

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

Andrew von Dadelzen
Volume 74

INVESTMENT STRATEGIES

Please remember that investment views are provided for general information purposes only. To the extent that any such information, and views, constitute advice, they do not take into account any person's particular financial situation or goals and, accordingly, do not constitute personalised financial advice under the Financial Advisers Act 2008, nor do they constitute advice of a legal, tax, accounting or other nature to any person. I recommend that recipients seek advice specific to their circumstances from their investment adviser before making any investment decision or taking any action. Any comments regarding Local Government are my personal views, and do not purport to represent the views of Bay of Plenty Regional Council – of which I am an elected representative. E&OE
Authorised by AJ von Dadelzen, 115 Fourth Avenue, Tauranga

October 2022

THINK CAREFULLY BEFORE YOU VOTE

With local government elections being decided on 8th October, I have reflected on those who say we are dominated by “pale, stale men”. I don’t actually accept that, because “wisdom often comes with age”.

I say that because it is life’s experiences that often determine wisdom. Learning from failure is as important as learning from success – and often more important. Humbleness is often derived from failure, whereas high risk is derived from success.

When you are dealing with ratepayers money (hard paid for rates), you can’t afford to be cavalier. You need common sense, and science based decision makes – not fluffy rhetoric.

ANDREW VON DADELSZEN

RE-ELECT
REGIONAL COUNCIL

ACTION NOT WORDS

vond.co.nz

Authorised by AJ von Dadelzen, 115 Fourth Avenue, Tauranga

I NEED YOUR VOTE

GLOBAL FINANCIAL CRISIS A STEP CLOSER

The run on the Pound, as a result of the Truss victory in the UK, has markets worried. The worst-case scenario would be a global recession via synchronised interest rate increases.

With the US Fed’s continued aggressive interest rate hiking, the Reserve Bank in NZ will keep pushing the interest rates to maintain the value of our currency. This will mean less investment, fewer jobs, low growth, and higher unemployment. Social costs will be higher for many everyday Kiwis. You can't be aspirational and forget about balancing the books. Ms Truss is getting an early lesson in economic reality.

CONTENTS	PAGE
Local Issues	2
Our Political Climate	5
Incomes in New Zealand	9
The World at a Glance	10
The Global Economic Outlook	10
Currencies & Commodities	16
Agribusiness	17
NZ Equities	18
NZ Stocks to Watch	18
Jarden’s NZ Equities – Gross Dividend Yields	22
Jarden’s Australian Equities – Net Dividend Yields	23
Australian Equities & Stocks to Watch	25
Jarden’s Fixed Interest Bonds	26

STATISTICS NZ DATA

Estimated population at 30-September-2022	↓ 5,129,330
Estimated population at 1-August-2022	5,158,489
Fertility Rate (births per woman)	1.69
Births 30-Jun-22 year	↓ 60,009
Deaths 30-June year	↑ 36,726
Natural Increases (Births minus Deaths) June year	23,283
Net Migration July-22 year (52,090 in; 64,472 out)	-12,383
Annual GDP Growth June-22 year	1%
Quarterly GDP June-22 quarter	1.7%
Inflation Rate (CPI) Jun-22 year (from 6.9% in Mar yr)	7.3%
Debt per person (public+private) 2022 (↑9%yoy)	\$140,861
Minimum wage from 1-Apr-22 (+\$48/week)	\$21.20
Living wage 1-Sept-22	\$22.75
Annual Wage Inflation Mar-22 Year	3.0%
Wages average per hour Mar-22 qtr (↑4.8% yoy)	\$36.18
Employment rate June-22 qtr	↓ 68.5%
Unemployment June-22 year	↑ 3.3%
Underutilisation rate June-22 qtr	9.2%
Beneficiaries (Job seeker/Solo/Supported living)	368,172
(8.9% of working-age population)	
Size of Māori Economy 2020 (2013: \$42bn)	\$70 bn
Size of NZ Economy Jun-22 year	\$356 bn

NZX50 INDEX (1 yr)



VERSUS



WEBSITE:
vond.co.nz

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

Yes, it's that time again. Voting papers are out, with final postal voting day being 8th October
ballot papers need to be in the **post no later than Tuesday 4th October**

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



RE-ELECT

Andrew von Dadelszen

**TAURANGA'S STRONG VOICE ON
BAY OF PLENTY REGIONAL COUNCIL**

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



STOP WASTEFUL BUREAUCRACY ONE LAW FOR ALL BETTER ROADS BETTER BUSES

vote von Dadelszen for your Regional Council

LOCAL ISSUES

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

AUCKLAND COUNCIL IS A HUGE POWERHOUSE

Auckland Council is big. In its financial year ended in June, it generated \$5.7b in revenues, spent \$4.7b delivering services, invested \$2.3b on infrastructure, grew the value of its asset base to \$70.4b, increased its debt to \$757m; and employed more than 12,000



WHY COMPLEX SYSTEMS COLLAPSE FASTER

All civilisations collapse. The challenge is how to slow it down enough to prolong our happiness.

By UGO BARDI

people. The selection as Mayor will have immense effect on New Zealand's economy.

In Tauranga, Minister Mahuta and Jacinda Ardern have denied us the right to even have an effective “local voice” for Tauranga City ratepayers.

Yes, I will admit we did need a reset – but Mayor Tenby Powell had already resigned. Unfortunately our then TCC Councillors showed that they just weren't capable of anything like a functional governance structure (and in my opinion, we did need an urgent reset). What I have never agreed with was the extension of the Commissioners term to July 2024. That has just “kicked the can down the road”.

Reinstating local governance in 2024 will be incredibly problematic – and yet we need to restore local democracy. Tauranga Ratepayers deserve better.

CAN WE RELY ON CONTINUOUS GROWTH?

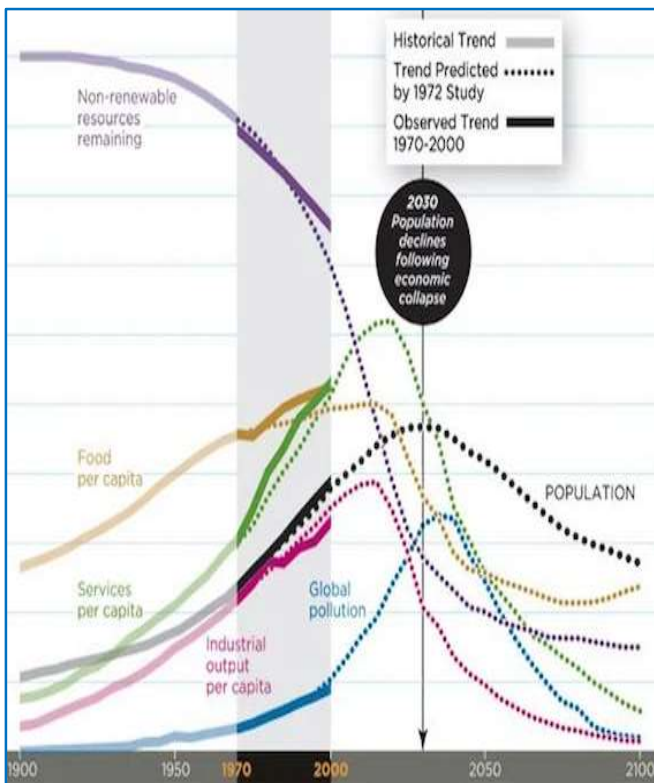
In an address to his Ministers and the French nation, the French President Emmanuel Macron has become the first major political leader to acknowledge the inter-related declines of population, pollution, natural resource use, food supply, industrial output, and the economy.

We now have a G7 leader talking not about continued economic growth, or a smooth transition away from fossil fuels to renewables, but about a great upheaval related to resource scarcity.

What seems to me to be missing, is the words “sustainable growth”.

The Western Bay of Plenty Smartgrowth agenda has, at least partially, failed because it was premised on “growth for growth sake”. I am convinced that we require “sustainable growth” if we are to have a city and sub-region that is based on “best practice”, and ratepayer focused. Our community matters.

The Limits to Growth simulation project significant declines in population, pollution, natural resource use, food supply, industrial output, and the economy (MIT).

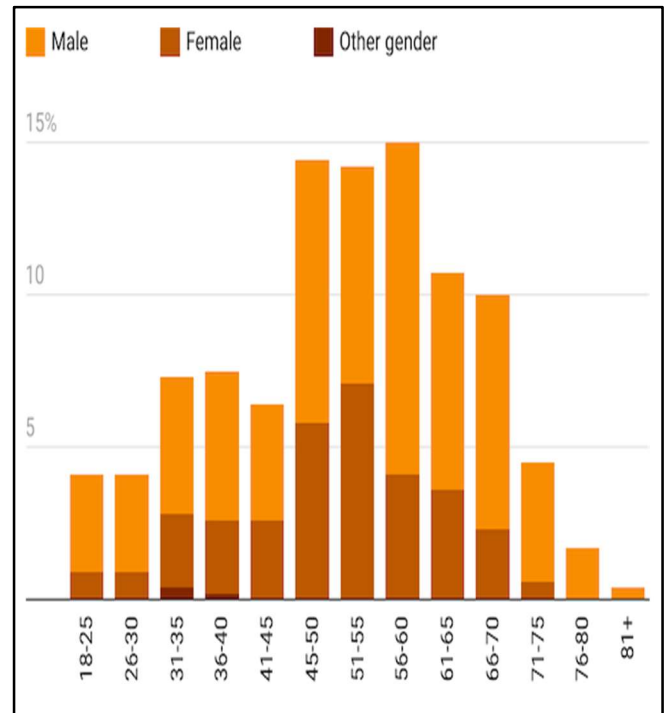


Ugo Bardi is professor emeritus of physical chemistry at the University of Florence, Italy.

**“It was, in the end, a simple theory:
There is no such thing, in any system,
as infinite growth.”**

Ugo Bardi

MORE MEN ARE RUNNING FOR LOCAL GOVERNMENT IN EVERY AGE BRACKET



WINSTON PETERS RECENT SPEECH

It is interesting that the man who accepted “the baubles of power” from the 2017 Labour Government, is now condemning Ardern’s 2020 Government so comprehensively.

Peter’s recent speech included:

Abraham Lincoln’s ‘Of the people, By the people, For the people’ has also been our shared aspiration. Sadly today we are facing a government ‘Of some people, By some people, For some people’.

Labour is destabilising our democracy.

Their baseless excuse for doing this is a manipulation and distortion of the Treaty of Waitangi, with the intent of giving overriding power to Iwi.

There are four critical things that Māori want:

1. Safe, affordable housing.
2. Ready access to our health system should they need it.
3. Access to a first world education system where their young can progress as far as their ambition and commitment can take them, and
4. First world incomes.

Free to be equal because they have been trained to be.

These Māori aspirations are not unique.

All over New Zealand that is what everybody needs.

And all over the world that is what all people want, and enlightened governments understand that.

However, today in New Zealand the present Labour government is doing very little for those four needs and everything for ‘cultural trickle down’.

Labour, and their cultural fellow travellers, have a mistaken belief that plastering the public sector with Treaty references and Māori unintelligible titles will by some process of mysterious political osmosis improve the lot of the whanau, or Māori family.

They are wantonly blind to the grave dangers of separatist policies and indeed the lessons of history.

And believe this. The greatest victims of these policies will be ordinary Māori, in whose name and numbers these misguided policies are claimed in the first place.

Majority Māori numbers are ignored whilst elite minority Māori interests prevail.

Labour is tampering with our democracy at our peril.

You've all heard of Labour's plans for Three Waters. Except on the details you want to know about Labour's plan, they simply don't make sense.

And that is because cleaning up and securing our water systems, which everyone agrees with, is a trojan horse, a camouflage for Labour's hidden agenda of separatism.

Under Labour's Three Waters, four new massive water agencies will control our water assets and water infrastructure.

You will pay their costs directly.

A twelve-member Board will control each new agency.

6 will come from local Iwi and 6 will come from the local Councils – the very Councils who, in your name, provided the assets.

And here's the rub.

75% of each new Board must agree before a decision can be arrived at.

Do the maths.

Who will have the final say?

Your Council or the local Iwi?

In the whole of the South Island the 20 local body authorities will have 6 seats in total.

This screams unfairness, inequity, and malignant bias.

No amount of smiling and hand waving at the camera can disguise what's going on here.

Labour wants to take community owned assets, owned by all New Zealanders of widely diverse backgrounds, and strip them away from their rightful owners and hand them to shadowy corporations.

These unaccountable creatures will be all powerful, and as the Auditor General has already warned, not accountable to the community.

These shadowy corporations will bypass you in favour of private Māori Tribal corporations becoming water barons.

These corporates were not created to advance the public interest – but to inflate the elite interests of some of their own members.

If they are allowed to exist the mass majority of all New Zealanders, regardless of ethnic background, will pay and suffer for it.

Ladies and Gentlemen, when did Labour ever ask you for your consent to these changes, to your assets and your ownership?

All manner of changes are being dumped upon New Zealanders that were never mentioned in the run up to the 2020 election.

In short, a government that is fanatical about mandates, on these matters, has no mandate.

This is their 'pandora theory'.

Once out of the box, once they have established it in law, they believe you won't be able to change it. This is a single finger salute.

This is a politically divisive agenda, based on their version of Treaty rights, that was hidden from voters at the last election.

Their claims of being 'the most transparent government ever' is being exposed daily for the charade it is.

Co-governance means Bro-governance

there is a Treaty gravy train with all manner of advisors making a fortune out of these changes.

There are many Māori businesses in this country that don't need paternalistic, 'we know best for you' treatment from central or local government.

Does the Treaty mean Partnership?

It is truly staggering that a claim of partnership for Māori is being made based on the Treaty of Waitangi, when Queen Victoria was not in partnership with anyone, in the UK, or the British Empire, on the day before the 6th of February 1840, or the day after.

There was no universal suffrage anywhere in the world in 1840.

Hence to say universal suffrage was in the mind of either the British or the Māori on the 6th February 1840 is just ludicrous.

I can't disagree with Peters' sentiments. It just seems wrong coming from him. We have learnt to never trust Winston Peters – because too often "he speaks with a forked tongue".

OUR POLITICAL CLIMATE

LATEST POLITICAL POLLS

ONE NEWS/KANTAR POLL - SEPTEMBER 2022				
Party	Vote	Change*	Seats	Change**
National	37%	nc	49	16
Labour	34%	1%	45	(20)
Act	9%	(2%)	12	2
Green	9%	nc	12	2
NZ First	3%	nc	-	-
māori	2%	nc	2	-

* Change from August 2022 ** Change since election

Polling Period: 17th to 21st September 2022



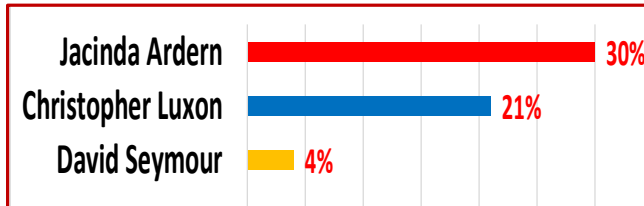
CURIA/TAXPAYERS' UNION SEPTEMBER 2022 POLL				
	Vote	Change*	Seats	Change**
National	37.0%	3.0%	47	14
Labour	33.4%	(1.8%)	42	(23)
Act	12.4%	1.9%	16	6
Green	9.9%	0.4%	13	3
māori	1.6%	(1.0%)	2	nc
NZ First	1.6%	(1.0%)	-	-
Other	4.2%	(0.5%)	-	-

* Change from June ** Change since election

Polling Period: 1st to 9th September 2022

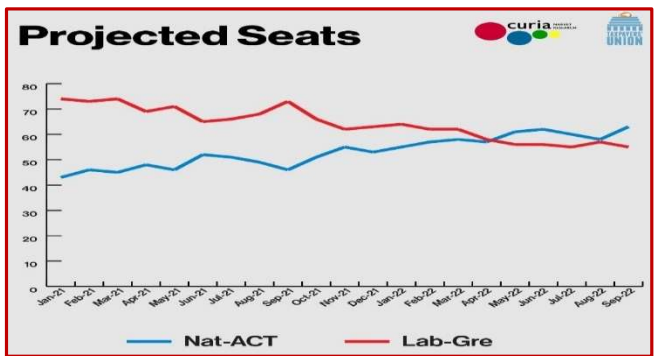
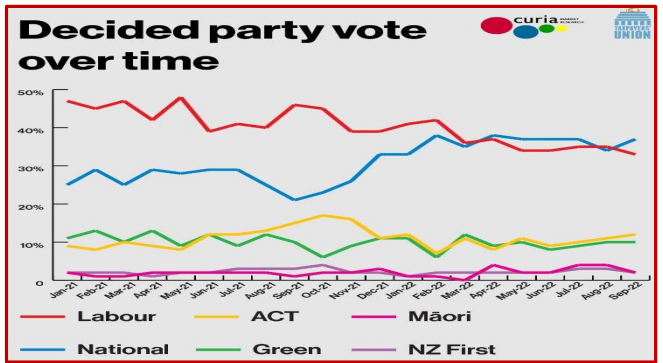


PREFERRED PRIME MINISTER

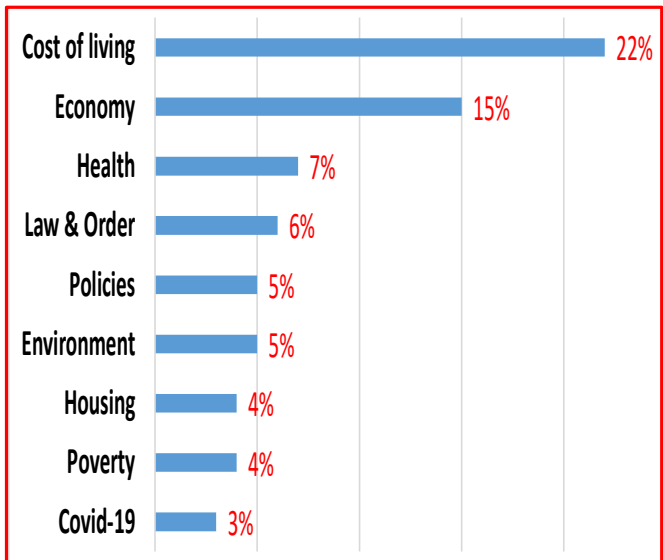


We would have expected Jacinda Ardern to have got a boost in her popularity, which so much international exposure – the Queen’s Funeral and her presentation to the UN in New York. This hasn’t happened, but then Luxon is also struggling somewhat to capitalise on Jacinda’s demise. Luxon is new to politics, and it is important that he gets to grips with political leadership urgently.

I for one can’t wait for the 2023 General Election. As “The Mood of the Boardroom” (NZ Herald) has identified, our country’s CEOs have also given Ardern & Robertson a huge “thumbs down”.



MAJOR VOTING ISSUES – SEPTEMBER 2022



MOOD OF THE BOARDROOM: BUSINESS CONFIDENCE TUMBLES

Respondents to the 2022 Herald's CEO survey rated their optimism in the New Zealand economy at an average 1.86 out of 5 — a fall from last year's score of 2.7/5. This is on a scale where 1 equals much less optimistic, and 5 equals much more optimistic.

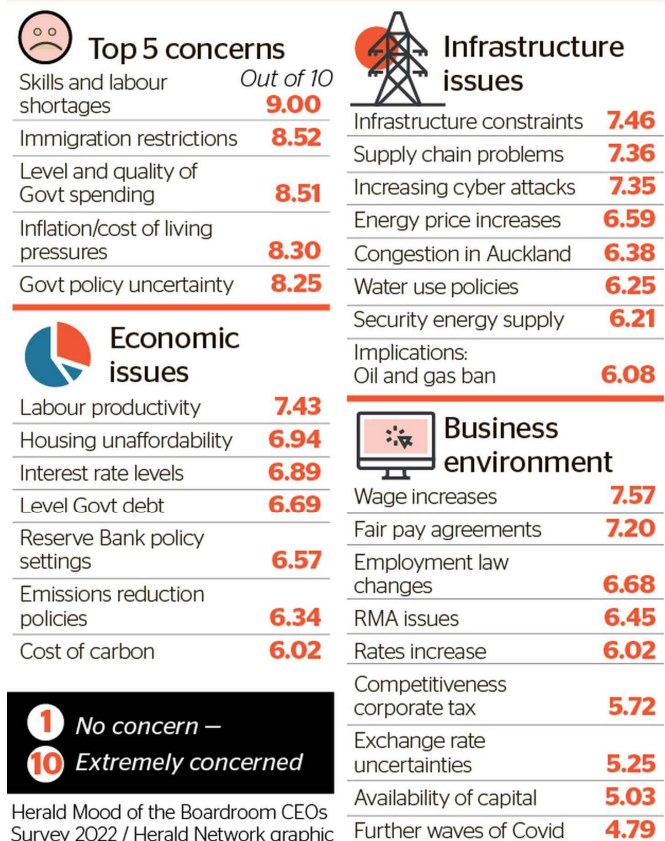
Though this is a significant drop in confidence, it is not as low as the record depths seen in the 2020 survey (1.36/5). "My overall sense is that we are drifting as a country and not really moving forward, accepting it is worse elsewhere," suggests Deloitte chair Thomas Pippos.

Roger Partridge, chair of the think tank The New Zealand Initiative, recognises threats to the economy abound at home and abroad. "Rising inflation, rising borrowing costs, skills shortages, transport bottlenecks and an increasing regulatory burden (especially labour market regulation) are all creating headwinds for business domestically," he says. "Internationally, the story is similar, and in some cases worse. Business is in for a buffeting."

While the border is now fully open, CEOs consider New Zealand's relative lateness in reconnecting and "moving on" from Covid has contributed to the confidence knock.

Top domestic concerns

CEOs rate the impact of the following domestic concerns on business confidence in NZ



Some suggest New Zealand is not as prepared as the rest of the world to deal with current challenges and

those on the horizon. "There is a growing concern of looming recessionary times and that businesses offshore are starting to plan and prepare for this," says Minter Ellison Rudd Watts (MERW) chair Sarah Sinclair. "This puts greater pressure on the government programme in New Zealand to deliver."

Business leaders among the most optimistic include those working in education (3.5/5), telecommunications (3.1/5), and agribusiness (2.8/5). "The primary sector and tourism position us to outperform global economic growth," says independent director Jonathan Mason.

"Government needs to control its spending, free up labour supply, stop imposing unnecessary costs on business, and fix the infrastructure to assist in improving productivity," says a financial services CEO.

BUSINESS LEADERS HAMMER JACINDA ARDERN AND GRANT ROBERTSON

Jacinda Ardern and Grant Robertson have taken a pummeling in the 2022 Mood of the Boardroom CEOs survey. Confidence in their leadership is on the wane as the Ardern Government appears unable to achieve major cut-through with business and has difficulty in executing major reforms.

But beyond the issues affecting business confidence — skills and labour shortages, inflation and geopolitics, which New Zealand shares with many nations — is a slump in the national mood. "We have become a bludgeoned compliant people," said a private equity boss. "New Zealand needs the independent spirit to thrive."

Heather summed it up beautifully:

**"If I was in the Labour Party,
I'd get out ASAP"**

du Plessis-Allan went on - Do you know what I would do if I was in the Labour Party cabinet at the moment? I'd find a way to get out ASAP. Especially if any of them want a career in business after this Government.

They should probably think about finding another job, because the rot is starting to trickle down according to this year's mood for the boardroom.

I think we expected the PM to take a hammering and she did. Down from 4/5 in 2020 to 2.3 out of 5 this year. But I don't think we expected Grant Robertson to fall this much. He was the most highly ranked Cabinet Minister last year. It's a surprise because he's been seen as a safe pair of hands up to now.

He's affable... He's unflappable... he doesn't do that annoying performance thing that the PM does when she answers questions. But even he is being tainted by this Government. And it should be a warning to them all. That the highest ranking Cabinet Minister is James Shaw.

PM's score card

How CEOs rate Jacinda Ardern's performance



Very impressive **5**

Leverages her personal brand for NZ businesses' advantage internationally	3.56
Administration of National Security and Intelligence portfolio	3.41
Stands up for NZ's values and interests with respect to China	2.90
Leads NZ's response to climate change	2.63
Political performance as prime minister	2.54
Child poverty reduction	1.73
Leads and delivers on transformative change	1.70
Builds confidence with the business community	1.61

Not impressive **1**

CEOs were asked to rate the Prime Minister on a scale of 1 to 5: **1** Not impressive **5** Very impressive

ARDERN SLAMMED BY GREENWALD

Global Social influencer Glenn Greenwald has 1.8 million followers on Twitter, and has won multiple journalism awards - and doesn't like censorship. The video has been viewed by over 800,000 people, been retweeted over 5,000 times and has made Fox News.

Glenn Greenwald @ggreenwald · Follow

This is the face of authoritarianism - even though it looks different than you were taught to expect. And it's the mindset of tyrants everywhere:

This is someone so inebriated by her sense of righteousness and superiority that she views dissent as an evil too dangerous to allow:

Wittgenstein @backtolife_2023

PM Jacinda Ardern calls internet freedom a "weapon of war" in most recent UN speech. Calls for a new type of internet with "rules and transparency".

"How do you tackle climate change if people don't believe it exists".

Source: t.me/FreeMediaNZ/594

7:20 AM · Sep 29, 2022

It is amazing NZ media have almost ignored the extraordinary speech by the Prime Minister where she referred to the free and open Internet as a weapon of

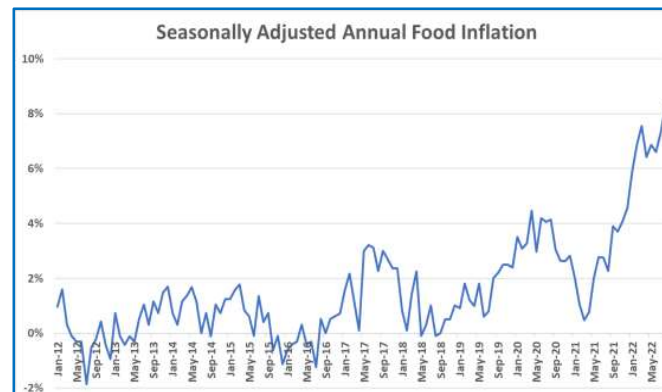
war, and the fact that some people online deny climate change as a reason for Governments to step in and regulate the Internet.

The NZ media often report breathlessly that the PM got some minor plaudit in a US newspaper, yet seem oblivious to the fact that millions of people reacting with horror to her UN speech.

INFLATION IS ROARING AHEAD – FOOD PRICES!

Food prices are up 11% since the last election.

SEASONALLY ADJUSTED ANNUAL NZ FOOD INFLATION



SOURCE: Stats NZ

WE WON'T HAVE ENOUGH ELECTRICITY FOR OUR EVS



There is a huge amount of magical thinking about renewable energy generation. The "Lake Onslow solution" won't 'generate' electricity – it is a net consumer of electricity as it returns less than 60% of the energy required to fill it. We are already burning coal and natural gas to supplement our renewables. NZ simply doesn't have the surplus generating capacity to fill this nonsensical pond. All of our hydro schemes have substantial environmental impacts but arguably the impacts are less than the environmental impact of using fossil fuel to generate the same amount of electricity.

Since Rob Muldoon had the foresight to invest heavily in energy self-sufficiency in the 70s and 80s, our population has nearly doubled. Each new arrival wants to heat their home, turn on the lights and TV and, more recently, power up their EV.

Meanwhile, we as a nation have sat back and squandered the benefits of these past investments and done little to address the ever increasing demand for electricity. As events in Europe are now vividly illustrating, the wild days of free markets and cheap energy may soon be over.

NUMBER OF NEW HOMES BUILT IN AUCKLAND DOWN 10.5% OVER THE LAST 12 MONTHS

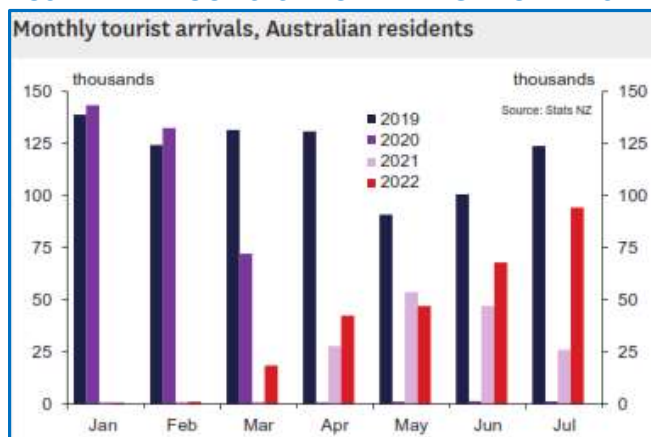
1,507 fewer new homes are being built in Auckland each year compared to when the market peaked in the middle of last year. The latest figures from Auckland Council show it issued 12,874 Code Compliance Certificates for new dwellings in the 12 months to July this year. Code Compliance Certificates are issued when a building is completed and are the best measure of new housing supply.

House prices across the country are falling, and households' debt burden is growing. If you want a big number, the annual current account deficit jumped \$16 billion to \$27.8b in the year ended June. At 7.7% of GDP that's not great, although the deficit was 7.8% of GDP during the global financial crisis when it hit its previous record of \$14bn.

But that pales into comparison next to the country's residential real estate which is worth about \$1.7 trillion, with mortgages secured against 20% of that value. "There are a lot of forces at work, and I think that the outlook for the economy is quite awkward at the moment," says Kiwibank chief economist Jarrod Kerr.

There are capacity constraints in many areas. Businesses are screaming out for workers, in construction, as well as hospitality, and accommodation, unable to use the usual migrant workers. To balance out the lack of supply, the Reserve Bank is trying to pull down demand by lifting interest rates. But those rising interest rates are putting immense pressure on household budgets, says Kerr. "So not only is high inflation eating into the purchasing power of consumers, but we also have higher interest rates get into those with debt."

AUSTRALIAN TOURISTS BACK IN LARGE NUMBERS



With the border open, tourist arrivals are surging. From virtually nothing (5,000) in February, seasonally-adjusted arrivals have grown to 134,000 in July. The number of arrivals has risen from 2% of pre-Covid levels in February to over 40% in July. Australians have been leading the charge. In July, 94,000 Australians crossed the Tasman. That was around 75% of the July 2019 number. From here and heading into the summer peak,

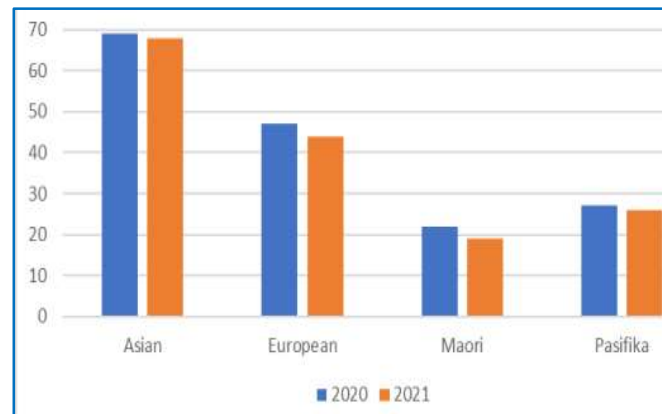
we expect tourist arrivals to surge further. And while we expect more Australians to arrive, we expect a second wave to also arrive from long-haul destinations such as the US and Europe.

QUESTION TO WILLIE JACKSON

SOURCE: Kiwiblog

David Farrar asked: Do you believe in education for Māori? If so – just picking one stat – why do 67% Asian School leavers (many of them without English as a first language) have University Entrance but only 18% of Māori? It has got worse under your watch. What are you doing about it? It is urgent Hon Mr Jackson.

UE FOR SCHOOL LEAVERS BY ETHNICITY



DESPITE GOVT CONCERN, MĀORI ARE GROWING MAJORITY OF THOSE SENT TO PRISON

SOURCE: NZ Herald, 21-Sept-22



Violent and sexual crime reports have dropped in the past year. And official criminal justice statistics, published yesterday with no media release, provide more good news: the numbers of adults charged with crimes was down 19% to 54,308 in

the fiscal year. The prison muster has dropped from 8,397 to 7,847, as of 20th September 2022 – which is good if you accept the evidence that imprisonment is an utterly ineffectual tool for reducing crime rates.

But within all this is some cause for concern. Corrections Minister Kelvin Davis campaigned on a promise to reduce prison populations, and in particular to reduce the disproportionate incarceration of Māori.

Five years on, the proportion of inmates has slowly, surely increased to 53% Māori.

"This is where the rubber hits the road," Davis admits. "We've had pilots happening across the country and seen good progress, now it is time to ramp that up. It is true that Māori are still over-represented and I want that number to start coming down. But it is also true that there are now 1200 fewer Māori in prison."

LABOUR COVID SPIN UNCHALLENGED

SOURCE: Kiwiblog

How Grant Robertson can stand in Parliament and is unchallenged by the opposition when he claims New Zealand’s Covid response was world leading.

1. For total cases – we are now 49th – ahead of far more densely populated countries like Ireland and Hong Kong.
2. For cases per million we are now 46th – ahead of the UK, Ireland, Singapore, USA, Sweden, Finland – and many more.

3. Even in terms of deaths per million – mainly through the mild Omicron – we have made it up to 123rd place and are heading towards the world average. Australia has fewer deaths per million.

<https://www.worldometers.info/coronavirus/>

Has anyone asked why – when the MoH knew that the mRNAs did not prevent transmission by April 2021 – that they remained the key intervention. How many people got the “two shots for summer” and became over-confident? Then got sick and passed it on to vulnerable people.

Why don’t these questions get asked?

INCOMES IN NEW ZEALAND

Stats NZ has released income figures for the June 2022 quarter for individuals and households including income from wages and salaries, self-employment, government transfers, and all sources (a total of the three categories).

Median weekly earnings (before tax) from wages and salaries were \$1,189 per week in the June 2022 quarter, up \$96 per week from the previous year. The median hourly earnings rate increased by 6.8% to \$29.66 per hour in the June 2022 quarter.

There were 2,290,900 wage and salary earners in the June 2022 quarter, an increase of 2.9% on a year earlier. During the year, the number of full-time wage and salary earners increased by 5.9%, while the number of part-time wage and salary earners fell by 7.9%.

Based on the median hourly rate for wage and salary earners for males and females, the gender pay gap was calculated at 9.2% in the June 2022 quarter. According to Stats NZ, “*this measure does not consider factors that could influence differences in earnings, such as occupation, qualifications gained, age, and hours worked*”. The median hourly earnings for women were \$28 per hour in the June 2022 quarter, and \$30.85 per hour for men.

Median weekly individual income from all sources was \$848 per week before tax in the June 2022

quarter, up \$78 per week for the June 2021 quarter. Median weekly income earnings figures include income from wages and salaries, self-employed income, along with government transfers. The median weekly income figure also includes people with negative or no income.

AVERAGE & MEDIAN WEEKLY INCOME (all sources)				
2022	Individuals		Households	
June Qtr	Average wkly income	Median wkly income	Average wkly income	Median wkly income
2017	\$814	\$623	\$1,859	\$1,575
2018	\$862	\$675	\$1,999	\$1,707
2019	\$882	\$708	\$2,039	\$1,760
2020	\$868	\$665	\$2,020	\$1,746
2021	\$953	\$770	\$2,197	\$1,880
2022	\$1,017	\$848	\$2,327	\$2,014

SOURCE: Stats NZ

When looking at median household income, it rose by \$134 per week to \$2,014 per week in the June 2022 quarter, while average household income rose by \$130 per week to \$2,327. Average government transfers per household totalled \$153 per week in the June quarter (which includes households that do not receive any government transfers), while the median household received no government transfers. Government transfers included New Zealand Superannuation, Veteran’s Pension, student allowance, and transfers from Inland Revenue or Work and Income.

Japan Custom Tours
Travel the four seasons of Japan

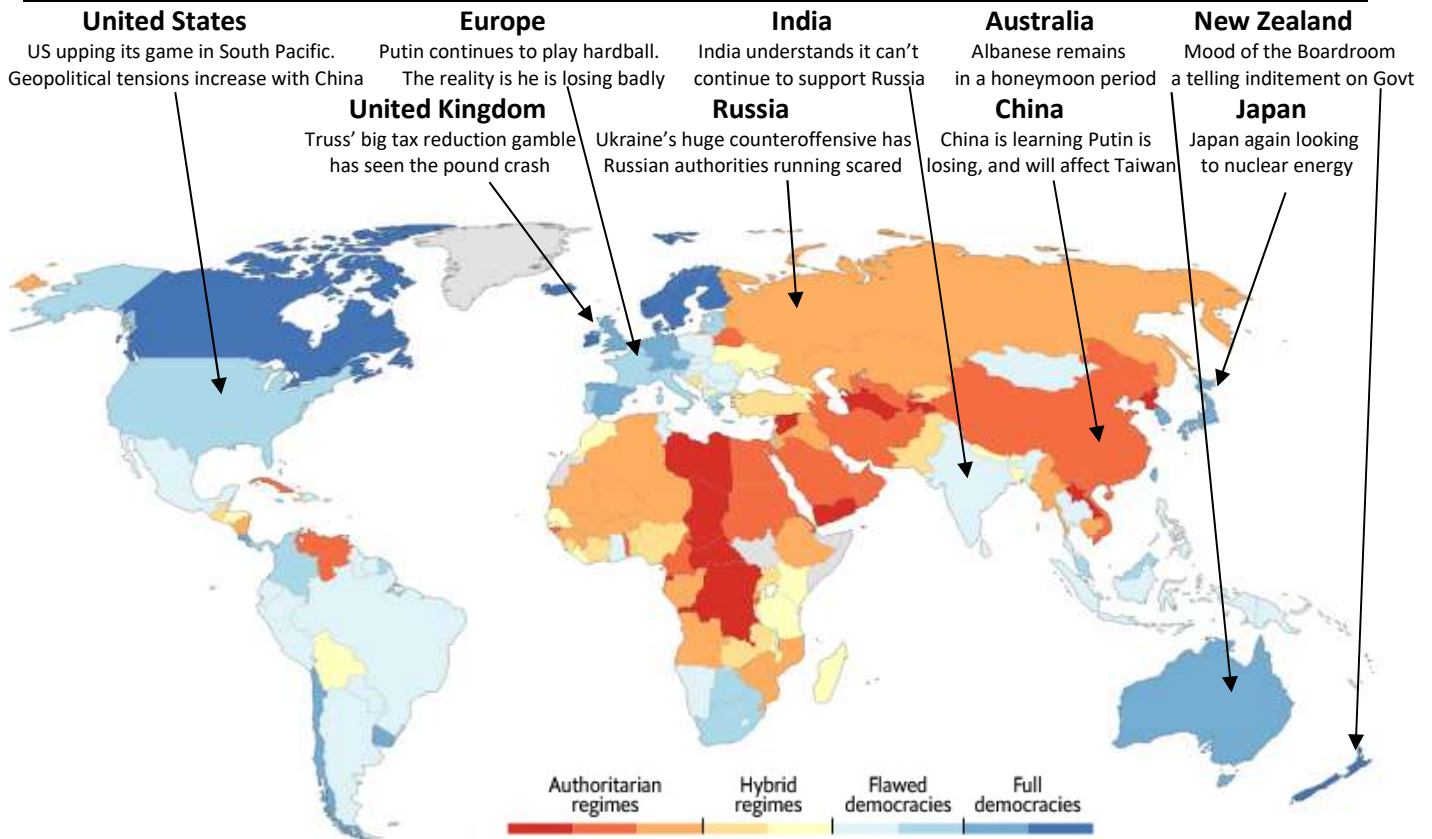
Small group escorted tours
Where in Japan would you like to go? Travel on your schedule.
www.japancustomtours.co.nz

John's Photo Pharmacy
Cm 2nd Avenue and Cameron Road
Tauranga

Open every day 8am - 8pm
phone: (07) 5783566
email: service@jpp.co.nz

Herb Clinic & Dispensary
MON - FRI 8.30am - 6.00pm
SAT 9.00am - 5.00pm
SUN 10.00am - 4.00pm
email: herbal@jpp.co.nz

Unichem LOTO Kodak Products FlyBuys



THE GLOBAL ECONOMIC OUTLOOK

GLOBAL OUTLOOK

ECONOMIC GROWTH

Economic growth remained weak within the OECD area in the June 2022 quarter, with growth of 0.3% matching the March quarters. Gross domestic product growth declined significantly in the United Kingdom, with their economy contracting by 0.1% in the June quarter. OECD member countries located geographically close to Ukraine recorded a slowdown in economic growth, with Poland, Latvia and Lithuania recording a contraction in economic activity in the June quarter. Hungary also recorded a slowdown in economic activity, but its growth rate remained positive (+1.1%).

The OECD's *Composite Leading Indicators* point to a deteriorating outlook in most major economies, due to high inflation, low consumer confidence, and jittery equity markets.

UNEMPLOYMENT

The unemployment rate within the OECD area has been generally trending downward and averaged 4.9% in July 2022. Following the outbreak of the COVID-19 pandemic in 2020, the unemployment

rate peaked at 8.8% in April 2020 within the OECD area.

New Zealand's 3.3% unemployment rate is the eighth lowest in the OECD, where the unemployment rates range from 2.3% (Czech Republic) to 12.6% (Spain).

INFLATION & INTEREST RATES

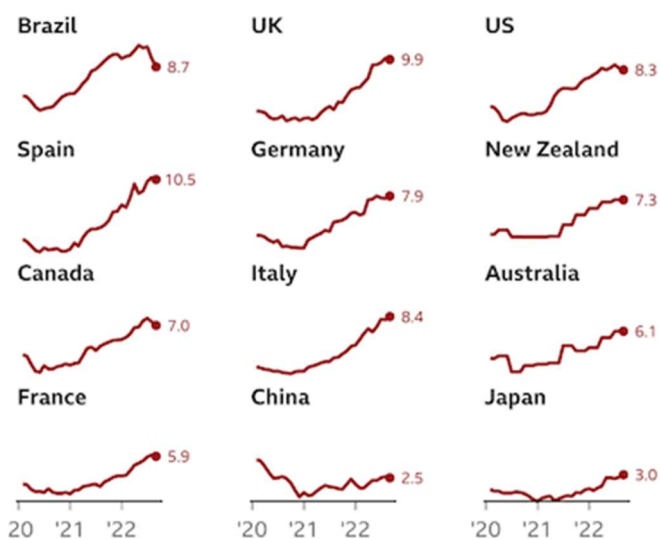
The annual inflation rate within the OECD area eased slightly in July to 10.2% from 10.3% in June.

Current annual inflation rates within the OECD range from 2.6% (Japan) to 79.6% (Turkey), with New Zealand's annual inflation rate of 7.3% ranked tenth lowest out of 36 OECD countries.

In response to higher inflation, central banks continue to tighten monetary policy. The cash rate in Australia rose to 2.35% in September, while the current U.S. federal funds rate ranges from 2.25 – 2.5%.

NZ's Reserve Bank was once leading the charge of the hawks; now it's a fast follower. The Bank of England is expected to announce a seventh consecutive rate rise at its meeting tonight. The BBC reports Indonesia and the Philippines are also poised to hike rates.

Here's the problem they're trying to solve: The charts below, from Bloomberg, show inflation in selected countries. The brutal truth is, economic orthodoxy has not yet discovered a more effective tool for managing high inflation than interest rates rises.



NEW ZEALAND'S ECONOMIC OUTLOOK

POPULATION: 5.2 MILLION

GDP LIFTED MARGINALLY IN THE JUNE QUARTER

Gross domestic product (GDP) rose by 1.7% in the June 2022 quarter, following a 0.2% fall in the March 2022 quarter, according to Stats NZ. Services industries, which make up about two-thirds of the economy, were the main contributor to the increase, up 2.7%.

"The reopening of borders, easing of both domestic and international travel restrictions, and fewer domestic restrictions under the Orange traffic light setting supported growth in industries that had been most affected by the COVID-19 response measures," Stats NZ said.

In the June quarter, households and international visitors spent more on transport, accommodation, eating out, and sports and recreational activities. However, overall household spending declined by 3.2%, driven by lower spending on goods such as used motor vehicles and audio-visual equipment, with a similar fall seen in retail trade activity.

OCR OUTLOOK

The Reserve Bank has forecast the OCR to peak at 4.25% from the June 2023 quarter through to the June 2024 quarter. The Reserve Bank is expected to hike the official cash rate (OCR) by another 50 points, from 3.0% to 3.5%, when it next reviews monetary policy on October 5.

NZ'S BALANCE OF PAYMENTS

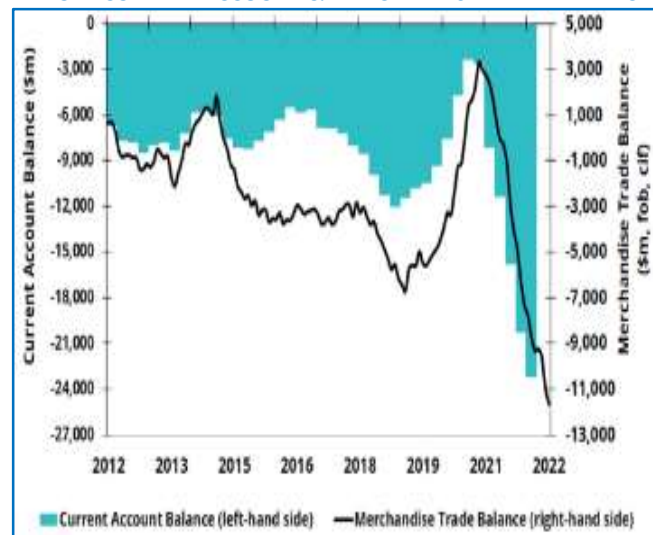
The balance of payments is the record of the receipts and payments between a country's residents and the rest of the world, over a given period. The current account is that part of a country's balance of

payments which embraces its transactions of goods, services, primary income (i.e. international income), and secondary income (i.e. current transfers such as foreign aid). A "balance of payments deficit" refers to a deficit of the current account.

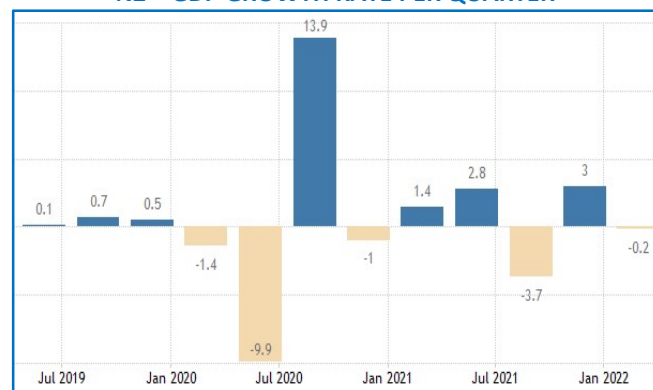
CURRENT ACCOUNT BALANCE

New Zealand's current account deficit totalled \$8.5 billion in the March 2022 quarter in seasonally adjusted terms, up from \$6.6 billion in the December quarter. On an annual basis, the current account deficit totalled \$23.3 billion in the year ended March 2022 (equivalent to 6.5% of GDP).

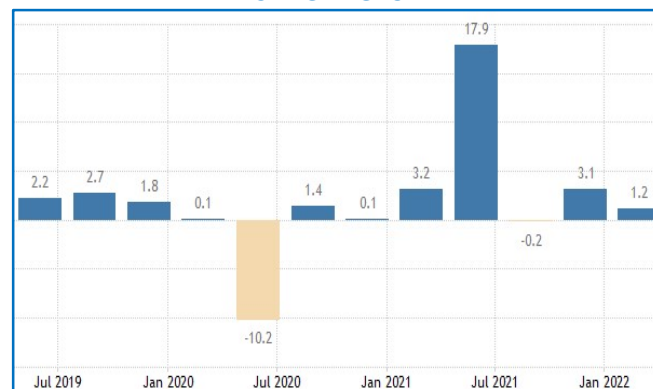
ANNUAL CURRENT ACCOUNT & MERCHANDISE TRADE BALANCE



NZ – GDP GROWTH RATE PER QUARTER



NZ – ANNUAL GDP GROWTH RATE



NZ TERMS OF TRADE

New Zealand's terms of trade, the quantity of imports we can purchase with a fixed quantity of exports, fell by 2.4% in the June 2022 quarter. Import prices rose by 6.5%, with petroleum and

petroleum product prices rising by 42%. Export prices rose by 3.7% in the quarter, with dairy product prices rising by 12.3%, while wool prices fell by 10%.

TRADE OUTLOOK

The annual current account deficit is forecast to deteriorate further in the short term but improve thereafter with an increase in international tourist numbers, and an increase in the terms of trade index.

MORTGAGE RATES

Following the increase in the OCR, short-term interest rates continue to rise, with the 90-day bank bill rate averaging 3.31% in August 2022. Longer-term interest rates continued to fall in August.

New mortgage lending of \$5.4 billion occurred in July 2022, down 38.7% from a year earlier. The average new mortgage in July 2022 was \$555,797 for first home buyers, and \$379,061 across all borrower groups (which also includes other owner-occupiers, investors, and business purpose lending via a mortgage). The average mortgage for a first home buyer peaked in December 2021 at \$595,274.

Crown borrowing as at	31-May-22 (\$m)	31-May-22 (%GDP)
Gross debt *	117,772	33.1
Net debt **	59,073	16.6

*Excluding Reserve Bank settlement cash and Reserve Bank bills.

** Includes Crown entity borrowings, along with net NZS Fund assets and core Crown advances. Source: The Treasury.

S&P RATES NZ POSITIVELY

International ratings agency S&P Global says New Zealand "managed the pandemic better than most countries in terms of health, fiscal, and economic outcomes." S&P has affirmed its 'AA+/A-1+' foreign-currency and 'AAA/A-1+' local-currency sovereign credit ratings for New Zealand.

It saw the economic outlook as "stable" despite today's data showing a large current account deficit. The country's latest current account data was released today showing a \$7.1 billion deficit in the June 2022 quarter, down \$1.7b from the previous quarter. Despite the deficit narrowing in the autumn and early winter, the country's annual current account deficit was \$27.8b in the year to June 30.

AUSTRALIAN ECONOMIC OUTLOOK

POPULATION: 27.1 MILLION

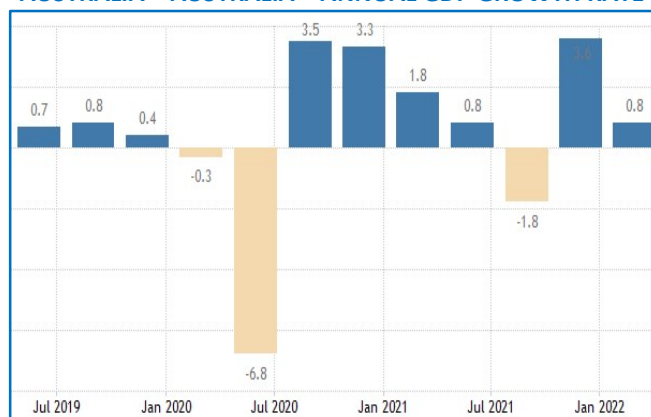
AUSTRALIAN ECONOMICS - A LOWER PEAK?

In a sharp deviation from his fellow central bankers (particularly those at the FOMC and BOC), RBA Governor Lowe made a clear and dovish shift in policy guidance with his recent speech. Jarden sees this shift as signalling a moderation in the pace of hikes as the RBA approaches what it believes is likely to be the peak in rates. That said, Lowe reiterated their commitment

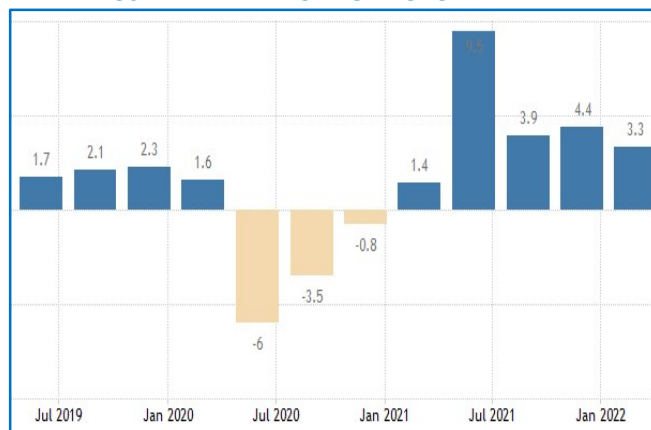
to fighting the "scourge" of inflation, and the data dependence of policy ahead.

While the Fed continues to emphasise the need for further hikes and the need for rates to remain elevated for some time, highly indebted and rate sensitive Australian households are offered limited upside for interest rates. RBA Governor Lowe recently stated "the case for a slower pace of increase in interest rates becomes stronger as the level of the cash rate rises". While this may seem a little counterintuitive, especially given the RBA continues to expect inflation to rise further and peak at 7.75% in Dec-22, it can be largely explained by differences in the impact of monetary policy, particularly on households. In the US, the pass-through of monetary policy to the real economy is primarily through financial conditions, with the direct impact on households relatively limited.

AUSTRALIA – AUSTRALIA – ANNUAL GDP GROWTH RATE



AUSTRALIA – ANNUAL GDP GROWTH RATE



UNITED STATES ECONOMIC OUTLOOK

POPULATION: 335.2 MILLION

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

US INTEREST RATE

The US Federal Reserve has pushed interest rates to the highest level in almost 15 years as it fights to rein in soaring prices in the world's largest economy. The central bank's chair Jerome Powell has announced another 0.75 percentage points hike, lifting the target range to 3% to 3.25%.

US INFLATION RATE

The US inflation rate year over year is 8.263% (compared to 8.525% for the previous month).

US EQUITY MARKETS UNDER PRESSURE

September is certainly living up to its reputation as being one of the worst months of the year for equity markets after Wall Street recorded its biggest weekly drop since June following a shock profit warning from economic bellwether FedEx.

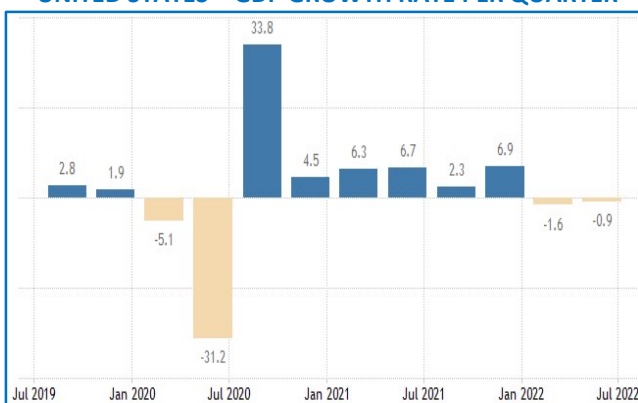
The news jolted investors already on edge over a looming interest rate rise by the **US Federal Reserve** at its upcoming meeting, with some commentators betting the Fed will hike its key interest rate by a full percentage point, putting further pressure on an already weakened kiwi dollar.

The blue-chip **S&P 500** index fell almost 5% last week (written on 19th September), its worst performance since mid-June and one of the sharpest weekly falls for the year, while the tech-focused **Nasdaq** Composite fell 5.4%. By contrast, the **NZX50** fell a more modest 1.4% for the week, though still its biggest weekly decline since mid-June.

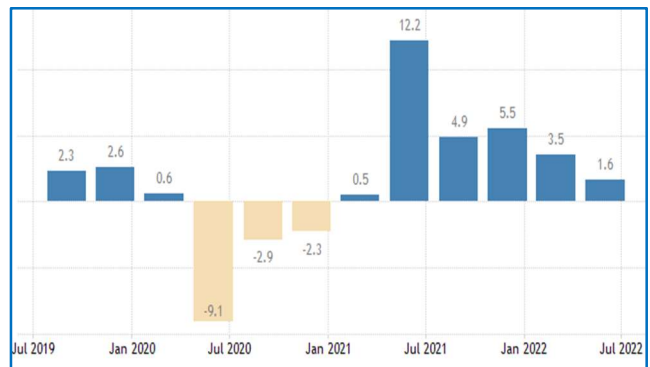
Shares in **FedEx** fell 21%, a record one-day drop for the global freight giant, following the group's disclosure that it would close offices, freeze hiring and park aircraft in response to a decline in package shipping volumes. Regarded as a rough proxy for the economy because of its central role in global commerce, FedEx released preliminary quarterly financial results that missed forecasts and saw the company withdraw its fiscal year guidance as it warned of deteriorating "macroeconomic trends" in the US and abroad. Significantly, FedEx also said it expected business conditions to worsen in the next quarter. As a result, the company said it would cut its capital spending for this year by about US\$500 million from its earlier projections.

Analysts noted that in the first half of the year companies had been able to get price rises through and pass these on to customers relatively easily, however signs indicated that is becoming increasingly more difficult to achieve.

UNITED STATES – GDP GROWTH RATE PER QUARTER



UNITED STATES – ANNUAL GDP GROWTH RATE



"I have wondered at times about what the Ten Commandments would have looked like if Moses had run them through the U.S. Congress."

- Ronald Reagan

CHINESE ECONOMIC OUTLOOK

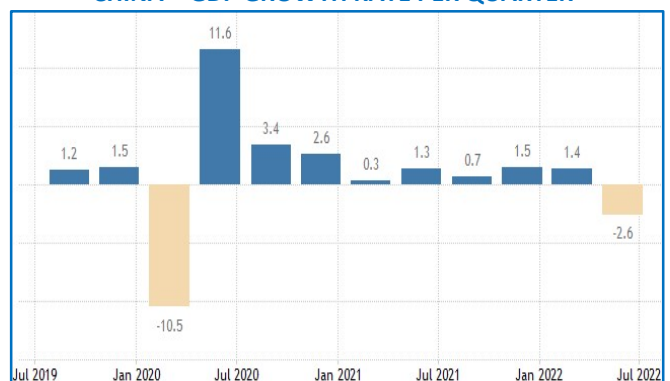
POPULATION: 1.43 BILLION

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

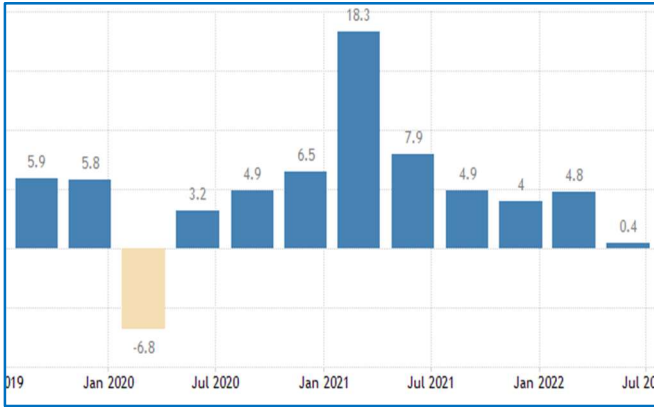
THE CHINESE ECONOMY

The Chinese economy shrank by a seasonally adjusted 2.6% on quarter in the three months to June 2022, compared with market estimates of 1.5% drop and after an upwardly revised 1.4% growth in the previous quarter. This was the first quarterly contraction since the first quarter of 2020, when an outbreak of COVID-19 in Wuhan, first detected in late 2019, turned into a full blown epidemic. Full or partial lockdowns were imposed in major Chinese cities from March through May of 2022, including the financial and commerce hub of Shanghai. China's statistics agency highlighted that the downward pressure on the economy has increased significantly from the June quarter onwards, with severe impacts from unforeseen factors. "The foundation of sustained economic recovery is not stable," it said, amid rising inflation risks globally, tightening monetary policies in major economies, and the impact of domestic virus outbreaks.

CHINA – GDP GROWTH RATE PER QUARTER



CHINA – ANNUAL GDP GROWTH RATE



UNITED KINGDOM ECONOMIC OUTLOOK

POPULATION: 68.4 MILLION

TRUSS IS THE NEW TORY PRIME MINISTER



Liz Truss is constructing a 'collision course' politics as Labour styles itself as a government in waiting rather than an oppositional force.

In her acceptance speech, in which Liz Truss made good on the advice she once gave to former Tory MP Rory Stewart to "never say anything interesting", the new UK Prime Minister paid tribute to her "friend" Boris Johnson for having "delivered Brexit, the Covid vaccine, and stood up to Russian aggression".

Truss has now assembled her team, which lacks any place for Sunak but has found positions for Kemi Badenoch, the 'anti-woke' culture warrior; Jacob Rees-Mogg, an ardent Brexiteer committed to waging war on the civil service and public sector more generally; and Suella Braverman, who, as Attorney-General, launched sustained attacks on the judiciary and who now, as Home Secretary, promises an even 'tougher' stance on immigration. The Cabinet has 23 members – 8 women and 15 men. In terms of backgrounds you have Ministers whose families emigrated from Ghana, Sierra Leone, Kenya, Iraq and Nigeria.

Truss has now assembled her team, which lacks any place for Sunak but has found positions for Kemi Badenoch, the 'anti-woke' culture warrior; Jacob Rees-Mogg, an ardent Brexiteer committed to waging war on the civil service and public sector more generally; and Suella Braverman, who, as Attorney-General, launched sustained attacks on the judiciary and who now, as Home Secretary, promises an even 'tougher' stance on immigration. The Cabinet has 23 members – 8 women and 15 men. In terms of backgrounds you have Ministers whose families emigrated from Ghana, Sierra Leone, Kenya, Iraq and Nigeria.

All this provides part of the party-political background against which the newly formed government must confront a number of converging crises. Spiralling inflation, a cost of living crisis, both of which are precipitating a probable debt crisis for millions of people, an energy crisis, an increasingly fretful relationship with the EU, in which the Northern Ireland Protocol and a promised 'bonfire' of EU regulations looms large, and the ongoing climate crisis.

Truss has been clear on how to confront these issues – such as supporting fracking and granting 130 oil and gas drilling licences. The problem is that once an

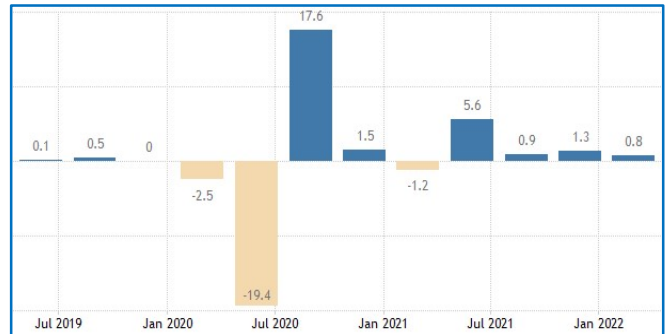
exploration licence is granted, for example, history tells us that it takes nearly 30 years before anything comes out of the ground. She needs wins sooner than that...

BRITISH ECONOMY IN TOTAL CHAOS

With Citibank already forecasting UK inflation of 18.6% in January — the highest since 1976 — the last thing needed was another £45 billion (\$85b) stimulus. Despite much higher UK interest rates now being certain, the pound tanked and the Bank of England was forced into a £65b pledge to buy government bonds to stop retirement funds collapsing.

The British pound has hit a new low against the dollar – the financial equivalent of a no-confidence vote in new Prime Minister Liz Truss. Capital rushed out of British markets after the government presented its so-called mini-budget. Prices for government bonds, known as gilts, tumbled along with the currency. The pound sterling briefly plunged to a new low of roughly £1.04 against the dollar, and is down more than 20% against the dollar just this year.

UNITED KINGDOM – GDP GROWTH RATE PER QUARTER



UNITED KINGDOM – ANNUAL GDP GROWTH RATE



EU ECONOMIC OUTLOOK

POPULATION: 447.7 MILLION

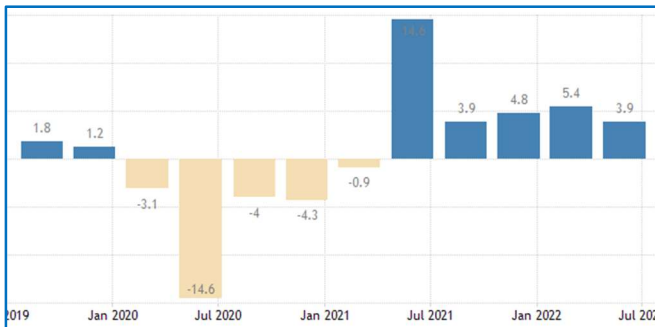


The consequences of Europe's massive rise in energy prices will be large and hard to predict. It will affect European demand for NZ's goods and Europe's ability to supply parts and materials critical for many NZ firms.

EUROZONE – GDP GROWTH RATE PER QUARTER



EUROZONE – ANNUAL GDP GROWTH RATE



ITALIAN ELECTION

Far-right leader Giorgia Meloni has claimed victory in Italy's election, and is on course to become the country's first female prime minister. Ms Meloni is widely expected to form Italy's most right-wing government since World War II.



That will alarm much of Europe as Italy is the EU's third-biggest economy. However, speaking after the vote, Ms Meloni said her Brothers of Italy Party would "govern for everyone" and would not betray people's trust. "Italians have sent a clear message in favour of a right-wing government led by Brothers of Italy," she told reporters in Rome, holding up a sign saying "Thank you Italy".

She is set to win around 26% of the vote, ahead of her closest rival Enrico Letta from the centre left. Mr Letta told reporters that the far-right victory was a "sad day for Italy and Europe" but his party would provide a "strong and intransigent opposition".

SWEDEN HAS SWUNG RIGHT

The recent election in Sweden saw the Sweden Democrats gain 11 seats and about to join Government for the first time. In 2010 they entered Parliament with 20 seats and now have 73 seats.

Many people have wondered why so many people in Sweden now vote for a party that is seen as hard right.

Well the reason is pretty simple. Guess how many bombings there have been in Sweden since 2018? Most people would think maybe 1 or 2, perhaps half a dozen. I mean a bombing is a major event, you would expect to hear about.

The answer is around 500!

JAPAN'S ECONOMIC OUTLOOK

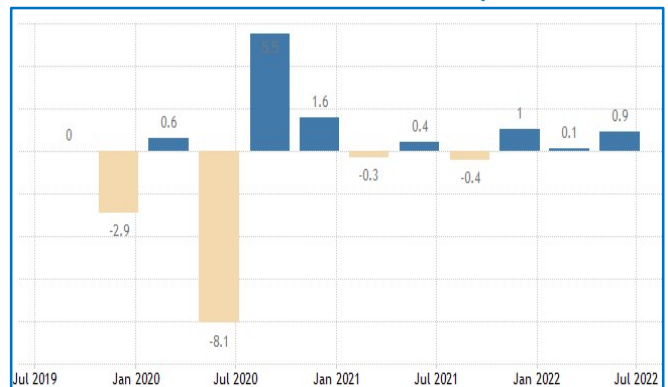
POPULATION: MILLION

GDP GROWTH REMAINS POSITIVE IN 2ND QUARTER

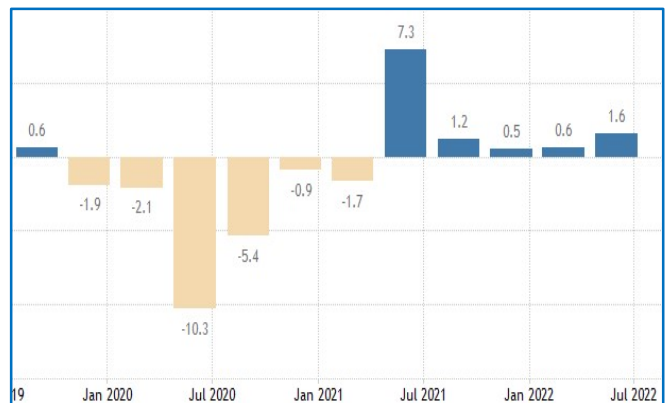
The Japanese economy expanded 1.6% in the second quarter of 2022 over the same quarter of the previous year.

This included an expansion of 0.9% qoq in Q2 of 2022, compared with the flash data of a 0.5% rise and after an upwardly revised 0.1% growth in Q1. The latest figure was above market consensus of a 0.7% increase, growing for the third straight quarter, amid an upward revision of private consumption (1.2% vs 1.1% in the first estimate and after a 0.3% rise in Q1) following a lifting of all COVID curbs, as did government spending (0.7% vs 0.5% in flash data and after a 0.4% rise previously).

JAPAN – GDP GROWTH RATE PER QUARTER

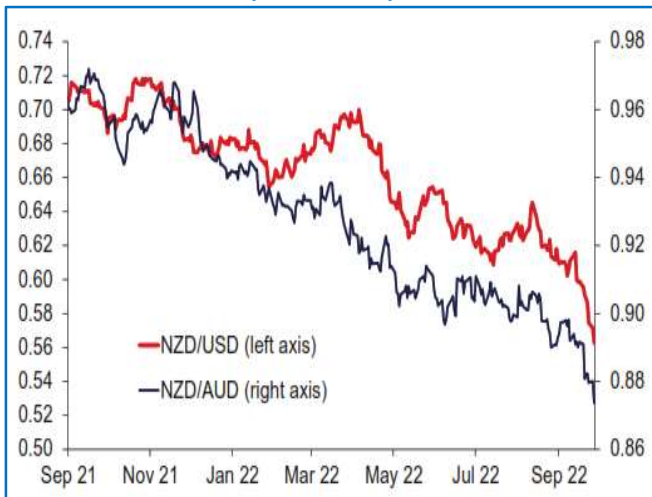


JAPAN – ANNUAL GDP GROWTH RATE



CURRENCIES

NZD/USD & NZD/AUD



SOURCE: Westpac

The New Zealand dollar lurched to a 13-year low on 27th September against the US dollar, which is not ideal but nowhere near as bad as the British pound's crash.

The kiwi is almost exactly the same level it was in 1992, just US2 cents higher than 30 years ago. But that comparison masks a whole world of pain and gain over the decades.

During that time the kiwi hit the depths of US39c in 2000, and the heights of US88c in 2014, and generally clambered around the US49c range in-between.

All currencies move, but some swing around more than others. The New Zealand dollar is nowhere near as dominant as the US dollar, or the Japanese yen, the euro, pound or Swiss franc, but it is still among the most-traded of currencies despite the small size of the economy.

The kiwi has joined other currencies in gaining against the pound, but the main story is the strength of the US dollar, and what's going on with interest rates around the world as central banks scramble to head inflation off at the pass.

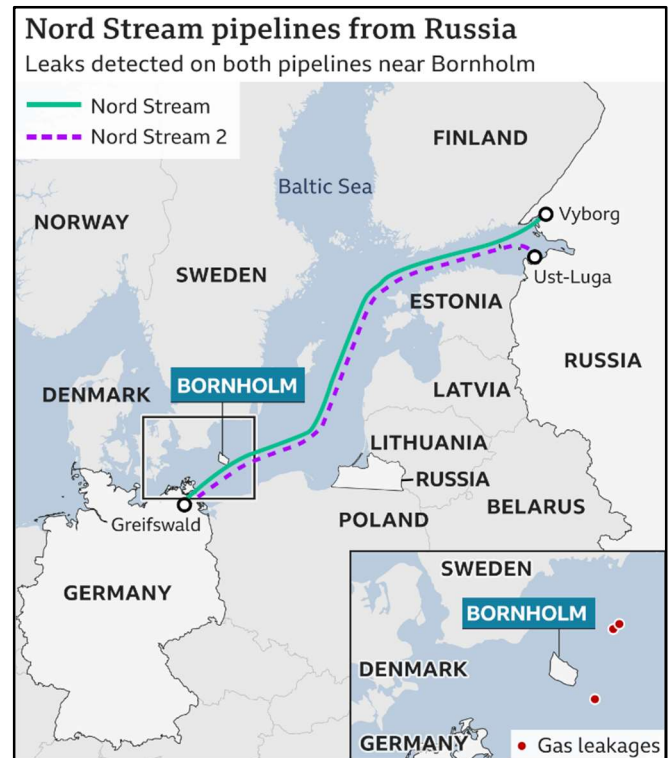
WINNERS AND LOSERS

A weak kiwi is fantastic for exporters and bad news for importers. Using Fonterra as an example, the dairy exporter gets a lot of US dollars for its milk, and is a big buyer of kiwi dollars to use at home. Fonterra receives other currencies as well, such as euros, but the greenback is the main one because it is the most widely used in the global economy. With a lower exchange rate, Fonterra converts its more expensive US dollars into cheaper New Zealand dollars, getting more bucks for its greenbacks.

Importers are on the wrong side of the equation. Global inflation has already increased the cost of products they're buying overseas to bring back. Now the New Zealand dollar has weakened, they have to spend more of them to buy a product priced in another currency.

OIL

Nord Stream 2 - the controversial multibillion gas pipeline from Russia - has begun leaking in the Baltic Sea, endangering naval traffic, Denmark has warned. It set up a prohibitive zone within five nautical miles (9km) of the pipeline near the Bornholm island.



BRENT CRUDE (1YR GRAPH)



CRYPTO

Over the last 12 months, Bitcoin's price fell by 59.7%. Looking ahead, Trading Economics forecast Bitcoin US Dollar to be priced at 17,203 by the end of this quarter and at 12,685 in one year, according to its global macro models projections and analysts expectations.

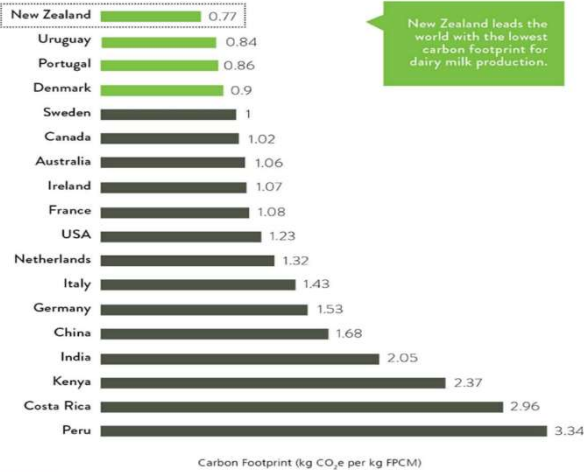
BITCOIN (1YR GRAPH)



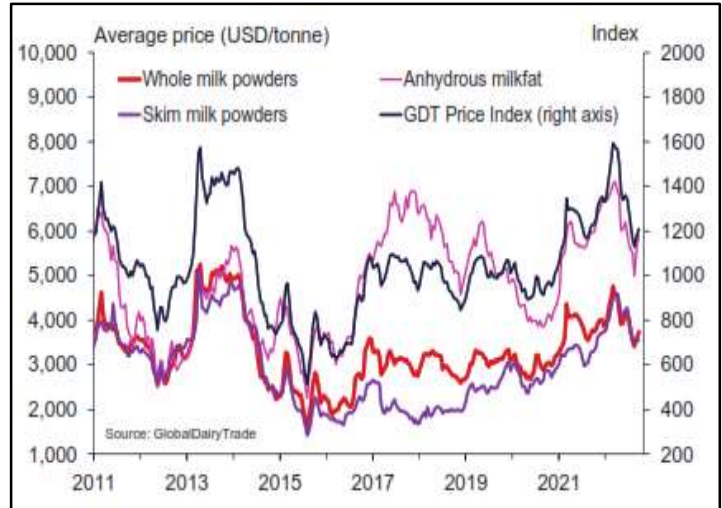
AGRIBUSINESS – LOOKING FROM THE OUTSIDE IN



Carbon footprint of milk production



GLOBAL DAIRY PRICES



FONTERRA RESULT - The positive result comes against a backdrop of very weak global dairy supply. For example, in July New Zealand dairy production was down 5.5% versus July 2021. And anecdotally, production has continued on this weak note over August and into September. Westpac expects production to rebound this season, after the 4% drop over the 2021/22 season. But with the above in mind, there are now clear downside risks to their production forecast.

- Dairy auction prices posted solid gains for the second auction in a row.
- Global dairy prices continue to rise against a backdrop of very weak global dairy supply.
- The result reaffirms Fonterra’s 2022/23 milk price forecast of \$9.25/kg.

Cattle

Beef			
Slaughter price (NZ\$/kgCW)	Last week	Last year	
North Island P2 steer (300kg)	6.80	6.35	
North Island M2 bull (300kg)	6.40	6.25	
North Island M cow (200kg)	4.90	4.70	
South Island P2 steer (300kg)	6.50	6.10	
South Island M2 bull (300kg)	6.25	5.90	
South Island M cow (200kg)	4.90	4.90	
Export markets (NZ\$/kg)			
US imported 95CL bull	9.73	9.10	
US domestic 90CL cow	9.89	8.69	



Sheep

Sheep Meat			
Slaughter price (NZ\$/kgCW)	Last week	Last year	
North Island lamb (18kg)	9.60	9.40	
North Island mutton (25kg)	6.10	6.60	
South Island lamb (18kg)	9.50	9.30	
South Island mutton (25kg)	6.10	6.75	
Export markets (NZ\$/kg)			
China lamb flaps	14.65	12.95	
Wool			
(NZ\$/kg clean)	Two weeks ago	Last year	
Coarse crossbred ind.	2.62	2.73	
37 micron ewe	-	-	
30 micron lamb	-	-	



Deer

Venison			
Slaughter price (NZ\$/kgCW)	Last week	Last year	
North Island AP stag (60kg)	8.40	6.65	
South Island AP stag (60kg)	8.55	6.75	

Fertiliser

Fertiliser			
NZ average (NZ\$/tonne)	Last week	Last year	
DAP	1794	1135	
Super	509	342	
Urea	1340	844	
Urea (Coated)	1389	-	

Forestry

Exports			
NZ Log Exports (thous. Tonnes)	Last month	Last year	
China	1,288,591	2,090,535	
Rest of world	194,701	215,888	
Carbon price (NZ\$/tonne)			
NZU	82.8	64.5	



Data provided by AgriHQ

New Zealand EQUITIES

PUSHPAY SHARES SLIDE ON SPECULATION TAKEOVER DEAL MAY NOT PROCEED

While acknowledging it was aware of media speculation over the possible failure of a pending buyout, Pushpay Holdings did not comment on whether the previously announced deal would still proceed.

The church donation platform's NZX-listed shares initially plunged almost 15 percent to \$1.05 following media reports the buyout may not go ahead.

However, Pushpay reiterated that the company remained in compliance with its continuous disclosure obligations saying it would keep the market updated in accordance with NZX listing rules.

Australian private equity firm, BGH Capital, and Pushpay shareholder, Sixth Street Partners, are understood to be bidding to buy Pushpay.

A2 MILK OUTLOOK

A2 Milk shares will be in the spotlight after US investment banking giant Goldman Sachs warned investors to expect five years of zero growth in the global market for infant milk formula, as China approaches a critical demographic inflection point and

the world's most important market runs short of new babies.

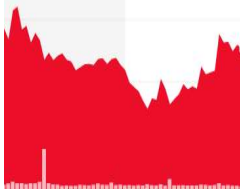


Chinese infants, whose consumption of higher-end formula has surged in recent decades thanks to the rising middle-class incomes of their parents, has been a key market not only for a2 Milk but an important source of growth for a sector dominated by global multinational brands including Danone, Reckitt and Abbott Laboratories.

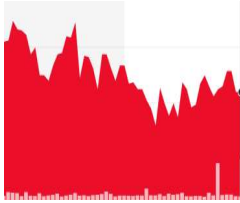


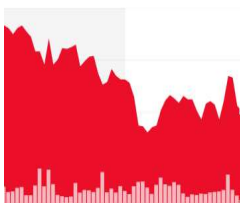


However, in a report recently circulated to clients, Goldman said it had turned negative on the baby formula industry in light of its latest forecast that China's infant population would decline at an average 7% per annum over the next five years.


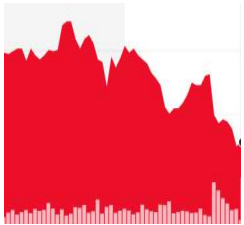



The same forecast raised the possibility that by the end of 2022, deaths could outnumber births, putting China into population decline which can trigger significant revisions to economic modelling. Goldman expects new births in 2022 will have fallen 12% from the previous year and will decline a further 5% in 2023 resulting in the infant population in 2023 being up to 45% lower than the level in 2016.

STOCKS TO WATCH NEW ZEALAND

Prices as at 30th September 2022


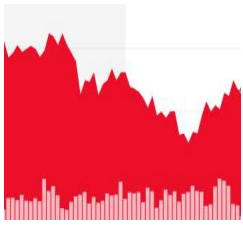

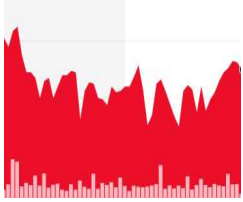
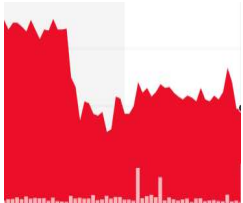
ALL GRAPHS ONE YEAR			
	A2 Milk Company Research: 29 th August Strong top-line execution, against a difficult operating backdrop (China macro pressures, and distribution change). FY22 revenue was +20% to \$1.45bn (+4% vs Jarden), with Infant Formula (IMF) +12% to \$1.0bn (+6% versus Jarden). The key outperformance likely a combination of past inventory management actions taken and Shanghai lockdown share gains, albeit at the cost of higher marketing investment (+13% versus Jarden). For the core IMF business, ATM saw notable strength in CBEC and China Label channels, with FY22 daigou sales still down on pcp (2H flat hoh). At the EBITDA level, FY22 was +59% to \$196m (+2% versus Jarden) with the ex-MVM margin 13.6% (+3.4pp on weak pcp). 2023 P/E: 30.6 2024 P/E: 27.0	NZX Code: ATM Share Price: \$6.12 12mth Target: \$5.45 Projected return (%) Capital gain -10.9% Dividend yield (Net) 0.0% Total return -10.9% Rating: NEUTRAL 52-week price range: 4.20-7.77	
	Air New Zealand Research: 21 st September Reflecting what remains a very strong forward sales curve for travel through to January 2023, AIR expects to deliver 1H23 underlying PBT of \$200m to \$275m. Underpinning this forecast AIR is assuming that it continues to operate capacity at ~70% of pre-COVID levels and that the cost of jet fuel averages ~US\$130 / barrel (current spot price: US\$119 / barrel). This half year guidance was materially above market FY23 earnings forecasts. Ahead of this update Refinitiv consensus was \$72.1m and Jarden's forecast was \$14m. 2023 P/E: 8.6 2024 P/E: 10.4	NZX Code: AIR Share Price: \$0.72 12mth Target: \$0.76 Projected return (%) Capital gain 6.3% Dividend yield (Net) 0.0% Total return 6.3% Rating: NEUTRAL 52-week price range: 0.53-1.73	
	Channel Infrastructure NZ Research: 26 th August CHI's 1H22 results and outlook provided reconfirmation of conversion timing, capex and debt track. This half-year comprised the final quarter of discontinued refining (1H22 EBITDA \$26.4m versus JARDe \$28.0m) and a first quarter as a full import terminal (1H22 EBITDA \$19.7m versus JARDe \$20.5m). In Jarden's view net debt remains the key metric to watch, while large CHI conversion outlays continue through FY22 and FY23. Net debt was \$215m in 1H22, below Jarden's \$224m forecast. 2022 P/E: 16.7 2023 P/E: 17.5	NZX Code: CHI Share Price: \$1.37 12mth Target: \$1.37 Projected return (%) Capital gain 0.0% Dividend yield (Net) 4.5% Total return 4.5% Rating: OVERWEIGHT 52-week price range: 0.83-1.45	

	<p>Comvita Research: 26th August</p> <p>Strong FY22 result with Reported EBITDA of \$30m at top end of guidance (\$28.5-30.0m). CVT has now achieved EBITDA of \$19m/\$26m/\$30m since commencing its turnaround in FY20 hence is now double average EBITDA between FY10-19 of \$15m (comparing to average given historical volatility). FY23 guidance is for double-digit EBITDA growth, implying \$33m at the bottom end - formal range expected in 2Q23, given timing of China offline reopening.</p> <p>2023 P/E: 15.2 2023 P/E: 11.4</p>	<p>NZX Code: CVT Share Price: \$3.21 12mth Target: \$4.50 Projected return (%) Capital gain 38.5% Dividend yield (Net) 2.9% Total return 41.4% Rating: BUY 52-week price range: 2.98-3.80</p>
	<p>Delegat Group Research: 29th August</p> <p>FY22 operating NPAT of \$58m is within the guidance range (\$57-61m). FY23 guidance for operating NPAT is \$60-64m. This partially reflects softer forward volume guidance, which has been downgraded by -2%, but is predominantly due to further inflationary cost increases for freight and packaging. Higher price, offset by cost inflation: DGL improved its case price by +2% in the period (\$97/case from \$95/case), reflecting the full-year impact of price increases in the US and Australia in FY21 and part-year impact of price increases in the UK and Ireland in FY22. Freight and packaging added an additional \$2.25/case, and DGL's volumes were -2% lower than guidance, which it noted on the call cost \$2m of NPAT.</p> <p>2023 P/E: 19.5 2024 P/E: 17.3</p>	<p>NZX Code: DGL Share Price: \$10.20 12mth Target: \$13.40 Projected return (%) Capital gain 40.2% Dividend yield (Net) 1.8% Total return 42.0% Rating: OVERWEIGHT 52-week price range: 10.00-14.80</p>
	<p>Fisher & Paykel Healthcare Research: 22nd August</p> <p>FPH have issued a profit warning and 1H23 guidance ahead of their ASM on 24 August. Based on current trading over the first four months as well as current exchange rates, management expect 1H23 revenues around \$670m and NPAT \$85-95m. This was a reasonable miss compared to Jarden's forecast for 1H revenues of \$713m and NPAT of \$134m. The key variances were Covid-related unwind pressures, resulting in materially lower New App consumables (more driven by lower Optiflow revenues) and cost pressures flowing through to GM from elevated freight, manufacturing inefficiencies on lower volumes and lower New App consumables mix.</p> <p>2023 P/E: 53.2 2024 P/E: 36.1</p>	<p>NZX Code: FPH Share Price: \$18.50 12mth Target: \$23.00 Projected return (%) Capital gain 24.3% Dividend yield (Net) 2.1% Total return 26.4% Rating: OVERWEIGHT 52-week price range: 18.68-34.55</p>
	<p>Fonterra Shareholder's Fund Research: 23rd September</p> <p>FSF gave a clear indication of a positive FY23 earnings outlook on 12th September (FY23 EPS guidance 45-60c). FY22 EPS came in at 35.2c (JARDe 35.4c), up slightly on FY21's 34.1c, with the result benefiting from solid stream returns and being generated in the context of a ~5c hit from Sri Lanka and a high milk price. The dividend of 20c is in line with Jarden estimates and the FY21 level. The drivers of the strong back-end of the year performance were clear and this helps support Jarden's FY23 EPS estimate of 54.7c. No details were provided on the likely timing of a Chile exit but performance continued to improve in FY22. Notwithstanding Jarden's view that caution remains warranted, Jarden has upgraded to Overweight on value gap and incremental comfort in FSF's base line earnings established over FY20-FY22 at ~30-35cps.</p> <p>2023 P/E: 6.3 2024 P/E: 8.2</p>	<p>NZX Code: FSF Share Price: \$3.04 12mth Target: \$3.81 ↑ Projected return (%) Capital gain 25.3% Dividend yield (Net) 8.8% Total return 34.1% Rating: OVERWEIGHT 52-week price range: 2.75-4.00</p>
	<p>Freightways Research: 16th September</p> <p>Jarden's end-market weighted GDP model highlights a slowdown in revenue growth into FY24F driven by an expected slowdown in manufacturing, construction and wholesale and retail trade, before bouncing back in FY25F. They assume volumes decline by 2% in FY23F and are modestly negative in FY24F before recovering to 3% growth in FY25F. Earnings have been reduced 2-12% to reflect lower Express Package revenue from a more cautious view on volumes, particularly in FY24F, which now assumes modestly declines YoY vs FY23F, and an expectation of ongoing inflationary cost pressure into FY24F. In Jarden's view, the acquisition of Allied Express has a number of appealing qualities including attractive return on capital, robust 5-year revenue CAGR of 11.8%, low capital reinvestment requirement and the business is a logical extension of FRE's existing Express Package business. The acquisition also provides a beachhead for future growth in the larger Australian market. However, Jarden notes a material disconnect between FRE's target margins and what Allied Express has previously delivered, which reduces Jarden's ability to properly assess prior performance.</p> <p>2023 P/E: 19.1 2024 P/E: 16.8</p>	<p>NZX Code: FRE Share Price: \$9.80 12mth Target: \$12.25 ↓ Projected return (%) Capital gain 25.0% Dividend yield (Net) 3.7% Total return 28.7% Rating: OVERWEIGHT 52-week price range: 8.72-13.04</p>
	<p>Fletcher Building Research: 17th August</p> <p>FBU reported FY22 EBIT of \$757m, beating Jarden's estimate of \$751m and the company's guided \$750m. This resulted in normalised EPS of 60.0cps and a 2H dividend of 22cps, taking the FY22 dividend to 40cps, a 67% payout - above the middle of the guidance range of 50-75%. FY23 EBIT guidance remains \$100m+ on FY22 reported EBIT, with the demand pipeline indicated to be strong for FY23. Jarden has increased their DCF-based 12-month target price from \$6.40 to \$6.43, with this target price implying a 15.9% capital return plus a 7.7% dividend yield - a 23.6% total return. Due to the upside potential from the current price to Jarden's target price, they retain their Buy rating.</p> <p>2023 P/E: 8.0 2024 P/E: 9.5</p>	<p>NZX Code: FBU Share Price: \$4.84 12mth Target: \$6.43 Projected return (%) Capital gain 32.9% Dividend yield (Net) 7.7% Total return 40.6% Rating: BUY 52-week price range: 4.65-7.44</p>

	<p>Gentrack Group Research: 30th September</p> <p>Gentrack (GTK) has upgraded its FY22 earnings guidance, lifting revenue c.+9% and more than doubling expected EBITDA, albeit off a low base. It expects FY22 revenue to be around \$125m (previously around \$115m) with FY22 EBITDA expected to be in the mid-to-high single digit \$m (previously low \$m single digit). GTK is expected to announce its FY22 results on 29 November. While the announcement was light on detail, we suspect the earnings upgrade reflects a combination of improved operations and conservatism in the original guidance given uncertain customer outcomes, e.g. Bulb, which is currently placed under special administration. Bulb is one of GTK's top five largest customers, suggesting an annual revenue contribution of c.\$5m. The outcome for Bulb and, therefore, GTK remains uncertain. However, given Octopus (owner of GTK competitor Kraken) has emerged as the probable acquirer of Bulb, it appears increasingly likely this business will move away from GTK over time.</p> <p>2022 P/E: (63.9) 2023 P/E: 96.3</p>	<p>NZX Code: GTK Share Price: \$1.45 12mth Target: \$1.55 Projected return (%) Capital gain 6.9% Dividend yield (Net) 0.0% Total return 6.9% Rating: NEUTRAL 52-week price range 1.32-2.15</p>
	<p>Heartland Group Research: 19th September</p> <p>Expansion in Australia: HGH recently completed a ~\$200m equity raise to support the ~NZ\$175m acquisition of StockCo Australia (completed May 2022), with the balance of funds available to support future growth in its existing businesses - most likely in Australia. Jarden has reviewed the StockCo acquisition which they view as a strategic fit (underserved market, ability to leverage existing capability from similar NZ products) and highlight StockCo's relatively favourable operating metrics (NIM = 6.5%, loss rate = 0.02%). They also discuss HGH's plans to establish an Australian bank through the proposed acquisition of Avenue Bank - a recent start-up. HGH's rationale for the acquisition (conditional on regulatory approvals and Avenue Bank securing a full licence) includes access to deeper pools of funding and potential margin uplift - both linked to the ability to take lower cost retail deposits. Evidence supporting this approach is provided by JDO.AX which received a banking licence in early 2019 and has pursued a similar funding strategy, adding A\$1.3b of deposits in 12 months through competitive pricing.</p> <p>2023 P/E: 12.0 2024 P/E: 11.9</p>	<p>NZX Code: HGH Share Price: \$166 12mth Target: ↓ \$2.09 Projected return (%) Capital gain 25.9% Dividend yield (Net) 6.1% Total return 32.0% Rating: OVERWEIGHT 52-week price range: 1.62-2.59</p>
	<p>KMD Brands Research: 21st September</p> <p>FY22 result in-line with guidance. KMD reported revenue of \$979.8m (+6.2% YoY), underlying EBITDA of \$92.0m (-16.0% YoY), in-line with guidance provided at the trading update in July. In addition, underlying NPAT was \$36.2m (-33.7% YoY). Underpinning this result, gross margin improved by a modest 20bps, while opex as a % of sales expanded by +270bps. Gross margin pressure from higher freight costs, raw material costs across the business and negative mix effect in Rip Curl were more than offset by better pricing outcomes in Kathmandu brand which reported its second best 2H gross margin result. The second half performance of this brand was particularly strong, with EBITDA of \$55m supported by a record Winter sale period. We view the strength of this period as an important indicator of operating momentum in this brand as we enter FY23.</p> <p>2023 P/E: 11.5 2024 P/E: 8.8</p>	<p>NZX Code: KMD Share Price: \$1.05 12mth Target: ↓ \$1.40 Projected return (%) Capital gain 33.3% Dividend yield (Net) 6.0% Total return 39.3% Rating: BUY 52-week price range: 0.99-1.66</p>
	<p>NZ King Salmon Investments Research: 29th September</p> <p>Operating EBITDA of -\$13.7m was of little surprise given the pre-warning provided at the equity raise in April. As flagged, the mortality event from Jan-22 to 1Q23 had a significant adverse impact on performance before the new farming model could be implemented. The company maintained its FY23 guidance for operating EBITDA of negative \$8-12m. New farming model underway. Under the downsized farm model, harvests will come mainly from the Tory Channel (TC), with NZK largely following the Pelorus. Therefore, the model depends on the historically stronger performance in TC continuing into the future. Waihinau and Kopaua were followed by end-July and Forsyth by end-August - and hence the model is set for the upcoming summer. NZK acknowledged early forecasts indicating high summer water temperatures but remains confident that TC will mitigate the effects.</p> <p>2023 P/E: (6.8) 2024 P/E: 15.0</p>	<p>NZX Code: NZK Share Price: \$0.21 12mth Target: \$0.21 Projected return (%) Capital gain 0.0% Dividend yield (Net) 0.0% Total return 0.0% Rating: NEUTRAL 52-week price range: 0.187-1.52</p>
	<p>NZX Research: 22nd August</p> <p>NZX delivered a broadly flat 1H22 result, with group revenue of \$46.2m, up 8.8% on the prior year, bolstered by additional FUM acquired early in the half but offset by higher opex given wage inflation and expanded operations in the Funds Management and Wealth Tech businesses. The Markets segment saw revenue lift modestly on solid issuance (+28.0%, primarily debt and secondary equity), Data & Insights and Dairy Derivatives but offset by wage inflation.</p> <p>2022 P/E: 27.2 2023 P/E: 25.1</p>	<p>NZX Code: NZX Share Price: \$1.20 12mth Target: \$1.51 Projected return (%) Capital gain 25.9% Dividend yield (Net) 4.5% Total return 30.4% Rating: BUY 52-week price range: 1.19-1.85</p>

“The brave always have good fortune.”

IVAN BAHRIANY, THE HUNTERS AND THE HUNTED

	<p>Port of Tauranga</p> <p>Port of Tauranga, New Zealand's largest port, reported Group NPAT of \$111.3n on 25.6m tonnes of trade amid ongoing supply chain disruption. The increase in revenue reflected the strong diversity of cargoes, resilient operational performance and ongoing storage revenues due to continued vessel schedule disruption. Total ship visits also increased for the first time in four years, boosting marine services income. POT is anticipating a record 139 cruise ships berthing at Tauranga over this coming summer. This just might brighten management, after continued delays in the berth expansion programme. Jarden has recently raised its Target Price from \$6.00 to \$6.55 (up 9.2%).</p> <p>2021 P/E: 38.7 2022 P/E: 36.4</p>	<p>NZX Code: POT Share Price: \$6.45 12mth Target: \$6.55 Projected return (%) Capital gain 1.6% Dividend yield (Net) 2.3% Total return 3.9% Rating: NEUTRAL 52-week price range: 5.96-7.37</p>
	<p>Scales Corporation Research: 28th September</p> <p>SCL reported a new JV (petfood protein. Their A\$4m (33% stake) initial investment in a new petfood processing facility, with the expected commission date 1Q23, scaling to full production over the course of the year. Operations are identical to what Meateor already does - processing and marketing to manufacturers. This investment helps secure supply within the Australian market (SCL own supply versus third party), noting some uncertainty about current third-party supply contracts approaching renewal. We understand that volume is expected to be similar to existing in Australia market, with SCL hopeful it keeps third-party supply and is then supplemented by the new JV.</p> <p>2022 P/E: 26.0 2023 P/E: 21.5</p>	<p>NZX Code: SCL Share Price: \$4.95 12mth Target: \$4.60 Projected return (%) ↑ Capital gain -7.1% Dividend yield (Net) 3.9% Total return -3.2% Rating: NEUTRAL 52-week price range: 4.07-5.89</p>
	<p>Sky City Entertainment Research: 26th August</p> <p>FY22 normalised EBITDA was \$138m, in line with pre-guidance and Jarden's estimate, with a slight beat at the NPAT level (tax related) with lower net debt. The key operating highlight was 4Q EGM strength across the NZ properties, which has continued in 1Q23, coupled with late improvement in Adelaide performance. Other notable points are balance sheet liquidity remaining strong at \$321m and the NZICC/Horizon Hotel capital project, whilst complex to reinstate, still being within prior cost and completion expectations.</p> <p>2023 P/E: 18.8 2024 P/E: 16.1</p>	<p>NZX Code: SKC Share Price: \$2.71 12mth Target: \$3.35 Projected return (%) Capital gain 23.6% Dividend yield (Net) 4.8% Total return 28.4% Rating: BUY 52-week price range: 2.47-3.31</p>
	<p>Synlait Milk Research: 28th September</p> <p>After a difficult FY21, the FY22 result evidenced a solid bounce back to profitability, broadly in line with Jarden's estimate. Critically, operating cashflow (on SML definition) was strong at 2x adjusted EBITDA, allowing the balance reset to happen faster than expected and enabling the new CEO to focus on lifting future utilisation, reforming the executive team and building out a plan for food service. On the execution front, Jarden also highlights completion of SAP implementation in August and Pokeno's multinational customer remaining on track for commercial production to commence in early 2023.</p> <p>2023 P/E: 14.1 2024 P/E: 9.7</p>	<p>NZX Code: SML Share Price: \$3.55 12mth Target: \$3.75 Projected return (%) ↑ Capital gain 5.6% Dividend yield (Net) 0.0% Total return 5.6% Rating: NEUTRAL 52-week price range: 3.04-3.96</p>
	<p>The Warehouse Group Research: 29th September</p> <p>WHS reported group revenue of \$3.29bn (-3.5% YoY), underlying EBIT of \$330.1m (-23.3% YoY) and underlying NPAT of \$96.9m (-44.8% YoY). These P&L items were +0.5%, +1.7% and -6.1% above/below Jarden estimates. While year-on-year declines in profit metrics are material, Jarden notes WHS was cycling a record prior period. Underlying the result, while the gross margin fell by 100bp YoY, it was 70bp ahead of Jarden's forecast, reflecting a better-than-expected margin result in Warehouse Stationery and Noel Leeming. In contrast, opex as a % of revenue increased by 160bp YoY, 50bp ahead of their estimate, driven by higher-than-expected costs in the core Warehouse business. Notably, the 2H margin performance saw slowing deterioration versus 1H. The gross margin declined by -38bps in 2H versus -150bps in 1H as freight costs stabilised, while opex as a % of revenue increased by +108bps in 2H versus +320bps in 1H, reflecting COVID-related costs in 1H.</p> <p>2023 P/E: 12.3 2024 P/E: 10.7</p>	<p>NZX Code: WHS Share Price: \$3.09 12mth Target: \$3.15 Projected return (%) ↓ Capital gain 1.9% Dividend yield (Net) 5.7% Total return 7.6% Rating: NEUTRAL 52-week price range: 2.86-4.16</p>

If you are looking for a sharebroker
I recommend



GRAHAM NELSON AFA

Director, Wealth Management Advisor

Graham works out of Jarden's Wellington office. With modern communications you won't be disappointed...



JARDEN

D +64 4 496 5318 | M +64 21 447 242

Email: graham.nelson@jarden.co.nz

**“WE CAN'T SOLVE PROBLEMS WITH THE SAME
THINKING WE USE TO CREATE THEM”**

– Albert Einstein

JARDEN'S NZ LISTED COMPANIES GROSS DIVIDEND YIELD AS AT 29TH SEPTEMBER 2022

COMPANY	RATING	PRICE (NZ\$)	GROSS DIVIDEND YIELD				DIVIDEND COVER				NET DEBT/ EQUITY CURRENT
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2	
Metro Performance Glass	B	\$0.20			20.8%	25.0%			1.7	1.7	61.1%
My Food Bag	B	\$0.60	16.2%	13.4%	15.3%	15.7%	1.2	1.2	1.3	1.3	-3.7%
Michael Hill	O	\$1.35	8.8%	11.1%	12.3%	12.3%	1.5	1.2	1.2	1.3	-49.1%
NZME	O	\$1.16	9.6%	22.7%	12.0%	12.0%	1.6	0.8	1.6	1.6	-8.6%
Fletcher Building	B	\$4.97	11.2%	12.0%	10.6%	7.8%	1.5	1.6	1.6	1.6	18.4%
Heartland Group	O	\$1.62	9.4%	9.4%	10.3%	11.1%	1.5	1.4	1.3	1.3	726.6%
Kiwi Property Group	O	\$0.89	9.4%	9.7%	10.1%	10.2%	1.1	1.1	1.1	1.1	49.5%
Turners	O	\$3.59	8.9%	9.7%	10.1%	10.4%	1.6	1.5	1.4	1.5	158.2%
Channel Infrastructure	O	\$1.40		6.0%	9.6%	9.2%		1.3	0.7	0.8	37.1%
Stride	O	\$1.63	9.1%	9.1%	9.1%	9.1%	1.1	1.2	1.2	1.2	26.3%
The Warehouse Group	N	\$3.23	8.6%	8.0%	9.0%	9.2%	1.4	1.4	1.4	1.4	9.8%
Genesis Energy	N	\$2.65	8.6%	8.7%	8.9%	9.1%	0.6	0.6	0.5	0.5	58.3%
Sky City	B	\$2.67		7.3%	8.8%	9.4%		1.1	1.1	1.1	38.3%
Steel and Tube	N	\$1.35	10.5%	10.8%	8.7%	8.4%	1.3	1.4	1.3	1.4	20.5%
Kathmandu	B	\$1.02	7.4%	6.1%	8.7%	9.3%	0.9	1.5	1.4	1.4	4.7%
Fonterra	O	\$3.18	6.3%	9.4%	8.6%	8.2%	1.8	1.8	1.5	1.6	72.1%
Argosy Property	N	\$1.19	8.2%	8.4%	8.5%	8.5%	1.2	1.1	1.1	1.2	47.2%
Investore Property	N	\$1.51	7.8%	8.0%	8.2%	8.5%	1.0	1.1	1.1	1.1	40.3%
Precinct Properties	N	\$1.25	8.0%	8.0%	8.1%	8.1%	1.0	1.0	1.0	1.1	50.7%
Spark	O	\$4.97	7.0%	7.5%	7.5%	8.1%	0.9	0.9	1.0	1.0	98.6%
Sky Network Television	N	\$2.17	3.4%	7.4%	7.4%	7.4%	3.9	2.0	1.8	1.8	-27.9%
NZX	B	\$1.21	7.0%	7.0%	7.0%	7.0%	1.0	0.8	0.9	0.9	-14.3%
PGG Wrightson	N	\$4.46	6.7%	6.7%	7.0%	7.2%	1.1	1.1	1.1	1.0	19.0%
NZ Rural Land Co	O	\$1.08	5.0%	6.6%	6.9%	7.9%	1.5	1.0	1.0	1.0	53.5%
Chorus	N	\$7.46	4.7%	5.7%	6.4%	6.7%	0.3	0.3	0.3	0.4	215.3%
Seeka	N	\$4.00	9.5%		6.3%	7.7%	0.7		1.5	1.5	40.8%
Freightways	O	\$9.95	5.2%	5.6%	6.2%	6.7%	1.2	1.3	1.3	1.3	42.7%
Vital Healthcare	U	\$2.43	5.9%	6.0%	6.1%	6.3%	1.3	1.2	1.1	1.1	45.8%
Contact Energy	B	\$7.75	5.9%	5.6%	6.1%	6.7%	0.7	0.6	0.7	0.7	32.8%
Mercury	B	\$5.59	5.0%	5.4%	5.7%	6.1%	0.5	0.5	0.7	0.7	39.8%
Air New Zealand	N	\$0.70			5.6%	6.7%			1.8	1.7	-18.5%
Comvita	B	\$3.30	1.7%	3.0%	5.5%	7.4%	3.6	2.2	1.7	1.6	11.2%
Scales Corporation	N	\$4.89	5.4%	5.4%	5.4%	6.5%	1.1	1.0	1.2	1.2	-21.0%
Oceania Healthcare	O	\$0.91	4.5%	5.2%	5.4%	5.8%	1.8	1.8	1.8	1.8	39.0%
Skellerup	O	\$5.54	4.3%	4.8%	5.2%	5.9%	1.2	1.2	1.2	1.2	11.9%
Property For Industry	N	\$2.38	5.0%	5.1%	5.2%	5.5%	1.4	1.2	1.2	1.3	38.2%
Meridian Energy	O	\$4.94	4.6%	4.7%	4.9%	6.1%	1.5	0.7	0.7	0.8	14.5%
Arvida	O	\$1.43	3.8%	4.4%	4.8%	5.4%	3.5	2.2	2.2	2.2	33.1%
Goodman Property	U	\$1.98	4.1%	4.4%	4.7%	4.9%	1.3	1.3	1.3	1.3	27.7%
Manawa Energy	O	\$5.61	13.7%	3.5%	4.3%	4.6%	0.6	1.2	1.3	1.2	70.9%
AFT Pharmaceuticals	B	\$3.38		2.0%	4.1%	5.1%		4.0	2.0	2.0	51.7%
Vector	N	\$4.24	4.1%	4.1%	4.1%	4.1%	1.1	1.1	0.9	0.9	138.8%
Port of Tauranga	N	\$6.37	3.2%	3.6%	3.9%	4.2%	1.1	1.1	1.1	1.1	21.0%
Mainfreight	O	\$67.70	2.9%	3.5%	3.8%	3.8%	2.5	2.5	2.0	2.0	-1.8%
Ebos	N	\$37.80	2.9%	3.4%	3.8%	4.2%	1.3	1.3	1.2	1.1	38.0%
Infratil	O	\$8.92	3.2%	3.4%	3.5%	3.7%	-0.1	1.9	2.1	2.1	69.4%
Ryman Healthcare	N	\$8.52	2.6%	2.7%	3.3%	3.6%	2.3	2.5	2.5	2.5	74.2%
Fisher & Paykel Healthcare	O	\$18.90	2.9%	3.0%	3.2%	3.3%	1.7	0.9	1.3	1.6	-0.9%
Delegat's Group	O	\$10.65	2.6%	2.7%	3.1%	3.7%	2.9	2.9	2.9	2.8	49.8%
Auckland Airport	U	\$7.42		1.3%	2.4%	3.1%		1.0	1.3	1.2	17.8%
Sanford	U	\$4.20		1.2%	2.4%	3.6%		5.1	3.2	2.4	28.2%
Summerset	O	\$10.50	1.8%	2.1%	2.2%	2.5%	3.3	3.3	3.3	3.3	38.4%
Asset Plus	O	\$0.26	6.3%			9.2%	1.0			1.0	32.1%
a2 Milk	N	\$6.10									-66.1%
Eroad	N	\$1.61									1.4%
Pacific Edge	O	\$0.45									-97.2%
Pushpay	O	\$1.07									29.1%
Restaurant Brands	O	\$7.70	5.8%				1.2				69.6%
Serko	U	\$3.09									-82.5%
Synlait	N	\$3.53				7.7%				2.0	45.4%
Vista Group	O	\$1.54									-27.3%
MEDIAN			4.7%	5.0%	5.4%	6.6%	1.2	1.2	1.3	1.3	32.8%

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

COMPANY	RATING	PRICE (AU\$)	DIVIDEND YIELD				DIVIDEND COVER			
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2
Liberty Financial Group Limited	N	\$4.28	11.5%	9.3%	9.3%	9.6%	1.5x	1.5x	1.5x	1.5x
Adairs Limited	O	\$2.27	7.9%	8.8%	10.1%	10.6%	1.7x	1.5x	1.5x	1.5x
Suncorp Group Limited	O	\$10.90	3.7%	8.7%	3.8%	7.2%	1.3x	1.0x	2.2x	1.2x
Centuria Office REIT	U	\$1.64	10.1%	8.6%	8.8%	9.1%	1.1x	1.1x	1.1x	1.1x
Autosports Group Limited	O	\$2.15	7.4%	8.6%	8.2%	6.7%	1.7x	1.7x	1.7x	1.7x
Pendal Group Limited	O	\$5.20	7.9%	8.4%	6.0%	6.7%	1.2x	1.1x	1.1x	1.1x
Woodside Energy Group Limited	O	\$34.25	3.9%	8.3%	5.8%	6.1%	1.2x	1.4x	1.7x	1.4x
Peter Warren Automotive Holdings Limited	B	\$2.65	8.3%	8.0%	7.7%	7.2%	1.6x	1.6x	1.6x	1.6x
CSR Limited	O	\$4.53	7.0%	7.7%	5.8%	5.9%	1.3x	1.3x	1.4x	1.4x
Harvey Norman Holdings Limited	N	\$4.23	8.9%	7.6%	7.1%	7.3%	1.4x	1.4x	1.4x	1.4x
Stockland Corporation Limited	N	\$3.62	7.3%	7.5%	7.7%	7.9%	1.3x	1.3x	1.3x	1.2x
Platinum Asset Management Limited	U	\$1.78	9.6%	7.1%	6.2%	5.7%	1.0x	1.2x	1.2x	1.2x
Magellan Financial Group Limited	U	\$13.02	13.7%	7.1%	5.3%	4.9%	1.2x	1.2x	1.4x	1.5x
Pepper Money Limited	O	\$1.56	5.8%	7.1%	5.8%	6.4%	0.0x	0.0x	0.0x	0.0x
Abacus Property Group	O	\$2.72	6.6%	6.8%	6.9%	7.0%	1.1x	1.1x	1.1x	1.1x
Nick Scali Limited	U	\$11.04	5.9%	6.5%	5.7%	6.5%	1.5x	1.3x	1.2x	1.3x
Homeco Daily Needs REIT	O	\$1.29	6.4%	6.4%	6.7%	6.9%	1.1x	1.0x	1.0x	1.0x
Bank of Queensland Limited	O	\$7.03	5.5%	6.4%	6.3%	6.4%	1.8x	1.6x	1.6x	1.6x
Centuria Capital Group Limited	B	\$1.83	6.0%	6.3%	6.6%	6.8%	1.3x	1.3x	1.2x	1.3x
JB Hi-Fi Limited	U	\$40.69	7.8%	6.3%	5.4%	5.3%	1.5x	1.5x	1.5x	1.5x
Australia & New Zealand Banking Group Lir	U	\$22.83	6.2%	6.3%	6.4%	6.7%	1.4x	1.5x	1.5x	1.5x
Charter Hall Long Wale REIT	O	\$4.47	6.8%	6.3%	6.6%	6.1%	1.0x	1.0x	1.0x	1.0x
Charter Hall Retail REIT	O	\$4.11	6.0%	6.3%	6.4%	6.5%	1.2x	1.1x	1.1x	1.1x
GPT Group	U	\$4.21	5.5%	6.1%	5.7%	5.7%	1.2x	1.3x	1.3x	1.3x
Perpetual Limited	N	\$27.42	7.6%	6.1%	6.5%	7.2%	1.2x	1.2x	1.2x	1.2x
Insignia Financial Limited	O	\$3.48	6.8%	5.9%	6.5%	6.7%	1.5x	1.5x	1.5x	1.5x
Bendigo and Adelaide Bank Limited	U	\$9.04	5.9%	5.9%	6.0%	6.1%	1.5x	1.4x	1.4x	1.4x
Dexus	U	\$8.73	6.1%	5.8%	6.1%	6.3%	1.3x	1.3x	1.3x	1.3x
Super Retail Group Limited	N	\$10.58	6.6%	5.8%	5.3%	5.4%	1.5x	1.5x	1.5x	1.5x
Aurizon Holdings Limited	N	\$3.73	5.7%	5.8%	5.0%	6.9%	1.3x	1.3x	1.3x	1.0x
Emeco Holdings Limited	B	\$0.92	1.4%	5.7%	7.2%	7.7%	10.6x	2.8x	2.5x	2.5x
Westpac Banking Corporation	U	\$21.61	5.5%	5.7%	5.9%	6.3%	1.2x	1.2x	1.5x	1.5x
Vicinity Centres	O	\$1.94	5.4%	5.7%	6.1%	6.4%	1.3x	1.2x	1.2x	1.2x
Insurance Australia Group Limited	B	\$4.65	2.4%	5.6%	6.9%	6.7%	0.8x	1.2x	1.2x	1.3x
Accent Group Limited	O	\$1.50	4.3%	5.6%	6.4%	7.0%	0.9x	1.4x	1.4x	1.4x
Estia Health Limited	B	\$2.03	1.2%	5.5%	4.6%	4.7%	(1.5x)	1.3x	1.2x	1.2x
SCA Property Group	B	\$2.73	5.6%	5.5%	5.5%	5.6%	1.1x	1.1x	1.1x	1.1x
Metcash Limited	O	\$4.12	5.2%	5.3%	5.6%	6.1%	1.4x	1.5x	1.4x	1.4x
Pact Group Holdings Limited	O	\$1.52	3.3%	5.2%	6.3%	8.1%	4.0x	2.7x	2.4x	2.0x
Origin Energy Limited	N	\$6.31	4.6%	5.2%	4.0%	3.4%	0.8x	0.8x	1.4x	1.7x
Centuria Industrial REIT	O	\$3.10	5.6%	5.2%	5.3%	5.4%	1.1x	1.1x	1.1x	1.1x
Scentre Group	B	\$2.94	4.8%	5.1%	5.5%	5.8%	1.2x	1.3x	1.4x	1.4x
Orora Limited	N	\$3.32	5.0%	5.1%	5.4%	5.7%	1.3x	1.3x	1.3x	1.2x
Resimac Group Limited	U	\$1.29	6.2%	5.0%	5.0%	5.4%	3.2x	3.0x	2.8x	2.7x
Mirvac Group	U	\$2.10	4.9%	5.0%	5.2%	5.4%	1.5x	1.5x	1.4x	1.4x
Universal Store Holdings Limited	B	\$4.89	4.4%	5.0%	5.4%	5.8%	1.3x	1.5x	1.5x	1.6x
National Australia Bank Limited	O	\$30.59	4.2%	4.8%	5.1%	5.2%	1.5x	1.4x	1.5x	1.4x
Adbri Limited	N	\$2.21	5.7%	4.7%	5.2%	5.7%	1.5x	1.7x	1.7x	1.7x
Charter Hall Social Infrastructure	O	\$3.69	4.7%	4.7%	4.9%	5.2%	1.0x	1.0x	1.0x	1.0x
Lynch Group Holdings Limited	B	\$2.34	5.1%	4.6%	6.4%	7.1%	1.7x	2.0x	2.0x	2.0x
BWP Trust	U	\$3.98	4.6%	4.6%	4.7%	4.8%	1.0x	1.0x	1.0x	1.0x
National Storage REIT	O	\$2.21	4.5%	4.9%	5.0%	5.3%	1.1x	1.1x	1.1x	1.1x
Costa Group Holdings Limited	O	\$2.21	3.8%	4.8%	4.9%	4.3%	1.6x	1.4x	1.7x	1.7x
QBE Insurance Group Limited	B	\$11.39	2.6%	4.7%	6.6%	7.1%	1.8x	1.1x	1.4x	1.4x
Janus Henderson Group	U	\$33.09	4.6%	4.7%	4.7%	4.7%	2.8x	1.5x	1.4x	1.4x
Beacon Lighting Group Limited	N	\$2.00	4.7%	4.6%	3.9%	4.1%	2.0x	1.6x	1.6x	1.6x
Commonwealth Bank of Australia	N	\$92.54	4.2%	4.5%	4.6%	4.6%	1.4x	1.3x	1.3x	1.3x
Eagers Automotive Limited	O	\$11.46	5.5%	4.5%	3.6%	3.3%	1.8x	2.1x	2.4x	2.4x
Medibank Private Limited	O	\$3.49	3.8%	4.5%	4.7%	4.8%	1.1x	1.2x	1.2x	1.2x
Wesfarmers Limited	O	\$43.15	4.2%	4.4%	4.5%	4.7%	1.0x	1.2x	1.2x	1.2x
Transurban Group Limited	U	\$12.98	3.2%	4.2%	5.2%	6.0%	0.0x	0.2x	0.3x	0.4x
Lynch Group Holdings Limited	B	\$2.59	4.6%	4.2%	5.8%	6.4%	1.7x	2.0x	2.0x	2.0x
Regis Healthcare Limited	B	\$1.72	3.4%	4.2%	5.3%	5.4%	(0.2x)	1.0x	1.0x	1.0x
Bravura Solutions Limited	B	\$1.35	5.1%	4.2%	5.0%	5.6%	1.5x	1.6x	1.6x	1.6x
Challenger Limited	O	\$5.97	3.9%	4.1%	4.7%	5.1%	2.1x	2.0x	2.0x	2.0x
QUBE Holdings Limited	B	\$2.48	2.5%	4.1%	4.8%	5.0%	1.6x	1.1x	1.1x	1.1x
Santos Limited	O	\$6.86	2.0%	4.1%	4.9%	2.8%	3.2x	2.6x	1.4x	1.5x
Coles Group Limited	N	\$16.61	3.8%	3.9%	4.0%	4.9%	1.2x	1.2x	1.2x	1.2x
Monadelphous Group Limited	N	\$12.94	3.8%	3.8%	4.4%	5.0%	1.1x	1.2x	1.1x	1.1x
Premier Investments Limited	O	\$20.67	3.9%	3.8%	3.3%	3.3%	2.1x	2.0x	2.0x	2.0x
IPH Limited	B	\$9.23	3.3%	3.8%	4.2%	4.7%	1.3x	1.2x	1.3x	1.2x
AUB Group Limited	B	\$19.14	2.9%	3.8%	5.0%	5.5%	1.8x	1.6x	1.6x	1.6x

COMPANY	RATING	PRICE (AU\$)	DIVIDEND YIELD				DIVIDEND COVER			
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2
Healius Limited	N	\$3.31	4.8%	3.7%	4.0%	4.9%	3.3x	1.8x	1.7x	1.6x
Jumbo Interactive Limited	O	\$12.14	3.5%	3.7%	4.0%	4.3%	0.0x	0.0x	0.0x	0.0x
Charter Hall Group	B	\$11.50	3.5%	3.7%	3.9%	4.2%	2.9x	2.1x	2.1x	2.1x
ALS Limited	O	\$10.23	3.2%	3.6%	4.1%	4.4%	1.7x	1.6x	1.6x	1.6x
Nib Holdings Limited	N	\$7.40	3.0%	3.5%	3.6%	4.2%	1.3x	1.4x	1.5x	1.4x
Domino's Pizza Enterprises Limited	O	\$53.30	3.3%	3.5%	4.3%	4.8%	1.1x	1.2x	1.2x	1.2x
Healthia Limited	B	\$1.44	1.4%	3.5%	4.2%	4.9%	3.9x	2.5x	2.4x	2.4x
ASX Limited	U	\$71.43	3.3%	3.5%	3.7%	3.8%	1.1x	1.1x	1.1x	1.1x
Macmahon Holdings Limited	B	\$0.15	4.3%	3.4%	4.2%	4.6%	3.7x	6.4x	5.8x	5.4x
Treasury Wine Estates Limited	O	\$12.58	2.5%	3.4%	3.8%	4.1%	1.3x	1.3x	1.3x	1.3x
BlueScope Steel Limited	O	\$14.94	3.3%	3.3%	3.3%	2.5%	10.9x	5.9x	3.4x	2.8x
James Hardie Industries	O	\$30.51	2.3%	3.3%	2.9%	3.1%	2.0x	1.6x	1.7x	1.7x
Sonic Healthcare Limited	N	\$30.55	3.3%	3.3%	3.3%	3.2%	3.3x	1.8x	1.6x	1.8x
Woolworths Group Limited	O	\$34.46	2.7%	3.1%	3.3%	3.7%	1.3x	1.3x	1.3x	1.3x
Steadfast Group Limited	N	\$4.63	2.8%	3.1%	3.5%	3.7%	1.6x	1.6x	1.6x	1.6x
Sims Limited	N	\$13.47	6.8%	3.1%	2.8%	2.2%	3.1x	3.3x	3.3x	3.3x
Brickworks Limited	N	\$21.15	2.9%	3.1%	3.2%	3.4%	3.1x	6.9x	2.5x	1.8x
Carsales.com Limited	U	\$19.93	2.5%	3.1%	3.0%	3.2%	1.4x	1.2x	1.2x	1.2x
Ingenia Communities Group Limited	B	\$3.78	2.9%	3.0%	3.2%	3.4%	2.1x	2.1x	2.3x	2.4x
The Star Entertainment Group Limited	B	\$2.63	-	3.0%	6.8%	7.6%	0.0x	2.0x	0.9x	1.0x
Lovisa Holdings Limited	O	\$21.99	3.4%	3.0%	3.2%	4.4%	0.7x	1.0x	1.2x	1.3x
Amcorg Public Limited	N	\$16.58	2.9%	2.9%	3.2%	3.1%	1.7x	1.7x	1.7x	1.6x
Endeavour Group Limited	U	\$7.01	2.9%	2.9%	3.1%	3.6%	1.4x	1.4x	1.4x	1.4x
Collins Foods Limited	N	\$8.80	3.1%	2.8%	2.8%	3.4%	1.9x	1.7x	1.7x	1.7x
Brambles Limited	O	\$11.55	2.3%	2.7%	2.9%	3.1%	1.5x	1.4x	1.4x	1.4x
HMC Capital	O	\$4.54	2.6%	2.6%	2.6%	2.8%	2.5x	2.5x	2.6x	2.8x
Domain Holdings Australia Limited	N	\$3.00	2.0%	2.6%	3.2%	3.6%	1.6x	1.4x	1.4x	1.4x
Tabcorp Holdings Limited	O	\$0.95	6.8%	2.6%	2.9%	3.3%	0.3x	1.5x	1.6x	1.6x
SEEK Limited	O	\$19.44	2.3%	2.5%	2.5%	2.7%	1.6x	1.5x	1.5x	1.5x
The Lottery Corporation Limited	N	\$4.22	-	2.5%	3.1%	3.3%	0.0x	1.4x	1.2x	1.2x
Computershare Limited	O	\$24.56	2.2%	2.3%	3.0%	3.4%	1.1x	1.5x	1.5x	1.5x
Imdex Limited	B	\$1.76	1.9%	2.3%	2.3%	2.3%	3.5x	3.1x	3.3x	3.5x
Netwealth Group Limited	N	\$12.11	1.7%	2.2%	2.8%	3.3%	1.1x	1.2x	1.2x	1.2x
Integral Diagnostics Limited	O	\$2.70	2.6%	2.2%	3.0%	3.9%	1.5x	2.3x	2.3x	2.2x
Corporate Travel Management Limited	B	\$17.00	0.3%	1.9%	3.2%	3.6%	2.8x	2.0x	2.0x	2.0x
Breville Group Limited	N	\$18.49	1.6%	1.9%	2.2%	2.5%	2.5x	2.5x	2.5x	2.5x
Goodman Group	N	\$16.10	1.9%	1.9%	1.9%	2.0%	2.7x	3.1x	3.3x	3.3x
Altium Limited	N	\$35.38	1.3%	1.8%	2.2%	2.7%	1.3x	1.2x	1.2x	1.2x
Boral Limited	O	\$2.60	2.7%	1.8%	3.9%	4.6%	0.5x	1.7x	1.7x	1.7x
Ramsay Health Care Limited	O	\$56.57	1.7%	1.8%	2.7%	3.1%	1.2x	1.7x	1.7x	1.7x
REA Group Limited	O	\$115.36	1.4%	1.6%	1.8%	2.1%	1.9x	1.8x	1.8x	1.8x
IDP Education Limited	O	\$26.89	0.5%	1.6%	2.1%	2.4%	2.8x	1.4x	1.4x	1.4x
Aristocrat Leisure Limited	O	\$33.27	1.2%	1.5%	1.6%	2.2%	3.3x	3.4x	3.3x	2.5x
Cleanaway Waste Management Limited	O	\$2.64	1.9%	1.5%	1.8%	2.0%	1.4x	2.0x	2.0x	2.0x
Cochlear Limited	O	\$203.06	1.5%	1.5%	2.0%	2.4%	1.4x	1.6x	1.4x	1.4x
HUB24 Limited	N	\$21.28	0.9%	1.4%	1.7%	2.1%	2.4x	2.3x	2.2x	2.2x
Beach Energy Limited	B	\$1.44	1.4%	1.4%	5.6%	7.3%	11.1x	13.2x	4.2x	3.1x
Event Hospitality and Entertainment Limited	O	\$13.05	-	1.4%	2.9%	3.0%	0.0x	1.6x	2.0x	2.0x
Qantas Airways Limited	B	\$5.15	-	1.0%	6.9%	6.9%	0.0x	6.0x	2.0x	2.0x
CSL Limited	O	\$282.35	0.8%	0.9%	1.1%	1.3%	2.2x	2.2x	2.2x	2.2x
Lifestyle Communities Limited	B	\$15.21	0.7%	0.8%	0.9%	1.1%	5.5x	5.2x	5.7x	5.8x
Resmed Incorporated	O	\$33.26	0.5%	0.5%	0.6%	0.7%	3.4x	3.9x	4.1x	3.7x
Helloworld Travel Limited	O	\$1.85	5.4%	0.3%	1.2%	3.0%	(1.8x)	2.8x	3.4x	3.3x
Wisetech Global Limited	O	\$53.66	0.2%	0.3%	0.4%	0.5%	5.0x	5.0x	5.0x	5.0x
Adore Beauty Group Limited	B	\$1.28	-	-	-	-	0.0x	0.0x	0.0x	0.0x
Atlas Arteria Limited	R									
AMP Limited	N	\$1.10	-	-	9.0%	5.5%	0.0x	0.0x	0.8x	1.6x
Aroa Biosurgery Limited	B	\$0.76					0.0x	0.0x	0.0x	0.0x
BWX Limited	U	\$0.63	6.5%			2.8%	3.0x	0.0x	0.0x	2.8x
City Chic Collective Limited	N	\$1.35			3.7%	3.7%	0.0x	0.0x	2.7x	2.9x
Cooper Energy Limited	O	\$0.25					0.0x	0.0x	0.0x	0.0x
Camaron Energy Limited	O	\$0.14					0.0x	0.0x	0.0x	0.0x
ELMO Software Limited	O	\$2.30					0.0x	0.0x	0.0x	0.0x
Flight Centre Travel Group Limited	O	\$15.00				3.3%	0.0x	0.0x	0.0x	3.3x
Harmoney Corporation Limited	B	\$0.66				10.0%	0.0x	0.0x	0.0x	3.2x
Karoon Energy Limited	U	\$1.79			5.6%	5.6%	0.0x	0.0x	4.6x	2.1x
Kogan.com Limited	U	\$2.99				3.3%	0.0x	0.0x	0.0x	1.4x
Nitro Software Limited	R									
NRW Holdings Limited	R									
PointsBet Holdings Limited	B	\$1.99					0.0x	0.0x	0.0x	0.0x
PEXA Group Limited	U	\$13.37					0.0x	0.0x	0.0x	0.0x
Redbubble Limited	N	\$0.67					0.0x	0.0x	0.0x	0.0x
ReadyTech Holdings Limited	O	\$2.78					0.0x	0.0x	0.0x	0.0x
SILK Laser Australia Limited	B	\$2.15					0.0x	0.0x	0.0x	0.0x
Sezzle Incorporated	S	\$0.49					0.0x	0.0x	0.0x	0.0x
Telix Pharmaceuticals Limited	B	\$4.56					0.0x	0.0x	0.0x	0.0x
Temple and Webster Group Limited	N	\$4.75					0.0x	0.0x	0.0x	0.0x
The Reject Shop Limited	B	\$4.07			2.5%	7.1%	0.0x	0.0x	5.1x	2.5x
Webjet Limited	N	\$4.99				1.7%	0.0x	0.0x	0.0x	3.4x
Xero Limited	B	\$77.12					0.0x	0.0x	0.0x	0.0x
ZIP Co Limited	N	\$0.67					0.0x	0.0x	0.0x	0.0x

AUSTRALIAN EQUITIES

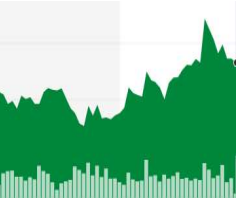
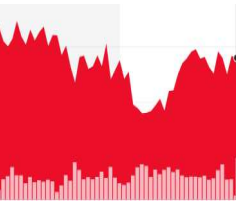
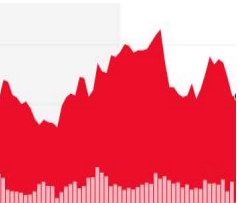
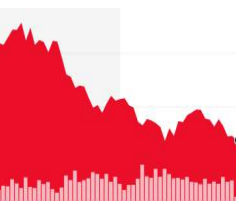
ENERGY SHOCK: ASSESSING THE POTENTIAL IMPACTS OF ENERGY RATIONING IN EUROPE

European energy pressures are important to watch - Following developments on the Nord Stream 1 gas pipeline, it is important for investors to contemplate the risk to both revenue and costs for Amcor (AMC) and Brambles (BXB) from higher energy costs or energy rationing. Europe (EMEA) accounts for over one-third (36%) of AMC's Flexibles revenue and ~40% of BXB's group underlying EBIT. Whilst higher energy costs may be passed-through via mechanisms in contracts and cost indexation, energy rationing for industrial

customers could have a more detrimental impact on revenue growth over FY23E Jarden's analysis suggests that earnings risks are higher for AMC given its higher fixed cost base (~78% vs. BXB's 24%), which drives higher operating leverage from potentially slower revenue growth. They estimate for every -1% downside to revenue in the EMEA divisions for AMC and BXB, FY23E consensus group EBIT would be US\$66m (-3.7%) and US\$27m (-2.7%) lower for AMC and BXB, respectively. Further developments around energy rationing, particularly for industry, will be key to the outlooks for AMC and BXB.

STOCKS TO WATCH AUSTRALIA

Prices as at 30th September 2022

	<p>Brambles Research: 30th September</p> <p>Transport costs have risen +8.9% over 1H23E to date, with lumber costs also rising +3.3% so far. Despite industry concerns about a potential North American consumer slowdown, US food and beverage retailer inventory growth has remained strong into 1H23 so far (+12.2%). Whilst input costs have risen for pallet providers, Jarden also notes the effectiveness of pallet industry pricing strategies, with wooden pallet pricing remaining elevated relative to inflated input costs. They account for strong industry volumes and a relatively supportive pricing environment in their forecast for CHEP Americas EBIT margin expansion of +60bps in 1H23E, followed by flat margins in 2H23E, reflecting the comping of an already strong base period of margin expansion (2H22 +202bps).</p> <p>2023 P/E: 19.8 2024 P/E: 18.6</p>	<p>AZX Code: BXB.AX Share Price: A\$11.41 12mth Target: A\$12.60 Projected return (%)</p> <p>Capital gain 10.4% Dividend yield (Net) 2.8% Total return 13.2%</p> <p>Rating: OVERWEIGHT 52-week price range: 9.26-13.13</p>
	<p>Resmed Incorporated Research: 30th September</p> <p>RMD first started seeing a more convincing loosening of the supply chain for AirSense 11 (A11) at the same time as they saw the surprising success of the company's "card to cloud" workaround, in the month of June 2022. Since then RMD devices supplied to US DMEs in 1Q23 have been delivered at a much faster rate than currently anticipated by consensus quarter-on-quarter revenue growth for US devices of 1.4%. As a result, Jarden has upgraded their EPS forecasts for 1Q23, FY23 and FY24 by 4.3%, 1.9% and 1.0%, respectively, which puts their FY23 non-GAAP NPAT 6.4% ahead of consensus. RMD remains one of Jarden's preferred picks in the sector, given its earnings momentum and its commanding position of scale in the industry. Key risks include reimbursement pressures, a slowdown in resupply, IP issues, supply chain and COVID flare-ups.</p> <p>2023 P/E: 32.8 2024 P/E: 29.0</p>	<p>AZX Code: RMD.AX Share Price: A\$33.83 12mth Target: A\$35.90 Projected return (%) ↑</p> <p>Capital gain 6.1% Dividend yield (Net) 0.8% Total return 6.9%</p> <p>Rating: OVERWEIGHT 52-week price range: 27.37-38.41</p>
	<p>Santos Research: 30th September</p> <p>Common sense has prevailed after the war of words surrounding how a theoretical gas supply shortfall in 2023 would be resolved. After threatening to force diversion of gas from existing LNG contracts and raising the spectre of price caps, neither has eventuated in the release of a new Heads of Agreement (HoA) between the Australian Federal Government and the Queensland LNG producers. Instead, the new HoA will require uncontracted gas to be offered to domestic gas customers prior to selling these volumes overseas and that producers adhere to the principle that domestic gas customers will not pay more for the uncontracted gas than international customers.</p> <p>2022 P/E: 9.9 2023 P/E: 15.5</p>	<p>AZX Code: STO.AX Share Price: A\$7.09 12mth Target: A\$8.35 Projected return (%)</p> <p>Capital gain 17.8% Dividend yield (Net) 5.7% Total return 23.5%</p> <p>Rating: OVERWEIGHT 52-week price range: 6.05-8.85</p>
	<p>Xero Research: 12th September</p> <p>The US has long been a laggard in the adoption of accounting software, with a lack of regulatory drivers as a key catalyst. Jarden points to one case which may signal a shift in government sentiment towards the digitisation of the tax system that could help accelerate accounting software uptake in the US. What happened? The US Internal Revenue Service (IRS, similar to the Australian Tax Office in Australia) will spend US\$15m looking into a free, government-backed tax filing system under a provision passed in Congress last quarter. It's a landmark step toward overhauling the way most Americans file their taxes as most rely on tax preparation by private corporations due to its complexity. In the software space, the largest players are Intuit with TurboTax and H&R Block with its software. Why it matters? The government spend is aimed at personal tax, not business tax, which is the space XRO competes in the US. Single Touch Payroll in Australia and the Making Tax Digital in the UK were two government-driven initiatives that helped to drive cloud accounting software adoption.</p> <p>2023 P/E: 239.1 2024 P/E: 125.7</p>	<p>AZX Code: XRO.AX Share Price: A\$74.85 12mth Target: A\$107.90 Projected return (%)</p> <p>Capital gain 44.2% Dividend yield (Net) 0.0% Total return 44.2%</p> <p>Rating: BUY 52-week price range: 72.53-156.65</p>

BBB+, BBB, BBB-

Issuer	NZDX Code	Coupon	Maturity Date	CPN Freq	Credit Rating	Type	Min. Size
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
Manawa Energy	MNW150	4.010	15/12/2022	4	BBB-(NR)	Senior	5,000
Meridian Energy	MEL030	4.530	14/03/2023	2	BBB+	Senior	5,000
Wellington Intl Airport	WIA030	4.250	12/05/2023	2	BBB	Senior	10,000
Summerset	SUM010	4.780	11/07/2023	4	BBB-(NR)	Senior	5,000
GMT Bond Issuer	GMB050	4.000	1/09/2023	2	BBB+	Senior	5,000
Kiwi Property Group Limited	KPG020	4.000	7/09/2023	2	BBB+	Senior	5,000
Z Energy	ZEL050	4.320	1/11/2023	4	BBB-(NR)	Senior	5,000
Meridian Energy	MEL040	4.880	20/03/2024	2	BBB+	Senior	5,000
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
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
Contact Energy	CEN050	3.550	15/08/2024	4	BBB	Senior	5,000
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
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
Vector Limited	VCT090	3.450	27/05/2025	2	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
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
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
Manawa Energy	MNW180	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
Mercury NZ	MCY040	2.160	29/09/2026	2	BBB+	Senior	5,000
Metlifecare	MET010	3.000	30/09/2026	4	BBB-(NR)	Senior	5,000
Argosy Property	ARG020	2.900	29/10/2026	4	BBB+(NR)	Senior	5,000
Ryman Healthcare	RYM010	2.550	18/12/2026	4	BBB-(NR)	Senior	5,000
Investore Property	IPL030	4.000	25/02/2027	4	BBB(NR)	Senior	5,000
SBS Bank	SBS010	4.320	18/03/2027	2	BBB+	Senior	5,000
GMT Bond Issuer	GMB060	4.740	14/04/2027	2	BBB+	Senior	5,000
Channel Infrastructure	CHI020	5.800	20/05/2027	2	BBB-(NR)	Senior	5,000
SkyCity Entertainment	SKC050	3.020	21/05/2027	4	BBB-	Senior	5,000
Precinct Properties	PCT030	2.850	28/05/2027	2	BBB+(NR)	Senior	5,000
Investore Property	IPL020	2.400	31/08/2027	4	BBB(NR)	Senior	5,000
Manawa Energy	MNW190	5.360	8/09/2027	4	BBB-(NR)	Senior	5,000
Mercury NZ	MCY030	1.560	14/09/2027	2	BBB+	Senior	5,000
Summerset	SUM030	2.300	21/09/2027	4	BBB-(NR)	Senior	5,000
Oceania Healthcare	OCA010	2.300	19/10/2027	4	BBB-(NR)	Senior	5,000
Argosy Property	ARG030	2.200	27/10/2027	4	BBB+(NR)	Senior	5,000
Vector Limited	VCT100	3.690	26/11/2027	4	BBB	Senior	5,000
Chorus	CNU030	1.980	2/12/2027	4	BBB	Senior	5,000
GMT Bond Issuer	GMB1227	3.656	20/12/2027	2	BBB+	Senior	50,000
Arvida Group	ARV010	2.870	22/02/2028	4	BBB-(NR)	Senior	5,000
Genesis Power	GNE060	4.170	14/03/2028	2	BBB+	Senior	5,000
Napier Port Holdings	NPH010	5.520	23/03/2028	4	BBB+(NR)	Senior	5,000
Precinct Properties	PCT040	5.250	9/05/2028	2	BBB+(NR)	Senior	5,000
Christchurch International Airport	CHC020	5.180	19/05/2028	2	BBB+	Senior	5,000
Kiwi Property Group Limited	KPG050	2.850	19/07/2028	2	BBB+	Senior	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
Chorus	CNU020	4.350	6/12/2028	4	BBB	Senior	5,000
Manawa Energy	MNW170	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
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
Wellington Intl Airport	WIA080	3.320	24/09/2031	2	BBB	Senior	10,000

LIMITATIONS and DISCLAIMER

This publication has been prepared by Andrew von Dadelsen for distribution on the basis that no part of it will be reproduced, altered in any way, transmitted to, copied to or distributed to any other person without the prior express permission of Andrew. The information and investment views in this publication are provided for general information purposes only. To the extent that any such information and views might constitute advice, they do not take into account any person's particular financial situation or goals and, accordingly, do not constitute personalised financial advice under the Financial Advisers Act 2008, nor do they constitute advice of a legal, tax, accounting or other nature to any person. We recommend that recipients seek advice specific to their circumstances from their financial adviser before making any investment decision or taking any action. This publication does not, and does not attempt to, contain all material or relevant information about the subject companies or other matters herein. The information is published in good faith and has been obtained from sources believed to be reliable, accurate and complete at the time of preparation, but its accuracy and completeness is not guaranteed (and no warranties or representations, express or implied, are given as to its accuracy or completeness). To the fullest extent permitted by law, no liability or responsibility is accepted for any loss or damage arising out of the use of or reliance on the information provided including without limitation, any loss of profit or any other damage, direct or consequential. Information, opinions and estimates contained herein reflect a judgment at the date of publication by Andrew and are subject to change without notice. Andrew is under no obligation to update or keep current