1.62	3.3%	3.2%	4.1%	4.9%	1.8	2.3	2.2	2.2	34.1%
Z Energy	N	$3.61	5.4%	2.6%			0.0	1.4			60.0%
Infratil	O	$7.85	2.6%	2.6%	2.7%	2.8%	-1.2	0.8	0.4	0.4	45.8%
AFT Pharmaceuticals	O	$3.95		2.6%	6.5%	7.5%		2.0	1.3	1.3	54.0%
Comvita	O	$3.50	1.5%	2.4%	4.0%	6.0%	3.4	3.0	2.2	1.7	-1.0%
Ebos	O	$39.30	2.3%	2.9%	3.0%	3.4%	1.4	1.2	1.4	1.3	24.0%
Mainfreight	N	$81.99	1.3%	2.2%	2.4%	2.8%	2.5	2.4	2.3	1.9	2.1%
Ryman Healthcare	S	$9.35	2.4%	2.0%	2.7%	3.3%	2.0	2.6	2.5	2.5	75.3%
Delegat's Group	O	$13.30	2.1%	1.9%	1.9%	2.4%	3.2	3.3	3.4	3.3	45.5%
Fisher & Paykel Healthcare	N	$29.35	1.8%	1.8%	1.9%	2.1%	2.4	1.7	1.5	1.7	-10.6%
Summerset	O	$11.33	1.1%	1.6%	1.9%	2.0%	3.4	3.3	3.3	3.3	41.3%
Sanford	S	$4.75		1.4%	2.6%	3.9%		4.1	2.9	2.3	27.7%
Auckland Airport	U	$7.14			0.8%	2.9%			1.2	1.2	18.5%
Air New Zealand	S	$1.60				2.2%				1.2	3.1%
a2 Milk	N	$5.66									-55.6%
Eroad	O	$4.20									4.0%
Gentrack	N	$1.65				2.2%				1.1	-10.2%
Metro Performance Glass	B	$0.36			3.9%	13.1%			2.8	1.6	53.9%
New Zealand King Salmon	U	$1.00				2.8%				3.3	23.2%
New Zealand Refining Company	N	$0.94									30.8%
Pacific Edge	N	$1.08									-97.7%
Pushpay	O	$1.01									-5.1%
Restaurant Brands	U	$14.80									50.5%
Sky City	O	$2.95	3.3%		4.7%	6.5%	1.7		1.4	1.3	36.4%
Serko	U	$5.10									-52.6%
Synlait	N	$3.42									49.0%
Tourism Holdings	R										
Vista Group	O	$2.09				0.6%				1.9	-32.6%
MEDIAN			3.1%	3.8%	4.8%	5.3%	1.2	1.3	1.3	1.3	34.1%

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

JARDEN'S AUSTRALIAN EQUITIES NET DIVIDEND YIELD

AS AT 17TH FEBRUARY 2022

COMPANY	RATING	PRICE (AU$)	DIVIDEND YIELD				DIVIDEND COVER			
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2
Pendal Group Limited	Buy	$4.93	10.5%	10.5%	11.5%	12.7%	1.1x	1.1x	1.1x	1.1x
Adairs Limited	Buy	$3.11	7.1%	8.7%	9.6%	10.3%	1.6x	1.6x	1.6x	1.6x
Magellan Financial Group Limited	Underweight	$18.33	10.7%	7.9%	6.5%		1.1x	1.2x	1.3x	
NRW Holdings Limited	Overweight	$1.73	7.3%	7.7%	7.8%	7.8%	1.8x	1.8x	1.8x	1.7x
Centuria Office REIT	Underweight	$2.22	7.5%	7.6%	7.7%	7.9%	1.1x	1.1x	1.1x	1.1x
Insignia Financial Limited	Buy	$3.74	6.6%	7.3%	8.2%	8.9%	1.4x	1.4x	1.4x	1.4x
Stockland Corporation Limited	Underweight	$4.07	6.8%	6.9%	7.0%	7.2%	1.3x	1.3x	1.3x	1.3x
Platinum Asset Management Limited	Underweight	$2.53	6.6%	6.6%	6.4%	6.4%	1.2x	1.2x	1.2x	1.2x
Charter Hall Long Wale REIT	Buy	$4.94	6.2%	6.6%	6.9%	7.2%	1.0x	1.0x	1.0x	1.0x
Vicinity Centres	Neutral	$1.87	5.3%	6.5%	6.8%	7.0%	1.3x	1.2x	1.2x	1.2x
Resmed Incorporated	Overweight	$33.22	5.3%	6.5%	7.3%	8.2%	3.6x	3.5x	3.5x	3.5x
Charter Hall Retail REIT	Overweight	$4.11	5.8%	6.4%	6.6%	6.8%	1.2x	1.1x	1.1x	1.1x
CSR Limited	Overweight	$5.78	5.7%	6.3%	6.2%	5.7%	1.2x	1.2x	1.3x	1.4x
Suncorp Group Limited	Overweight	$11.52	5.3%	6.3%	6.7%	6.7%	1.2x	1.2x	1.2x	1.2x
Homeco Daily Needs REIT	Overweight	$1.37	6.0%	6.3%	6.5%	6.6%	1.0x	1.1x	1.1x	1.1x
Autosports Group Limited	Overweight	$1.92	6.6%	6.2%	6.2%	5.9%	2.1x	1.8x	1.7x	1.7x
Emeco Holdings Limited	Buy	$0.89	4.1%	6.2%	7.6%	8.2%	4.0x	2.9x	2.5x	2.3x
Perpetual Limited	Underweight	$35.86	5.9%	6.1%	6.0%	6.2%	1.2x	1.2x	1.2x	1.2x
Atlas Arteria Limited	Overweight	$6.70	4.8%	6.0%	7.2%	7.4%	0.9x	1.0x	1.1x	1.1x
Aurizon Holdings Limited	Neutral	$3.63	5.7%	5.9%	4.4%	6.0%	1.3x	1.3x	1.3x	1.0x
AMP Limited	Neutral	$1.02	-	5.9%	6.9%	7.9%		1.6x	1.6x	1.6x
Aventus Group Limited	Neutral	$3.20	5.7%	5.9%	6.1%	6.3%	1.1x	1.1x	1.1x	1.1x
SCA Property Group	Buy	$2.89	5.3%	5.9%	6.2%	6.5%	1.2x	1.1x	1.1x	1.1x
Insurance Australia Group Limited	Buy	$4.70	4.0%	5.7%	5.7%	5.7%	1.1x	1.2x	1.3x	1.4x
Bendigo and Adelaide Bank Limited	Neutral	$10.07	5.6%	5.7%	6.0%	6.4%	1.3x	1.3x	1.3x	1.3x
Monadelphous Group Limited	Overweight	$9.25	4.5%	5.6%	6.4%	6.6%	1.2x	1.2x	1.2x	1.2x
Westpac Banking Corporation	Neutral	$23.29	5.2%	5.5%	6.4%	6.7%	1.2x	1.4x	1.4x	1.4x
Australia & New Zealand Banking Group Li	Neutral	$28.10	5.2%	5.5%	5.9%	6.3%	1.4x	1.4x	1.4x	1.4x
Abacus Property Group	Overweight	$3.51	5.1%	5.5%	5.6%	5.7%	1.1x	1.1x	1.1x	1.1x
Bank of Queensland Limited	Overweight	$8.42	5.3%	5.5%	5.7%	6.1%	1.5x	1.5x	1.6x	1.5x
Accent Group Limited	Overweight	$2.05	3.1%	5.4%	6.0%	6.1%	1.2x	1.2x	1.2x	1.2x
QBE Insurance Group Limited	Buy	$12.67	3.3%	5.3%	5.8%	5.9%	1.3x	1.1x	1.1x	1.1x
Nick Scali Limited	Neutral	$13.09	5.8%	5.3%	5.3%	6.1%	1.3x	1.2x	1.2x	1.2x
Woodside Petroleum Limited	Buy	$26.63	4.6%	5.2%	3.5%	3.9%	1.2x	1.6x	2.0x	2.0x
Harvey Norman Holdings Limited	Underweight	$5.32	5.3%	5.2%	5.1%	5.2%	1.5x	1.5x	1.5x	1.5x
GPT Group	Overweight	$5.02	5.0%	5.2%	5.4%	5.6%	1.3x	1.3x	1.3x	1.3x
Dexus	Neutral	$10.59	5.0%	5.1%	5.3%	5.4%	1.3x	1.3x	1.3x	1.3x
Scentre Group	Buy	$3.15	4.0%	5.0%	5.6%	5.8%	1.3x	1.3x	1.3x	1.3x
Centuria Industrial REIT	Overweight	$3.76	4.6%	4.7%	4.9%	5.1%	1.1x	1.1x	1.1x	1.1x
Orora Limited	Overweight	$3.56	4.5%	4.7%	4.9%	5.2%	1.3x	1.3x	1.2x	1.2x
BWP Trust	Sell	$3.98	4.6%	4.6%	4.7%	4.8%	1.0x	1.0x	1.0x	1.0x
Charter Hall Social Infrastructure	Overweight	$3.87	4.3%	4.6%	4.9%	5.1%	1.0x	1.0x	1.0x	1.0x
National Australia Bank Limited	Overweight	$30.64	4.5%	4.6%	4.9%	5.1%	1.5x	1.5x	1.5x	1.5x
Transurban Group Limited	Neutral	$12.88	3.2%	4.6%	4.9%	5.4%	0.1x	0.5x	0.5x	0.5x
Medibank Private Limited	Neutral	$3.22	4.2%	4.5%	4.8%	4.9%	1.2x	1.2x	1.2x	1.2x
Estia Health Limited	Buy	$2.06	3.0%	4.5%	5.0%	4.8%	1.4x	1.4x	1.4x	1.4x
The Star Entertainment Group Limited	Buy	$3.70	-	4.3%	4.9%	5.4%		1.2x	1.2x	1.4x
Mirvac Group	Neutral	$2.58	4.0%	4.3%	4.4%	4.5%	1.5x	1.5x	1.5x	1.5x
JB Hi-Fi Limited	Underweight	$54.15	4.8%	4.2%	4.2%	4.2%	1.5x	1.5x	1.5x	1.5x
Universal Store Holdings Limited	Neutral	$6.50	2.5%	4.1%	4.8%	7.2%	1.6x	1.6x	1.6x	1.2x
IPH Limited	Buy	$8.27	3.7%	4.1%	4.5%		1.2x	1.2x	1.2x	
Healius Limited	Neutral	$4.46	9.7%	4.0%	3.5%	4.2%	1.6x	1.6x	1.6x	1.6x
Commonwealth Bank of Australia	Overweight	$98.57	3.9%	4.0%	4.2%	4.4%	1.3x	1.3x	1.3x	1.3x
Coles Group Limited	Overweight	$16.62	3.7%	4.0%	4.5%	5.3%	1.3x	1.2x	1.2x	1.2x
Adbri Limited	Neutral	$3.09	3.8%	3.9%	4.0%	4.0%	1.5x	1.5x	1.5x	1.5x
National Storage REIT	Underweight	$2.43	3.7%	3.9%	4.1%	4.3%	1.1x	1.1x	1.1x	1.1x
Centuria Capital Group Limited	Overweight	$2.98	3.7%	3.9%	4.1%	4.3%	1.4x	1.4x	1.4x	1.4x
Pact Group Holdings Limited	Overweight	$2.70	3.3%	3.9%	4.9%	5.1%	2.4x	2.4x	2.0x	1.9x
SEEK Limited	Overweight	$29.01		3.9%	5.6%	5.1%	0.0x	0.7x	0.5x	0.8x
Regis Healthcare Limited	Buy	$1.93		3.7%	3.6%	5.6%	0.0x	1.1x	1.3x	0.8x
Sims Limited	Buy	$17.60	4.0%	3.7%	4.6%	2.4%	3.4x	3.3x	3.3x	3.3x
Challenger Limited	Neutral	$6.32	3.8%	3.6%	2.0%	3.4%	1.7x	1.9x	3.7x	2.3x
Nib Holdings Limited	Neutral	$6.72	3.4%	3.6%	3.9%	4.2%	1.4x	1.4x	1.4x	1.4x
Arena REIT	Neutral	$4.97	3.2%	3.4%	3.6%	3.9%	1.0x	1.0x	1.0x	1.0x
Treasury Wine Estates Limited	Overweight	$11.77	2.7%	3.4%	3.9%	4.2%	1.4x	1.4x	1.4x	1.4x
Sonic Healthcare Limited	Neutral	$38.02	5.8%	3.3%	2.6%	2.9%	1.5x	1.5x	1.5x	1.5x
Wesfarmers Limited	Overweight	$54.92	2.9%	3.2%	3.5%	3.8%	1.2x	1.2x	1.2x	1.2x
Premier Investments Limited	Overweight	$29.54	3.0%	3.2%	3.4%	3.5%	1.7x	1.7x	1.7x	1.7x
Janus Henderson Group	Underweight	$48.75	3.1%	3.1%	3.1%	3.1%	2.8x	2.5x	2.5x	2.6x
Amcor Public Limited	Buy	$16.47	3.0%	3.1%	3.2%	3.4%	1.3x	1.4x	1.5x	1.4x
Macmahon Holdings Limited	Buy	$0.17	3.0%	3.1%	3.5%	3.6%	5.4x	5.4x	5.4x	5.4x
ASX Limited	Underweight	$82.03	2.8%	3.0%	3.1%	3.3%	1.1x	1.1x	1.1x	1.1x
AUB Group Limited	Overweight	$24.36	2.7%	3.0%	3.2%	3.5%	1.5x	1.5x	1.5x	1.5x
Steadfast Group Limited	Overweight	$4.75	2.7%	3.0%	3.1%	3.3%	1.6x	1.6x	1.6x	1.6x
Beacon Lighting Group Limited	Overweight	$2.75	3.7%	2.8%	3.0%	3.2%	1.6x	1.7x	1.7x	1.7x
Qantas Airways Limited	Buy	$5.36	-	2.8%	6.5%	7.8%		1.4x	2.0x	2.0x
Healthia Limited	Buy	$2.17	2.3%	2.8%	2.8%		2.5x	2.3x	2.6x	
ALS Limited	Neutral	$12.42	2.5%	2.7%	3.1%	3.4%	1.6x	1.7x	1.6x	1.6x
Carsales.com Limited	Underweight	$21.70	2.4%	2.7%	3.0%	3.4%	1.2x	1.3x	1.3x	1.3x
QUBE Holdings Limited	Buy	$2.83	2.3%	2.7%	3.0%	3.3%	1.1x	1.1x	1.1x	1.1x
BlueScope Steel Limited	Overweight	$18.92	2.6%	2.6%	2.9%	3.0%	10.0x	8.8x	3.0x	2.5x
Cleanaway Waste Management Limited	Buy	$2.87	2.0%	2.6%	3.0%	3.2%	1.5x	1.5x	1.5x	1.5x
Integral Diagnostics Limited	Overweight	$4.05	1.9%	2.6%	3.1%	3.3%	2.1x	2.0x	2.0x	2.0x
Brambles Limited	Neutral	$10.01	2.5%	2.6%	2.7%	2.9%	1.5x	1.5x	1.5x	1.5x
Charter Hall Group	Buy	$16.43	2.4%	2.6%	2.7%	2.9%	2.7x	2.3x	2.4x	2.5x
Kogan.com Limited	Underweight	$6.26	-	2.6%	4.8%	5.8%		1.7x	1.3x	
Senex Energy Limited	Neutral	$4.60	2.3%	2.5%	3.0%	3.4%	1.1x	2.5x	3.7x	3.8x
James Hardie Industries	Overweight	$46.99	1.8%	2.4%	2.7%	2.8%	1.6x	1.6x	1.6x	1.6x
Ingenia Communities Group Limited	Overweight	$5.54	2.2%	2.3%	2.5%	2.6%	2.1x	2.2x	2.4x	2.4x
Collins Foods Limited	Neutral	$12.24	2.0%	2.3%	2.7%	3.2%	2.0x	1.9x	1.9x	1.9x
Domino's Pizza Enterprises Limited	Overweight	$105.03	1.8%	2.3%	2.7%	3.0%	1.2x	1.2x	1.2x	1.2x
Lovisa Holdings Limited	Neutral	$18.04	1.9%	2.2%	2.8%		1.1x	1.5x	1.4x	
Computershare Limited	Overweight	$23.13	2.1%	2.1%	2.4%	2.6%	1.2x	1.5x	1.6x	1.6x
Cochlear Limited	Overweight	$194.07	1.5%	1.9%	2.2%	2.4%	1.4x	1.4x	1.4x	1.4x
Home Consortium Limited	Neutral	$6.41	1.9%	1.9%	2.0%	2.0%	2.2x	2.3x	2.4x	2.7x
Ramsay Health Care Limited	Buy	$64.73	1.1%	1.8%	2.1%	2.2%	2.5x	2.5x	2.5x	2.5x
Netwealth Group Limited	Neutral	$13.40	1.5%	1.8%	2.5%	2.9%	1.1x	1.2x	1.2x	1.2x
Super Retail Group Limited	Underweight	$12.81	1.7%	1.7%	1.7%	1.7%	3.9x	3.7x	3.8x	3.9x
Aristocrat Leisure Limited	Overweight	$40.98	1.5%	1.6%	1.6%	1.7%	2.5x	2.5x	2.5x	2.5x
Santos Limited	Overweight	$7.19	2.3%	1.6%	1.4%	1.7%	3.2x	3.0x	2.7x	2.1x
IDP Education Limited	Overweight	$28.34	0.9%	1.5%	1.9%	2.3%	1.4x	1.4x	1.4x	1.4x
Goodman Group	Underweight	$24.00	1.3%	1.4%	1.5%	1.7%	2.6x	2.6x	2.6x	2.6x

COMPANY	RATING	PRICE (AU$)	DIVIDEND YIELD				DIVIDEND COVER			
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2
Beach Energy Limited	Overweight	$1.46	1.4%	1.4%	3.4%	5.5%	10.2x	10.5x	5.0x	3.2x
Costa Group Holdings Limited	Overweight	$2.94	1.4%	1.4%	1.4%	1.4%	3.1x	5.2x	5.5x	5.1x
Domain Holdings Australia Limited	Overweight	$4.66	0.9%	1.2%	1.5%	1.7%	2.3x	2.0x	2.0x	2.0x
HUB24 Limited	Neutral	$23.44	0.8%	1.2%	1.4%	1.9%	2.2x	2.2x	2.2x	2.2x
REA Group Limited	Overweight	$138.59	1.1%	1.2%	1.4%	1.7%	2.1x	2.1x	2.1x	2.1x
City Chic Collective Limited	Overweight	$5.19	-	1.2%	1.5%	1.9%		2.9x	2.8x	2.8x
CSL Limited	Overweight	$263.69	0.6%	1.0%	1.2%	1.3%	3.2x	2.2x	2.2x	2.2x
Altium Limited	Underweight	$35.22	4.8%	1.0%	1.1%	1.4%	0.2x	1.3x	1.4x	1.5x
Woolworths Group Limited	Overweight	$34.55	1.0%	1.0%	1.0%	1.0%	3.3x	3.8x	4.1x	4.5x
Lifestyle Communities Limited	Underweight	$18.46	0.6%	0.7%	0.8%	0.9%	4.1x	4.6x	5.0x	5.2x
Xero Limited	Buy	$109.04	5.2%	0.3%	0.3%	0.5%	(0.0x)	1.2x	2.0x	2.6x
Wisetech Global Limited	Overweight	$47.00		0.3%	0.6%	1.1%	0.1x	4.8x	3.1x	2.2x
Cooper Energy Limited	Neutral	$0.30	-	-	-	-				
ELMO Software Limited	Overweight	$4.07	-	-	-					
Harmoney Corporation Limited	Buy	$1.53	-	-	-	9.8%				1.9x
Metcash Limited	Buy	$4.21	-	-	-	-				
PointsBet Holdings Limited	Buy	$4.90	-	-	-					
Peter Warren Automotive Holdings Limited	Buy	$2.85		-	-	-	0.2x			
Redbubble Limited	Neutral	$1.76	-	-	-					
ReadyTech Holdings Limited	Overweight	$3.37	-	-	-					
Telix Pharmaceuticals Limited	Buy	$6.11	-	-	-	-				
Temple and Webster Group Limited	Overweight	$8.21	-	-	-					

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

JARDEN'S AUSTRALIAN EQUITIES

Following a run of better-than-expected data (particularly for inflation and employment), we expected the RBA would need to change their inflation narrative and acknowledge that hikes in 2022 are possible while likely still pushing back on market expectations. While the RBA acknowledged that "faster-than-expected progress has been made towards [their] goals", they pushed back hard on rate hike expectations stating that ending QE "does not imply a near-term increase in interest rates". Further, despite inflation having returned to target, "it is too early to conclude that it is sustainably within the target band". They again highlighted the importance of wages growth in "sustainably" achieving the inflation target - "it is likely to be some time yet before aggregate wages growth is at a rate consistent with inflation being sustainably at target". Elsewhere, the RBA also announced a review of reinvesting bond maturities at the May meeting, suggesting the potential start of Quantitative bond maturities at the May meeting, suggesting the potential start of Quantitative Tightening from mid-22. Overall, while the market took the RBA's intended dovish signal with market cash rate futures for end-22 down 8bps to 1.02%, they clearly still don't yet believe the RBA's guidance on rates.

JARDEN'S AUSTRALIAN EQUITY RECOMMENDATIONS

Sell		Underweight		Neutral		Overweight		Buy	
		ASX	SGP	DXS	APA	LLC	NST	AMC	QAN
		EDV	WBC	FMG	AZJ	NCM	ORG	IAG	QBE
		GMG		MPL	BHP	RIO	S32	SCG	RHC
				SYD	BXB	TLS	ALL	WPL	XRO
				TAH	JHX	CBA	COH		
				TCL	MQG	GPT	COL		
				TWE	SHL	MGR	CPU		
						NAB	CSL		
						RMD	WES		
						STO	WOW		
						SUN			

JARDEN'S GLOBAL EQUITY RECOMMENDATIONS

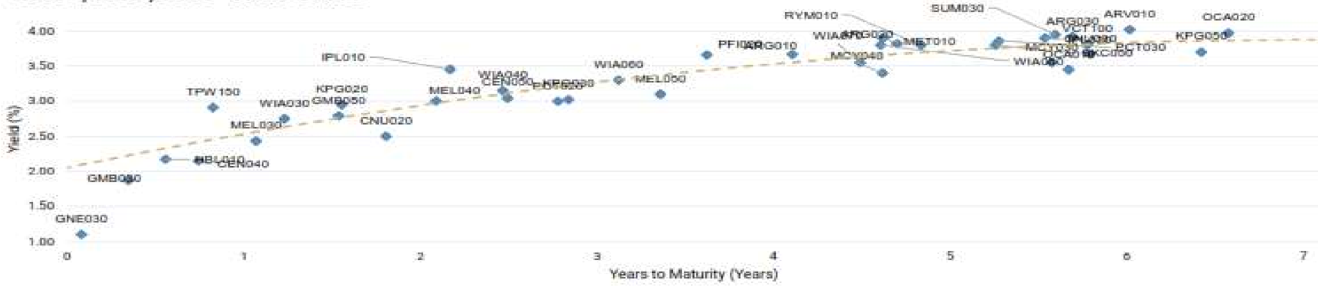
	Least Preferred			Neutral			Most Preferred	
Alibaba	AT&T	Netflix	Adobe	BlackRock	BP	Alphabet	MS	Amazon
Tencent	J&J	Toyota	GSK	Blackstone	BOA	Berkshire H.	Air Liquide	Apple
		Walmart	Salesforce	Edwards L.	Caterpillar	Citigroup	LVMH	ASML
		Zoetis	Straumann	Goldman	ExxonMobil	Danaher	Micron	Hershey
			Visa	Lululemon	Merck & Co	Deere & Co	Schneider	JPMorgan
				Meta	Samsung	Disney	United Health	MasterCard
				Tesla	Siemens	Nike	Volkswagen	Microsoft
				TSMC		NVIDIA		

JARDEN'S FIXED INTEREST BONDS… BBB+, BBB, BBB-

16TH FEBRUARY 2022

Issuer	NZDX Code	Coupon	Maturity Date	CPN Freq	Credit Rating	Type	Min. Size	Best Offer Yield	Best Price/ $100	Best Indicative Volume	Total Depth Within 10 BP
Genesis Power	GNE030	4.140	18/03/2022	2	BBB+	Senior	5,000	1.100	101.98	149,000	2,149,000
GMT Bond Issuer	GMB030	5.000	23/06/2022	2	BBB+	Senior	5,000	1.870	101.85	5,000	29,000
Heartland Bank	HBL010	4.500	8/09/2022	4	BBB	Senior	5,000	2.172	102.17	1,000,000	2,131,000
Air New Zealand	AIR020	4.250	28/10/2022	2	BBB	Senior	5,000	-	-	-	-
Contact Energy	CEN040	4.630	15/11/2022	4	BBB	Senior	5,000	2.148	101.86	867,000	904,000
TrustPower	TPW150	4.010	15/12/2022	4	BBB-(NR)	Senior	5,000	2.910	101.61	15,000	15,000
Meridian Energy	MEL030	4.530	14/03/2023	2	BBB+	Senior	5,000	2.430	104.16	10,000	389,000
Wellington Intl Airport	WIA030	4.250	12/05/2023	2	BBB	Senior	10,000	2.750	102.95	5,000	105,000
Summerset	SUM010	4.780	11/07/2023	4	BBB-(NR)	Senior	5,000	-	-	-	-
GMT Bond Issuer	GMB050	4.000	1/09/2023	2	BBB+	Senior	5,000	2.792	103.67	47,000	47,000
Kiwi Property Group Limited	KPG020	4.000	7/09/2023	2	BBB+	Senior	5,000	2.950	103.39	15,000	15,000
Z Energy	ZEL050	4.320	1/11/2023	4	BBB-(NR)	Senior	5,000	-	-	-	-
Meridian Energy	MEL040	4.880	20/03/2024	2	BBB+	Senior	5,000	3.002	105.80	93,000	103,000
Heartland Bank	HBL020	3.550	12/04/2024	4	BBB	Senior	5,000	-	-	-	-
Investore Property	IPL010	4.400	18/04/2024	4	BBB(NR)	Senior	5,000	3.455	102.34	44,000	64,000
Christchurch International Airport	CHC010	4.130	24/05/2024	2	BBB+	Senior	5,000	-	-	-	-
GMT Bond Issuer	GMB040	4.540	31/05/2024	2	BBB+	Senior	5,000	-	-	-	-
Wellington Intl Airport	WIA040	4.000	5/08/2024	2	BBB	Senior	10,000	3.150	102.14	5,000	5,000
Contact Energy	CEN050	3.550	15/08/2024	4	BBB	Senior	5,000	3.043	101.24	21,000	21,000
Z Energy	ZEL060	4.000	3/09/2024	4	BBB-(NR)	Senior	5,000	-	-	-	-
Precinct Properties	PCT020	4.420	27/11/2024	2	BBB+(NR)	Senior	5,000	3.000	104.76	5,000	5,000
Property for Industry	PFI010	4.590	28/11/2024	4	BBB(NR)	Senior	5,000	-	-	-	-
Kiwi Property Group Limited	KPG030	4.330	19/12/2024	2	BBB+	Senior	5,000	3.021	104.25	80,000	80,000
Vector Limited	VCT090	3.450	27/05/2025	4	BBB	Senior	5,000	-	-	-	-
Wellington Intl Airport	WIA050	5.000	16/06/2025	2	BBB	Senior	10,000	-	-	-	-
Meridian Energy	MEL050	4.210	27/06/2025	2	BBB+	Senior	5,000	3.100	104.12	11,000	11,000
Summerset	SUM020	4.200	24/09/2025	4	BBB-(NR)	Senior	5,000	-	-	-	-
Property for Industry	PFI020	4.250	1/10/2025	4	BBB(NR)	Senior	5,000	3.660	102.56	30,000	120,000
Kiwi Property Group Limited	KPG040	4.060	12/11/2025	2	BBB+	Senior	5,000	-	-	-	-
Argosy Property	ARG010	4.000	27/03/2026	4	BBB+(NR)	Senior	5,000	3.668	101.85	76,000	109,000
Trustpower	TPW180	3.350	29/07/2026	4	BBB-(NR)	Senior	5,000	-	-	-	-
Wellington Intl Airport	WIA070	2.500	14/08/2026	2	BBB	Senior	10,000	3.550	95.71	26,000	26,000
Mercury NZ	MCY040	2.160	29/09/2026	2	BBB+	Senior	5,000	3.400	95.60	225,000	225,000
Metlifecare	MET010	3.000	30/09/2026	4	BBB-(NR)	Senior	5,000	3.900	96.62	5,000	5,000
Argosy Property	ARG020	2.900	29/10/2026	4	BBB+(NR)	Senior	5,000	3.820	96.22	16,000	16,000
Ryman Healthcare	RYM010	2.550	18/12/2026	4	BBB-(NR)	Senior	5,000	3.800	94.95	8,000	8,000
SkyCity Entertainment	SKC050	3.020	21/05/2027	4	BBB-	Senior	5,000	3.800	96.25	58,000	558,000
Precinct Properties	PCT030	2.850	28/05/2027	2	BBB+(NR)	Senior	5,000	3.860	95.86	250,000	250,000
Investore Property	IPL020	2.400	31/08/2027	4	BBB(NR)	Senior	5,000	3.900	93.11	35,000	35,000
Mercury NZ	MCY030	1.560	14/09/2027	2	BBB+	Senior	5,000	3.548	90.71	500,000	1,770,000
Summerset	SUM030	2.300	21/09/2027	4	BBB-(NR)	Senior	5,000	3.950	92.14	1,000,000	1,000,000
Oceania Healthcare	OCA010	2.300	19/10/2027	4	BBB-(NR)	Senior	5,000	3.450	94.29	50,000	50,000
Argosy Property	ARG030	2.200	27/10/2027	4	BBB+(NR)	Senior	5,000	3.920	91.40	50,000	107,000
Vector Limited	VCT100	3.690	26/11/2027	4	BBB	Senior	5,000	3.805	99.25	1,000,000	1,058,000
Chorus	CNU030	1.980	2/12/2027	4	BBB	Senior	5,000	3.675	91.63	1,000,000	2,585,000
Arvida Group	ARV010	2.870	22/02/2028	4	BBB-(NR)	Senior	5,000	4.020	93.82	250,000	289,000
Kiwi Property Group Limited	KPG050	2.850	19/07/2028	2	BBB+	Senior	5,000	3.700	95.42	5,000	5,000
GMT Bond Issuer	GMB0928	2.262	4/09/2028	2	BBB+	Senior	50,000	-	-	-	-
Oceania Healthcare	OCA020	3.300	13/09/2028	4	BBB-(NR)	Senior	5,000	3.970	96.76	1,000,000	1,050,000
Chorus	CNU020	4.350	6/12/2028	4	BBB	Senior	5,000	2.500	112.42	15,000	127,000
Trustpower	TPW170	3.970	22/02/2029	4	BBB-(NR)	Senior	5,000	-	-	-	-
Wellington Intl Airport	WIA060	4.000	1/04/2030	2	BBB	Senior	10,000	3.300	106.48	25,000	25,000
GMT Bond Issuer	GMB0930	2.559	4/09/2030	2	BBB+	Senior	50,000	-	-	-	-
Chorus	CNU040	2.510	2/12/2030	4	BBB	Senior	5,000	3.885	90.35	1,000,000	2,520,000
Wellington Intl Airport	WIA080	3.320	24/09/2031	2	BBB	Senior	10,000	3.800	97.52	28,000	28,000

BBB+, BBB, BBB- Yield Curve



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