Andrew von Dadelszen
Volume 104

Andrew von Dadelszen

Email: andrew@vond.co.nz

Economic, Political & Investment Pulse

September 2025

NZ EQUITIES

August was a rewarding month for NZ investors after a challenging period where companies have faced significant economic headwinds, geopolitical uncertainty, and idiosyncratic challenges. Reporting season was an opportunity to take stock, with many companies currently undertaking significant transformations that will set them up for improved medium-term earnings performance. FY26 remains largely a transition year for many companies.

NZ ECONOMY

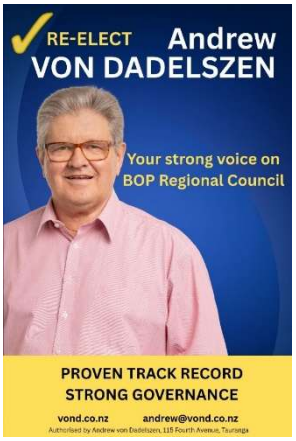
There is plenty of scuttlebut circulating about the state of the current National Party Coalition Government, but this is both the media and the left's attempt to undermine Christopher Luxon's hold on power.

You can be assured that this is plain nonsense and anyone who thinks that a left-wing coalition that included Te Pati Maori and the Greens would be a credible alternative – think again!

LOCAL GOVT ELECTION TIME

VERSUS

As we head towards the 2025 Local Government Elections (voting papers have mainly been posted (from 9th September), with final polling date being Saturday 11th October.



I seek your support for my re-election to Bay of Plenty Regional Council.

WEBSITE:
vond.co.nz

CONTENTS

STATISTICS NZ DATA

Estimated NZ population as at 17-September-25 **5,342,244**
Population: 1950: 1,911,608 2000: 3,855,266 Growth 1.8% this year
Births / Deaths: Births: **58,365** Deaths: **37,323** June-25 year
Deaths per 1,000 live births**:** Pasifika: **7.3** Māori: **5.7** European: **3.8**
Māori population Estimate Dec-24 (**17.4% of NZ pop**) **922,800**
NZ population (StatsNZ - 2025 to 2048) European 65.9% to 52.3%; Asian 20.8% to 33.3%; Māori 17.4% to 20%; Pac 9.1% to 11.4%; Indian 7.2% to 11.8%; Chinese 6.2% to 8.2%; Samoa 4.4% to 5.6% Mid East/Latin 2.2% to 3.8%
Net Migration June-25 yr (**NZ: -46,500; Non NZ: 60,200**) ↓ **13,700**
NZer Migration June-25yr (**Depart: 71,800; Arriv: 25,200**) **- 46,500**
Non NZ Migration Jan-25yr (**Depart: 53,400; Arriv: 113,600**) **+ 60200**
Net migration by country Mar-25yr India: 18,010; China: 11,400; Philippines: 9,769; Sri Lanka: 5,638 Fiji: 2,724; South Africa: 2,485

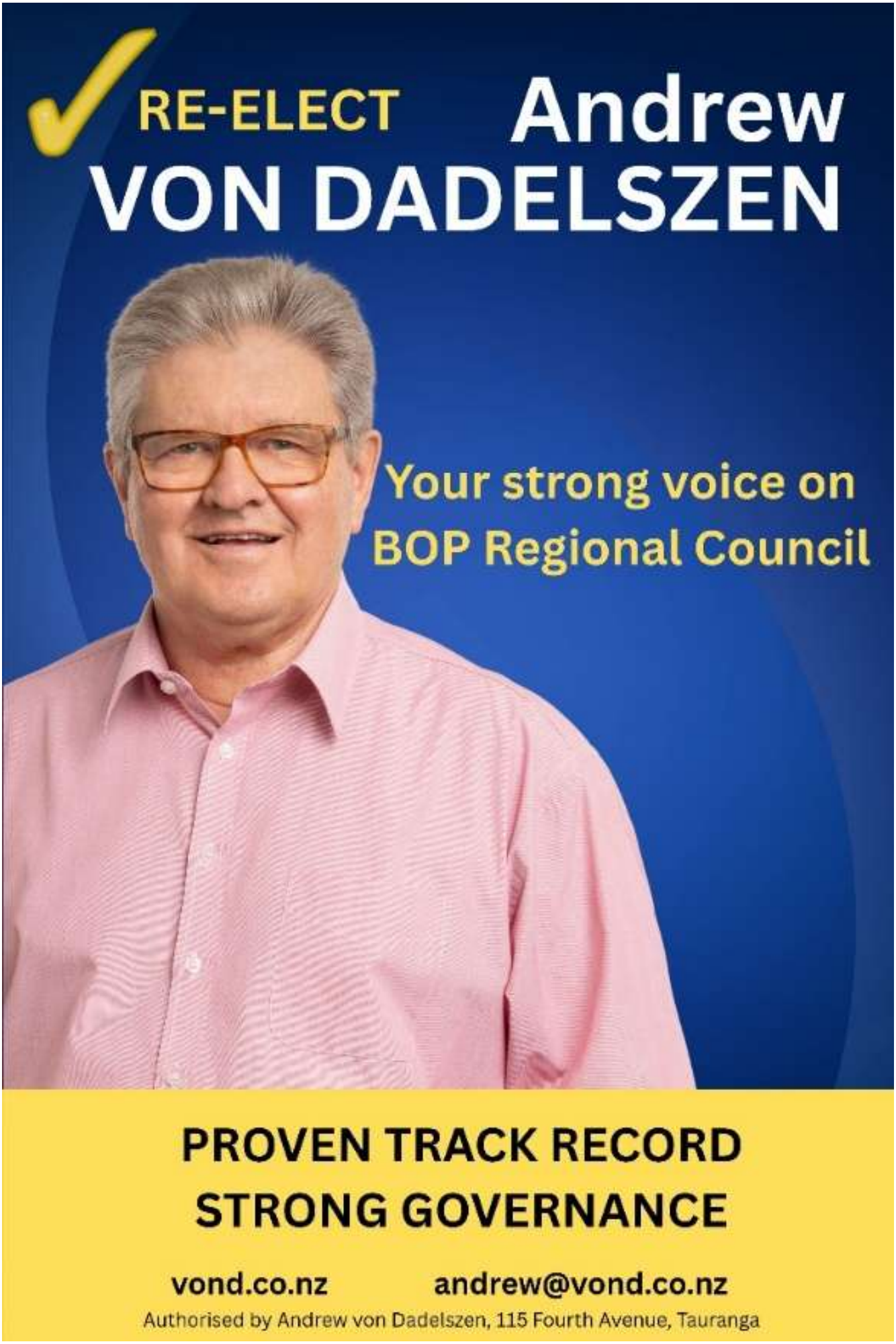
Annual GDP Growth Mar-25 year **(Qtly Mar-25: 0.8%)** **-1.1%**
Annual GDP Per Capita Mar-25 Quarter **0.8%**

Size of Māori Economy 2024 (2013: $43bn 2020: $69bn) **$126 bn**
Size of NZ Economy (NZ GDP) Dec-24 year **$421 bn**

Treasury Data
NZ Core Crown Revenue 2025F year (2024A: $120.6bn) **$120.9 bn**
NZ Core Crown Expenses 2025F year (2024A: $139.06bn) **$142.2 bn**
NZ Core Govt Debt 2025F year (2024A: $175.66bn) **$185.5 bn**
NZ Core Govt Debt/GDP 2025F year (2024A: 41.7%) **42.7%**

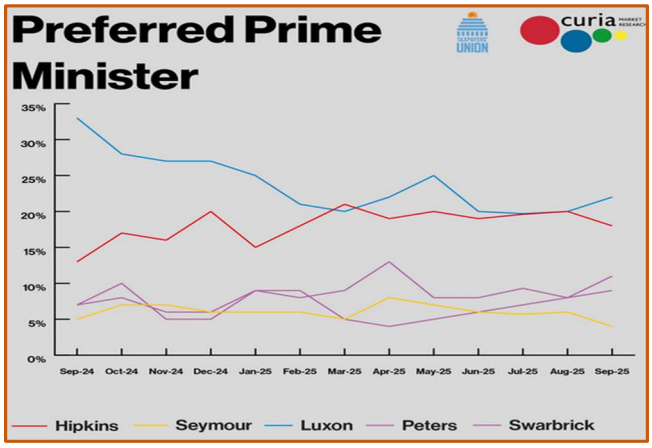
Real Gross Disposable Income Dec-24 year **1.5%**
Inflation Rate (CPI) June-25 year (↓ from 7.3% at 2022 peak) **2.7%**
Non-Tradable Inflation (Domestic) Dec-24 year **4.5%**
Food Price Inflation August-25 year **5.0%**
Household Cost of Living Dec-24 qtr ↓ **0.4%**

Minimum Wage from 1st April 25 **$23.50**
Living wage from 1st Sept 25 **$28.95**
NZ Median Wage Dec-24 **$31.61**
Annual Wage Inflation Dec-24 year **3.3%**
Wages average per hour Dec-24 qtr **$42.57**
Labour force participation rate June-25 qtr **66.8%**
Unemployment June-25 qtr Men:5.0% Women: 5.5% **5.2%**
Youth Unemployment Dec-24 Highest in last decade **23.8%**
Beneficiaries (Jobseeker/Solo/Supported living) Decr-24 ↑ **409,665**
(11.6% of working-age population as at 31-Mar-24)
Jobseeker Support numbers Dec-24 ↑ **213,321**

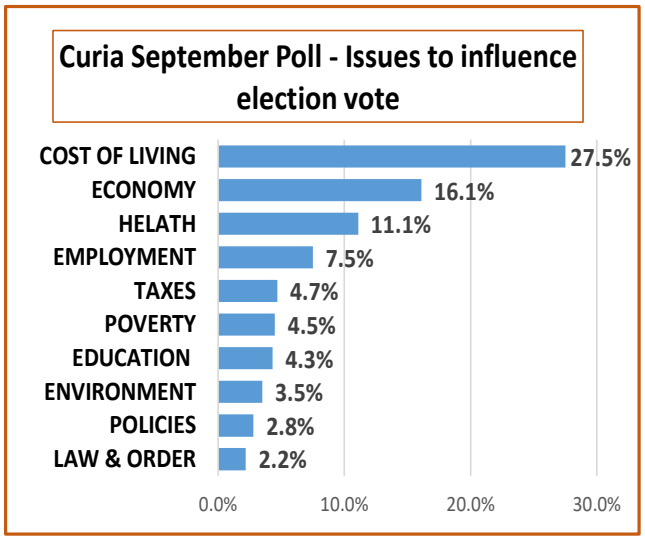

RE-ELECT
Andrew
VON DADELSZEN
Your strong voice on
BOP Regional Council
PROVEN TRACK RECORD
STRONG GOVERNANCE
vond.co.nz
andrew@vond.co.nz
Authorised by Andrew von Dadelszen, 115 Fourth Avenue, Tauranga

POLITICAL CLIMATE

TAXPAYERS' UNION / CURIA September-25 POLL				
Party	Vote	Change*	Seats	Change**
National	33.1%	1.3%	42	(7)
ACT	6.7%	(1.9%)	8	(3)
NZ First	8.1%	0.3%	10	2
Labour	33.8%	0.2%	42	8
Green	10.7%	0.9%	13	(2)
Māori	4.3%	1.1%	6	nc
Other	3.3%	(1.9%)	-	nc
* Change from August-25 ** Change since election				
Polling Period: 31st August to 2nd September 2025				



This latest poll shows **Christopher Luxon** is up 1.5% from last month to 21.7%, while Chris Hipkins is down 2.5% to 17.7%. Winston Peters is up 2.7% to 10.9%, Chlöe Swarbrick is up 0.8% to 8.8%, and David Seymour is down 2.5% to 3.7%.



I AM WITH THE PRIME MINISTER

Christopher Luxon told RNZ's Morning Report he wanted to see "modest" and "consistent" house price increases. Labour's acting housing spokesperson Arena Williams says this is in direct contrast to Chris Bishop saying prices need to come down.

In my opinion we no longer have a "housing crisis" as such, but we are short of "affordable social housing" and this can be addressed without tanking New Zealand's housing market. Home equity is key to inspiring confidence in the NZ economy. We need a stable housing market to give NZers confidence to invest into the productive sector (often leveraging their homes to do so).

GOVERNMENT SPENDING REMAINS TOO HIGH

Even five years after the pandemic, New Zealand's government is still spending far more than it can sustainably afford. While Kiwis have faced high interest rates and job cuts to bring inflation down, government debt continues to grow.

But still, the Government's books are not back in shape. In fact, its debt position is expected to continue deteriorating before it improves. Treasury calls this a **"structural" deficit**—spending is too high even when the economy is normal.

Under the Ardern/Hipkins Government, spending was supposed to stay under 30% of GDP. Instead, it rose from 28.5% in 2016/17 to **33.6% in 2023/24**—a much bigger increase than promised. In dollar terms, that's **$15 billion extra a year** on top of what was planned.

Unlike previous crises, where spending spiked temporarily, the Labour government kept it high permanently, including on non-Covid areas. This is the main reason for today's structural deficit.

Unfortunately, despite much talk, Minister Nicola Willis still has not address the ballooned public servant employee number excesses.

FONTERRA APPEARS TO OVERCHARGE NZERS

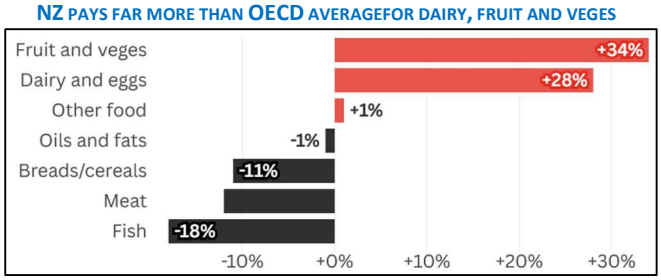
SOURCE: Commerce Commission

Notes from Minister Willis' catchup with Fonterra CEO Miles Hurrell show that Fonterra's share of the raw milk market is about 78%, and its annual base milk price effectively sets the benchmark for the domestic market. But officials couldn't find out its share of the retail dairy market. "*This lack of competition may contribute to the high relative prices consumers in NZ pay for dairy products*," Willis' notes warn.

Officials noted that Fonterra was the only nationwide processor and its annual base milk price effectively set the benchmark for the domestic raw milk market.

While potential competitors could access a supply of Fonterra's raw milk, the domestic market remained "reasonably concentrated".

NZ PAYS FAR MORE THAN OECD AVERAGEFOR DAIRY, FRUIT AND VEGES



"This lack of competition may contribute to the high relative prices consumers in New Zealand pay for dairy products," the meeting notes prepared for Willis said.

They also pointed to 2023 figures that showed New Zealanders paid roughly 30% more than the OECD average in the 'eggs, milk and cheese' category.

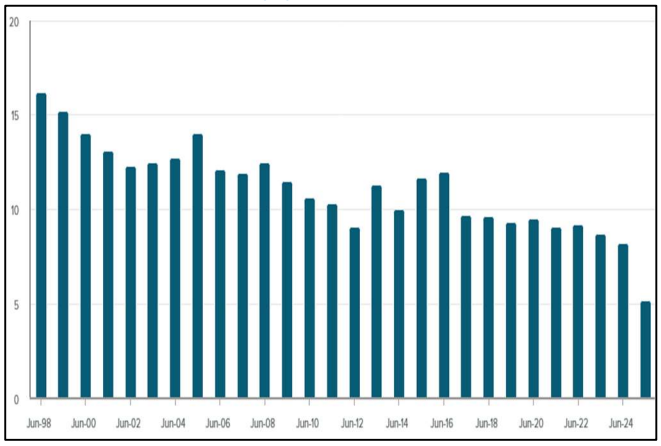
Officials suggested Willis might like to ask Fonterra for its view on the state of competition in the market.

GENDER PAY GAP (AT 5.2%) IS LOWEST ON RECORD

SOURCE: Stats NZ, 27-August-25

Stat NZ announced on 27th August that the gender pay gap was just 5.2% in the June 2025 quarter. This is the lowest ever (since 1998 when the measurement began), and also the largest ever drop. The 5.2% pay gap for June 2025 was down from 8.2% in the June 2024 quarter.

GENDER PAY GAP (%), JUNE QUARTERS, 1998-2025



In the year ended June 2025, median hourly earnings from wages and salaries rose $1.44 (4.3%) to $35.00. For women, median hourly earnings from wages and salaries rose $1.68 (5.2%) to $33.76 in the year to the June 2025 quarter. Both these changes were statistically significant.

For men, median earnings were $35.62 in the June 2025 quarter (up 1.9% annually). The change for men was not statistically significant. "Increases in women's median hourly earnings were seen across age groups, ethnicity, and occupation," Stats NZ said.

This doesn't mean there is discrimination. It can reflect different occupational makeups for both genders. It can reflect women tend to have a longer absence from the labour market when children are young. It can also reflect cultural differences in how assertive people are with pay negotiations. It may also have a discrimination factor, but you can't tell from this data.

MĀORI LIFE EXPECTANCY OUTPACES EUROPEANS

SOURCE: Stats NZ, 30-July-2025

Stats NZ notes that life expectancy at birth for people identifying with the Māori ethnic group increased more than that of other broad ethnic groups between 2005–2007 and 2022–2024, according to figures released at the end of July.

The increase for each ethnic and gender groups:

INCREASE FROM 2006 to 2023		
1	Māori men	+3.4
2	Māori women	+2.9
3	Asian men	+2.8
4	Men	+2.1
5	European men	+2.0
6	Pacific men	+1.7
7	Pacific women	+1.5
8	Women	+1.3
9	European women	+1.2
10	Asian women	+1.2

So much for Te Pati Māori's "woe is me" colonialism rants.

FINANCIAL PERFORMANCE OF MĀORI AUTHORITIES

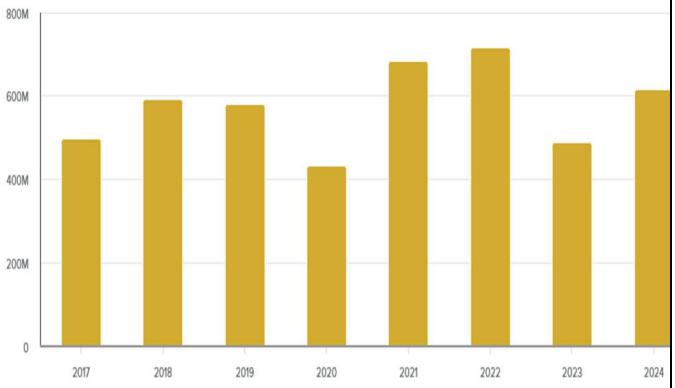
In the 2024 financial year, the total income reported by Māori authorities was $5.6 billion, up 6.8% ($357m) from the previous year. Operating income grew by 11% ($529m), while non-operating income fell by 35% ($172m). Total assets were $31.6 billion, up 6.9% ($2.0 billion).

Results from the 2024 Annual Enterprise Survey (AES) indicated that total income for all New Zealand businesses increased by 5.5%, AES total expenditure rose 3.1%, and AES total assets increased by 3.5%.

In 2024 compared with 2023, Māori authority businesses' total surplus before income tax decreased by $2 million (0.4%) to $605 million.

Operating surplus before tax (excludes non-operating income and non-operating expenses) grew by 26% ($126m) in the 2024 financial year.

TOTAL SURPLUS BEFORE TAX ($), ALL MĀORI AUTHORITIES
2017-2024 FINANCIAL YEARS



Debt-to-equity ratio (defined as total liabilities divided by total shareholder equity) of Māori authorities was 37% in 2024, compared with 38% in 2023. For all New Zealand businesses in 2024, the debt-to-equity ratio was 190%. Māori authorities typically have a lower debt-to-equity ratio compared with non-Māori businesses. This is because Māori authorities tend to rely more on shareholder equity to fund business growth compared with non-Māori businesses, which rely more on creditors and loans.

It is also worthy to note that most Māori Authorities pay no (or very minimal) taxation. This needs to change.

SOLAR FOLLY OR GOOD PLANNING?

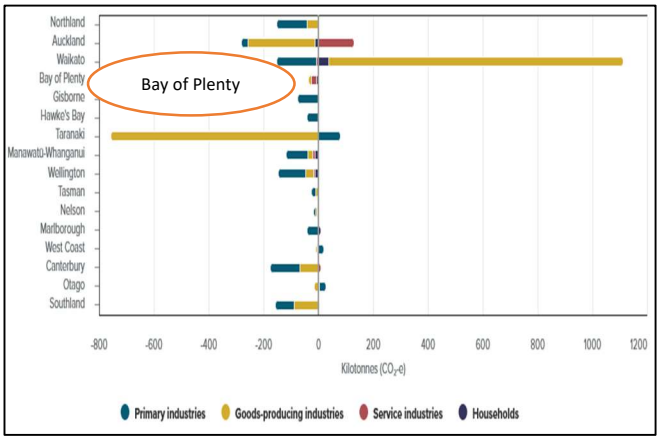
Lodestone's decision to locate a solar farm in the Waiotahe Valley, near Opotiki seemed flawed from day-one. The end of July flooding saw Lodestone's solar farm facing total inundation, as can be seen in the above photo. Water and electricity do not make good partners and, by mere inches, this site escaped catastrophic failure.

The company would have you believe that design principals were adhered to and risk was mitigated, but locals tell a different story!

GREENHOUSE GASES DOWN IN 2024

Greenhouse gas emissions decreased in 13 out of 16 regions in New Zealand in the year ended December 2024, according to figures released by Stats NZ. Taranaki had the largest decrease in total greenhouse gas emissions between 2023 and 2024, down 678 kilotonnes (12%), followed by Canterbury, down 166 kilotonnes (1.3%), and Southland, down 153 kilotonnes (2.4%).

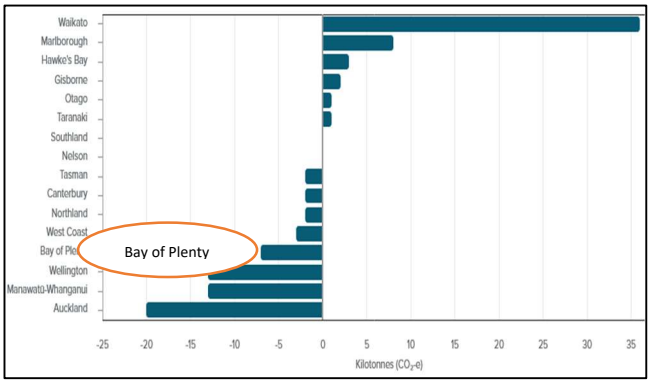
CHANGE IN REGIONAL GREENHOUSE GAS, 2023-2024



The 12% fall in emissions in the Taranaki region was largely due to reduced production in the manufacturing industries as a result of a natural gas shortage during 2024. This decrease in emissions follows a 3.6% increase in Taranaki regional emissions the previous year, according to Stats NZ. Between 2023 and 2024, emissions in the Taranaki region from manufacturing decreased 529 kilotonnes (60%), while emissions from electricity, gas, water, and waste services fell by 223 kilotonnes (16%).

In 2024, the decrease in emissions in Canterbury was driven by the agriculture, forestry, and fishing industry, while the decrease in Southland was driven by decreases in both the manufacturing industry and the agriculture, forestry, and fishing industry.

CHANGE IN REGIONAL HOUSEHOLD TRANSPORT EMISSIONS, 2023-2024



Waikato had the largest increase in household emissions, up 39 kilotonnes (3.3%), largely due to an increase in household transport, which made up 90% of Waikato's household emissions in 2024. The population in Waikato grew 2.1%, contributing to the growth in household emissions in the region.

The Auckland region had the biggest growth in population in 2024, but household emissions decreased, down 13 kilotonnes (0.6%), due to a decrease of 20 kilotonnes (0.9%) in household transport emissions. This resulted in a slight decrease in household emissions per capita in the region. At the total regional level, household heating and cooling emissions increased 2.4% (17 kilotonnes).

The Bay of Plenty Region has an improving track record – something that our woke naysayers will no doubt dispute.

MICRO NUCLEAR POWER

SOURCE: Kiwiblog, by Stephen McBride, 21-August-2025

A fascinating post by Stephen McBride. He notes:

A single uranium pellet the size of a gummy bear contains as much energy as 140 barrels of oil. It's the cleanest, safest energy source known to man.

HALEU, the best fuel for next-gen reactors, is often packaged in ceramic armor called TRISO, which keeps the fuel dense and safe.

TRISO comes in indestructible snooker ball-sized pebbles. Each one stores enough power to run thousands of homes.

TRISO doesn't melt. It doesn't leak. It traps radioactivity inside, even in extreme accidents. That's why the DoE calls it the most robust nuclear fuel on Earth. Even the NRC recognizes it as 'functional containment.'

Here's one entrepreneur on the magic of TRISO: "*You know those giant concrete containment domes that surround old reactors in case something goes wrong? With TRISO, we've basically engineered the dome into every single fuel particle.*"

TRISO gives microreactors clean, compact, constant power, with no meltdown risk, and no need for massive containment buildings.

Human innovation is incredible.

DISASTROUS MATHS & WRITING ACHIEVEMENT DATA

SOURCE: Kiwiblog, 26-August-25

Going through the latest achievement data for year 8 students in maths and writing, it is noteworthy that while it has stabilised, it still shows how badly change is needed. Here's the data for year 8 students.

So, as they finish primary and intermediate schools, only 1 in 4 students are at the level expected for maths. Shockingly 3 in 5 are more than a year behind.

Maths	At level	More than a year behind
All	23%	62%
Girls	17%	68%
Boys	28%	57%
Māori	10%	78%
Pacific	25%	59%
Low socio-economic	8%	81%
Moderate socio-economic	18%	67%
High socio-economic	36%	45%

For students at schools in low socio-economic areas only 1 in 12 are at the expected level in maths and 4 in 5 are more than a year behind.

However, that doesn't mean all is okay at the wealthier area schools. Only 1 in 3 of their students are at the level and almost 1 in 2 are a year behind.

Writing is little better. Overall, 1 in 4 are at the level, and 3 in 5 are more than a year behind. Of some interest is there is little difference between students at low and moderate socio-economic schools. There is an improvement in high socio-economic areas, but still poor with 1 in 3 at the level and 1 in 2 more than a year behind.

Writing	At level	More than a year behind
All	24%	61%
Girls	31%	52%
Boys	17%	69%
Māori	14%	74%
Pacific	24%	61%
Low socio-economic	21%	69%
Moderate socio-economic	19%	66%
High socio-economic	32%	49%

Erica Stanford has announced: *"From Term 1 next year, a new Writing Acceleration Tool will be available to support 120,000 Years 6–8 students who are below expected writing levels and won't have the benefit of structured literacy from Year 1. Teachers will be supported to deliver explicit teaching and will be able to monitor student progress in real time, adjusting how their teaching based on individual needs and responses to intervention.*

"Every Intermediate and Secondary School will be funded to train their own structured literacy intervention teacher. This training will be tailored for older students and extends what is already available for those teaching in Years 0-6. As requested by the sector, teachers will gain the skills needed to work with small groups of students who need targeted support, using structured, evidence-based approaches."

Farrar concluded that it is great to see the Minister focused on listing achievements while so many on the left are obsessed with trivia such as removing some Te Reo words from a few books designed to teach English.

TWO POSITIVE CONSENTING CHANGES BY PENK

Minister Penk has announced welcome changes to consenting liability for Local Government.

1. **Fixing council liability for building defects**
   - Currently, councils are hesitant to sign off on building consents and inspections because they could be held liable for all defects, leaving ratepayers to foot the bill.
   - This makes councils cautious, slows down approvals, and increases costs for builders and homeowners.
   - The Government will replace this with **proportionate liability**, meaning each party only pays for the work they actually did.

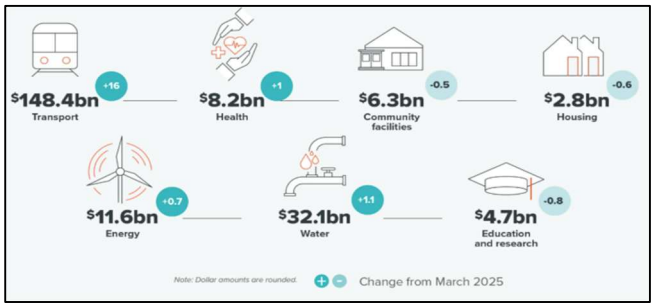
- Building owners will still be protected, and the Government is considering requiring **professional indemnity insurance and home warranties**, like in Australia.

2. **Consolidating Building Consent Authorities (BCAs)**
   - Right now, there are 66 BCAs across the country, each interpreting the building code differently, which causes delays and confusion.
   - Councils will be allowed to **combine their BCA functions**, share inspectors and IT systems, and pass on the savings to ratepayers.
   - This could make it easier for builders and homeowners, especially in regions like Wellington where people often work across multiple council areas.

INFRASTRUCTURE PIPELINE UPDATE SHOWS $30.2 BILLION IN GROWTH

SOURCE: Inside Government, 26-August-2025

The latest quarterly update from the New Zealand Infrastructure Commission shows that the value of infrastructure initiatives in the National Infrastructure Pipeline has grown to $237.1 billion – an increase of $30.2 billion over the past quarter.

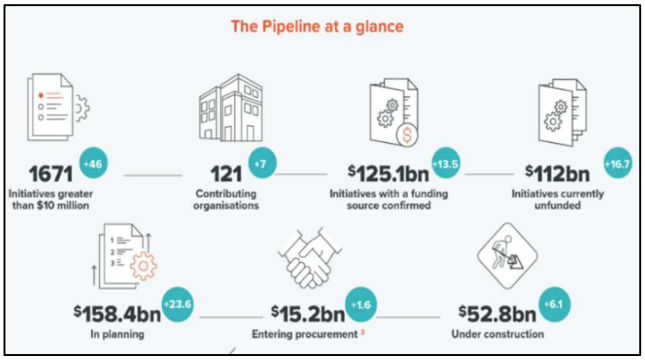


This has been supported by the inclusion of NZTA highway maintenance programmes and the redevelopments of Christchurch Men's Prison and Hawkes Bay Prison, said Mr Bishop. "*The Commission continues to work with infrastructure providers to improve the transparency and quality of information that is available. A more complete Pipeline improves the effectiveness and value that we can gain from this tool. I recently wrote to all councils reminding them of the importance of contributing and updating their Pipeline data, and I expect the same engagement from our central government agencies too*," Bishop said. "*It's encouraging that the number of infrastructure providers who contribute to the Pipeline has grown with every quarter under this Government. There are now 121 organisations contributing, including central government, local government, and the private sector.*"

"*The Pipeline now contains over 9,200 projects that are underway or being planned, helping New Zealand's infrastructure construction sector plan ahead for major upcoming projects and hire and retain key staff in the right locations.*"

The Commission's projections show at least $17.5 billion in projected potential spend across 2025, accounting for around 4% of New Zealand's GDP.

The June Pipeline update shows that the overall value of initiatives with a confirmed funding source has increased, up $13.5 billion to $125.1 billion.



The Commission is currently collecting data for the September quarter, which will feed into the final National Infrastructure Plan in December. Bishop encouraged any councils or infrastructure providers not yet contributing to get involved, saying a strong Pipeline means a growing economy, more jobs, and more opportunities for New Zealanders.

THE TRUTH ABOUT MĀUI & HECTOR DOLPHINS

"Economic growth is not just about numbers. It's about giving Kiwi families the chance to get ahead and ensuring our country has the resources to invest in health, education, and infrastructure." We heard a lot about the endangered dolphins when Christchurch hosted the SAIL GP last year. While racing was called off one day and the company operating Sail GP said it was not tenable to host at the Lyttleton Harbour venue in the future, the helicopter pilot who flew the filming of the event said, despite amazingly powerful cameras they never sighted a single dolphin over the whole racing weekend.

This highlights that extremist, minority activist groups often have hidden agendas and New Zealand Inc is often intricately harmed by these groups.

I, for one, believed that the Luxon Government missed a huge opportunity to support the next Amica's Cup challenge that was lost for Auckland. The $75m price tag was inconsequential when compared to the return NZ Inc would have received by host the Cup once again in New Zealand – just because the politicians were worried about the media fallout of been called "Supporting your rich-prick mates". Sometimes politicians need to "harden up" and not be "bullied" by minority activists who will never get "the big picture".

NZ'S GOVERNMENT IS TOO BIG AND COMPLICATED

SOURCE: New Zealand Institute, eee.nzinstitute.org.nz

New Zealand has one of the most complex executive governments in the developed world. With 81 ministerial portfolios, 28 ministers, and 43 departments, it has far more than countries of similar size, like Ireland, Norway, or Singapore.

This large, fragmented structure didn't happen by design. It grew over time as governments created portfolios to satisfy coalition partners, signal priorities, or reward loyalty. The result is overlapping responsibilities, multiple ministers per department, blurred accountability, and reduced expertise. Big challenges like housing, welfare, and reoffending span many ministers and departments, making them "everyone's problem but no one's responsibility."

The complexity also costs money. Research shows larger Cabinets are linked to higher spending and bigger deficits, likely because many ministers share the budget and each spends freely in their area.

International Examples~= Other countries have confronted similar challenges and succeeded.

- **Ireland** constitutionally caps its Cabinet at 15 ministers. Cabinet ministers delegate to junior "Ministers of State" specific responsibilities within their portfolios, but without expanding the Cabinet itself.
- **Norway** aligns its ministries with broad policy domains and uses formal coordination mechanisms to handle cross-cutting issues. Its ministerial and departmental structures are tightly mapped, with minimal overlap.
- **Australia** restructured its Cabinet in 1987, The reform, led by Prime Minister Bob Hawke, introduced a two-tier structure of senior and junior ministers and improved Cabinet efficiency. Later governments retained the model.
- **Singapore**, with a similarly sized population, operates with just 21 ministerial portfolios. Its whole-of-government approach has consistently delivered high ratings for government effectiveness.

These examples demonstrate that leaner, more focused executive structures are both possible and effective.

The NZ Initiative propose a Cabinet of 15 Ministers, being:

1. Prime Minister
2. Finance
3. Defence and Security
4. Foreign Affairs and Trade
5. Home Affairs
6. Māori Development and Crown Relations
7. Public Service
8. Environment and Conservation
9. Justice and Law
10. Health and Wellbeing
11. Education and Skills
12. Social Development
13. Built Environment
14. Commerce
15. Primary Industries

They also propose a rationalisation of the 43 agencies to 20 departments, being:

1. Department of the Prime Minister and Cabinet
2. Ministry of Finance
3. New Zealand Revenue and Customs
4. Ministry of Defence and Security
5. Ministry of Foreign Affairs and Trade
6. Department of Home Affairs
7. Ministry for Communities
8. Ministry of Māori Development and Crown Relations
9. Public Service Commission
10. Ministry of Environment and Conservation
11. Ministry of Justice and Law
12. Department of the Attorney General
13. Ministry of Health and Wellbeing
14. Ministry of Education and Skills
15. Ministry of Social Development
16. Ministry of Local Government, Housing and Regional Development
17. Ministry of Infrastructure and Transport
18. Ministry of Commerce
19. Ministry of Energy and Resources
20. Ministry for Primary Industries

This proposes 15 Cabinet Ministers, 20 portfolios and 20 departments / ministries. It would not just be more efficient, but it would be far more effective.

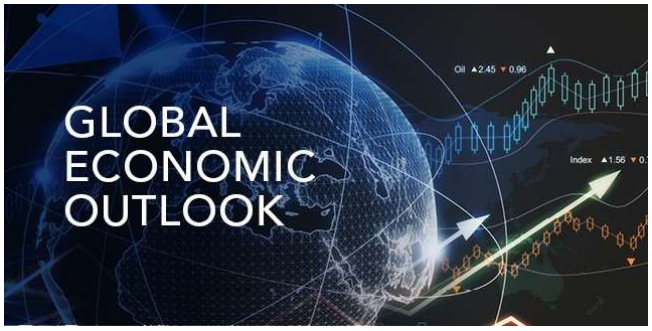
NATIONALISM IS WINNING IN EUROPE

SOURCE: Kiwiblog, 10-Sept-25

The 12 largest countries in Europe are:

1. **Russia** – Nationalist President
2. **Turkey** – Nationalist President
3. **Germany** – AFD leads in most polls
4. **UK** – Reform leads by 9% in polls
5. **France** – National Rally leads by 10% in polls
6. **Italy** – Brothers of Italy in power
7. **Spain** – nationalists not in power or ahead in polls
8. **Poland** – Nationalist President
9. **Ukraine** – under attack
10. **Kazakhstan** – nationalists not in power or ahead in polls
11. **Romania** – nationalist party leads in polls by 20%
12. **Netherlands** – nationalist party leads in most polls

Of the 12 largest countries in Europe, nationalists are in government in four of them and lead in the polls in five more. By most estimates, the majority of Europe will have nationalist governments within the next few years.



GLOBAL ECONMIC OUTLOOK

Global growth is moderate but fragile, inflation is easing but uneven, and risks from geopolitics, climate, and debt remain significant. **Advanced economies** (US Eurozone & Japan) are cautious, while **emerging markets** (China, India & Southeast Asia) offer the most growth potential, albeit with higher volatility.

GLOBAL GDP

- **growth** is slowing moderately. The IMF projects around **3.0% for 2025**, slightly below the post-pandemic recovery average.

Advanced economies (US, Eurozone, Japan) are seeing **sluggish growth**, partly due to high interest rates and cautious consumer spending.

Emerging markets (China, India, Southeast Asia) remain the main engine of global growth, though China's rebound is slower than expected due to property sector challenges and demographic constraints.

COMMODITIES AND ENERGY

- **Oil and gas prices** remain volatile, impacted by Middle East tensions and post-pandemic demand fluctuations.
- **Food and agricultural commodities** have stabilised, but extreme weather events (droughts, floods) are still a risk for global supply chains.
- **Green energy transition** is accelerating investment in solar, wind, and EV infrastructure, creating sector-specific growth opportunities.

FINANCIAL MARKETS

- **Equities**: Non-US markets (Europe, Asia) have outperformed the US S&P 500 in 2025, partly due to overvaluation and concentration risks in US mega-tech.
- **Debt**: Government debt remains high globally, limiting fiscal policy flexibility; emerging markets face refinancing pressures.
- **FX and interest rates**: A strong USD continues to challenge developing economies with dollar-denominated debt.

KEY RISKS

- Slower-than-expected China growth could ripple globally.
- Persistent inflation in advanced economies may force prolonged high interest rates.
- Geopolitical instability, particularly around energy supplies or regional conflicts.
- Climate and natural disasters, increasingly affecting global agriculture and supply chains.
- Financial market corrections, especially in tech and AI-related sectors with high valuations.

OPPORTUNITIES

- Emerging markets with strong demographics and reform-driven growth (India, Vietnam, Indonesia) offer investment potential.
- Green energy, AI, and infrastructure investment are expected to drive sector-specific growth.
- Resilient sectors: healthcare, essential services, and technology supporting automation and efficiency gains.

NZ TRADING PARTNER REAL GDP

	Annual average % change			
	2024	2025	2026	2027
Australia	1.0	1.7	2.3	2.5
China	5.0	5.0	4.6	4.5
United States	2.8	1.9	1.3	1.6
Japan	0.1	0.9	0.8	0.8
East Asia ex China	4.3	3.7	3.8	4.0
India	6.5	6.7	6.4	6.3
Euro Zone	0.9	1.2	1.1	1.5
United Kingdom	1.1	1.3	1.3	1.5
NZ trading partners	2.9	2.8	2.7	2.8
World	3.3	3.2	3.1	3.2

NEW ZEALAND'S ECONOMIC OUTLOOK

Population: 5.34 million

OCR TO 3% ON 20TH AUGUST

The Reserve Bank cut the OCR by just 25bp to 3.0% but many economists are now saying they missed an opportunity to really kickstart the subdued NZ economy. ANZ Chief Economist Sharon Zollner is now pencilling in two more cuts of 25bp each in October & November to see the OCR settle at 2.5%. It is interesting that the vote to just cut by 25bp was four-to-two.

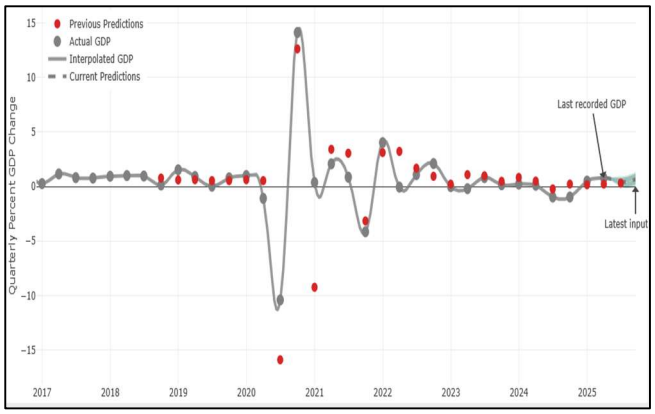
THE NZ ECONOMY

New Zealand's gross domestic product fell 0.9% in the June 2025 quarter, following a 0.9% increase in the March 2025 quarter, according to figures released by Stats NZ on 18th September. Remember that GDP ids a measure that looks backwards and hopefully the boost in the primary sector recently should be kickstarting our economy in real time. Activity decreased in the June 2025 quarter across 2 out of 3 high-level industry groups. Goods-producing industries fell 2.3%, and primary industries fell 0.7%. Service industries were flat.

Even though a record 73,400 New Zealanders left the country last year and the birth rate is too low to replace the population, immigration—mostly from India, China, and the Philippines—has kept the population growing. This has hidden how serious the problem really is.

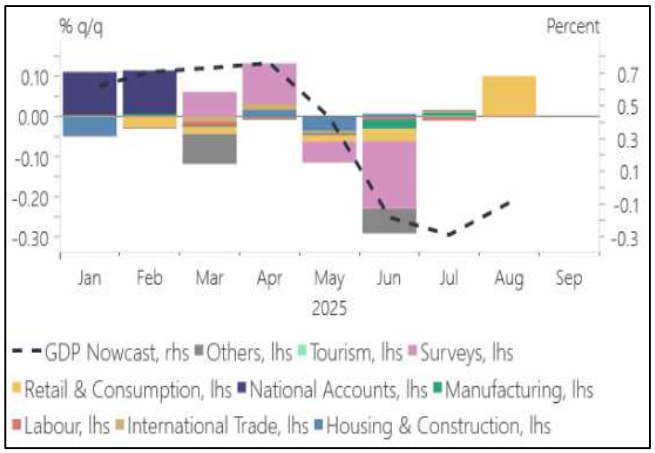
There is now a big challenge for our Finance Minister to make a sizable step change to kick-start our economy.

GDPLIVE



SOURCE: Massey University

RBNZ REAL GDP NOWCAST

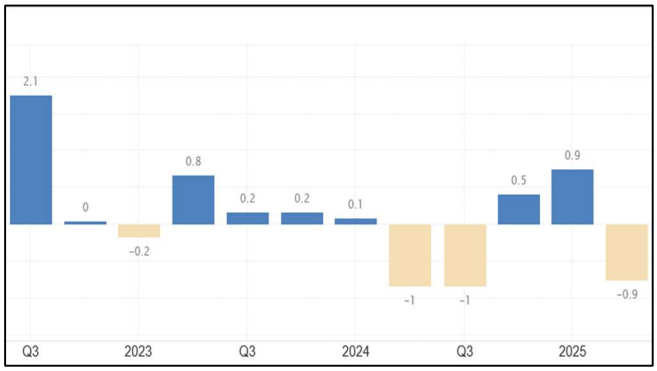


Also, net migration is showing signs of stabilisation, particularly for those migrants 15-65 years of age, suggesting the labour force will likely rise. Consistent with the modest rise in migration, consumer spending is trending upwards (see chart below).

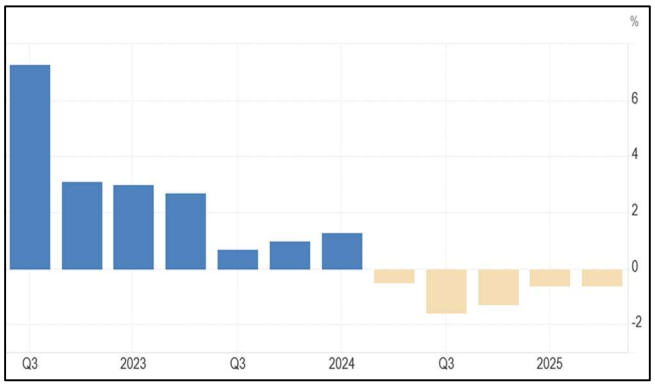
NZ REAL RETAIL SALES & CONSUMER CONFIDENCE

Jarden maintains a cautious view on the outlook and still think two more rate cuts to 2.5% are likely (and needed) before the end of the year, but conviction on the recovery will rise if employment growth bounces back. Labour market data for 3Q will be released on 3rd November, ahead of the RBNZ meeting on November 26th. Before this, the RBNZ will meet on 8th October and they now expect a 25bps cut at this meeting. A follow-up cut is now expected in November, given the RBNZ's shift in guidance at the August meeting.

NZ QUARTERLY GDP GROWTH



NZ ANNUAL GDP GROWTH



NZ/US TARRIF INCREASES:

here's a comparison of New Zealand's key exports to the USA: pre-tariff vs latest tariff settings. I've focused on the main export sectors affected.

In NZ Dollar terms, the increased cost to New Zealand is $2.77 billion.

NZ Exports to USA	Pre-Tariff Rate (MFN/US preferential)	Latest US Tariff Rate	Export value (NZ$m)
Dairy (milk powder, cheese, butter)	Mostly 0–3% within quota; over-quota 10–20%	15% across the board	1,200
Beef	0–4% depending on cut	15%	450
Lamb / Sheep meat	0–3%	15%	120
Forestry products (logs, wood)	0%	15%	500
Wine	0%	15%	150
Kiwifruit & other fruit	0–5%	15%	250
Seafood (lobster, mussels, fish)	0–5%	15%	100
		TOTAL	2,770

NZ TO OVERTAKE AUSTRALIA IN GDP GROWTH:

Westpac's senior economist says New Zealand is entering a new phase of the economic cycle, with GDP growth set to outpace Australia over the next few years after lagging behind in 2024.

Westpac forecasts New Zealand's GDP to rise 2.4% by the end of 2025 and 3.1% in 2026, supported by

aggressive rate cuts and firmer export prices. In comparison, Australia is expected to grow 2% in 2025 and 2.2% in 2026, as fiscal constraints slow public investment. Still, these forecasts come against a backdrop of weak business sentiment, with demand, the economy and politics ranking as top concerns.

The OCR is currently at 3.0% in New Zealand and Westpac expect it to reach 2.5% before the year's end. In Australia, their OCR sits at 3.6%

INFLATION COMPARISON: Inflation is easing on both sides of the Tasman, but near-term dynamics differ.

- In New Zealand, headline inflation has lifted back to 2.7% and is expected to exceed 3% in coming months, driven by food prices and rising local council charges.
- In Australia, headline inflation was temporarily reduced by energy subsidies, but core inflation is forecast to cool into the lower end of the RBA's
- target band by 2026.

LABOUR MARKET DIVIDE: **New Zealand's labour market** remains under pressure, with employment down 0.9% over the past year and unemployment up to 5.2%, projected to rise slightly higher before recovery in 2026.

Australia continues to show resilience, with employment growing 2.3% over the past year and unemployment only expected to lift modestly from 4.2% to 4.5%. Even so, wage gains in Australia are expected to continue outpacing those in New Zealand.

HOUSING MARKET: House prices in New Zealand fell 17% from their peak as rates rose but have since stabilised, supported by rate cuts and steady new construction. In contrast, Australia's housing market has proven more resilient, with only modest falls during the tightening cycle and firmer growth over the past year. While firmer than in New Zealand, recent housing market momentum in Australia has been modest compared to historic trends.

MIGRATION TRENDS AND DEMAND: Migration flows have also diverged. Many New Zealanders moved abroad, especially to Australia, amid weak labour market conditions. But Westpac expects net outflows to stabilise as New Zealand's recovery gains traction. New Zealand's sharper downturn over the past year means that our economy has a much greater degree of spare capacity than Australia. That difference is set to persist for some time, even with the forecast recovery in growth.

TRADE AND FISCAL OUTLOOK: Australia's trade balance has swung into deficit as demand for hard commodities eases, while New Zealand's deficit is shrinking on the back of dairy exports and recovering tourism. Fiscal settings are also diverging, with New Zealand shifting toward restraint while Australia winds back earlier stimulus and cost-of-living supports.

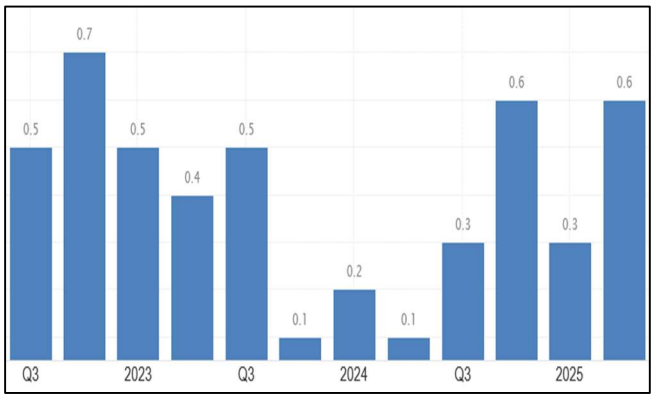
AUSTRALIAN ECONOMIC OUTLOOK

Population: 27.7 million

AUSTRALIAN ECONOMY

The Australian economy grew 0.6% qoq in Q2 2025, accelerating from an upwardly revised 0.3% in Q1 and topping market consensus of 0.5%. It was the 15th straight quarter of rise, driven by domestic final demand (0.5 ppts). Household consumption jumped (0.9% vs 0.4% in Q1), due to higher spending on discretionary and essential goods during the Easter and ANZAC holidays. Government spending also picked up (1.0% vs 0.3%), on higher social benefits and national defence outlays. Net trade added 0.1 ppts, with exports (1.7% vs -0.7%) outpacing imports (1.4% vs 0.1%). In contrast, public investment slumped for the third quarter (-3.9% vs -2.4%), the steepest drop since Q3 2017, weighed by reduced state spending on transport and health projects, and lower defence investment. Inventories dragged 0.1 ppts, the first drop in three quarters. On a yearly basis, the GDP grew 1.8%, above forecasts of 1.6% and the fastest pace since Q3 2023. The household savings ratio fell to 4.2% from 5.2% in Q1.

AUSTRALIA –ANNUALISED GDP GROWTH



UNITED STATES ECONOMIC OUTLOOK

Population: 341.9 million

It is predicted that there are at least a further 11.7m undocumented (illegal) migrants in the US currently.

US ECONOMY

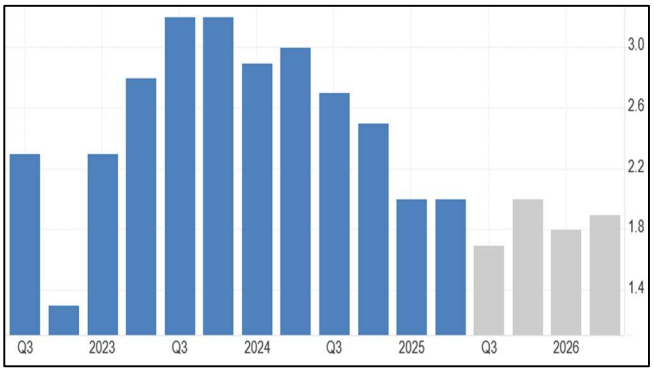
As of mid-September 2025, the U.S. economy is experiencing a complex mix of slowing growth, rising inflation, and labor market challenges, influenced by domestic policies and global trade tensions.

OUTLOOK

The U.S. economy faces a delicate balance between supporting employment and controlling inflation. While the Federal Reserve's rate cuts aim to stimulate growth, the effectiveness of these measures will depend on resolving trade issues and

addressing structural challenges in the labor market. Analysts caution that without significant policy adjustments, the economy may continue to experience sluggish growth and elevated inflation.

UNITED STATES – ANNUAL GDP GROWTH RATE + FORECAST



Federal Reserve Actions

On September 17, 2025, the Federal Reserve cut its key interest rate by 0.25 percentage points to a range of 4.0%–4.25%, its first reduction since December 2022. This move aims to support a weakening labour market, despite persistent inflation. The Fed projects two more quarter-point cuts later this year, signalling a shift from inflation control to employment support.

Labor Market & Employment

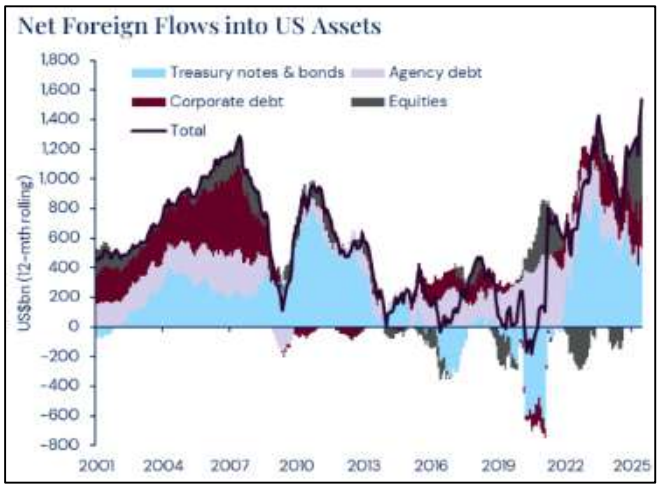
The unemployment rate stood at 4.3% in August 2025, with youth unemployment at 13.9%. Revised data indicated that 911,000 fewer jobs were created over the past year than initially reported. A trend known as "job hugging" has emerged, where employees remain in their current positions due to job market uncertainty, leading to career stagnation and limited opportunities for new talent.

Global Trade & Political Tensions

Trade tensions have escalated, notably with India, following the U.S. imposition of a 50% tariff on Indian exports. This move has strained diplomatic relations and raised concerns about the stability of global supply chains.

US Exceptionalism:

This is the idea that the U.S. economy, markets, and innovation consistently outperform the world—has been supported over the past decade by strong equity returns, profitability, and technological leadership. But signs suggest this may be changing: so far this year, non-U.S. stocks (except New Zealand) have outperformed the S&P 500, especially when measured in NZD. High valuations, reliance on a few mega-cap tech firms, worries about over-investment in AI, and concerns over political leadership are causing some investors to question whether the U.S. will maintain its global economic dominance. Foreign investment in U.S. equities has risen almost US$13 trillion in the last decade, and any reversal could further impact performance.



Concern is understandable. The current Administration has demonstrated a willingness to challenge established norms, institutional frameworks, and long-standing relationships, raising the possibility of longer-term economic and market consequences that may take time to materialize.

Nonetheless, assertions of the decline of US exceptionalism appear, at this stage, overstated. US companies continue to deliver robust earnings growth, and net foreign buying of US assets has persisted despite the so-called 'Liberation Day' shock. Early signs of AI-driven productivity gains are also emerging. Much of the US underperformance relative to other markets occurred during the first quarter, while US equities have outperformed since then.

At the heart of US market leadership is corporate profitability. US companies generate higher margins and return on equity than peers abroad. As illustrated in the chart below, relative to their pre-GFC peak, trailing 12-month earnings per share (EPS) of the US market has risen ~180%. This compares with various representations of the 'Rest of World', where little to no EPS growth has been recorded at all over this same period. Even if the top performing

US technology sector is stripped out, the story is similar. The ability of US companies to sustain elevated profit growth, even amid rising wages and higher interest rates, underscores structural advantages that are hard to replicate elsewhere.

The sheer scale of the US capital markets is also something that creates its own gravitational pull. With a total market capitalisation exceeding US$60 trillion, the US represents roughly two-thirds of global equity value. That scale creates liquidity, attracts global capital, and provides companies with unrivalled access to funding. The US is where the world lists its most ambitious companies and where investors go for depth and breadth of exposure. No other market comes close to matching these features, which means that even if global asset allocators wanted to shift, they would face constraints on finding quality alternatives in sufficient quantity.

ARTIFICIAL INTELLIGENCE: The AI investment boom is perhaps the most powerful driver of recent US outperformance. On some broad measures, AI-related stocks now make up close to half of S&P 500 market capitalisation, and AI investment is having wider economic impacts. The leading players (Alphabet, Microsoft, Meta, Amazon) are all American, and are committing unprecedented levels of capital expenditure. Alphabet recently lifted its 2025 capex guidance toward US$85 billion, while peers are pursuing similar spending trajectories. AI demand is forcing an ecosystem buildout spanning semiconductors, networking, data centres, and power infrastructure.

NZ SUPER FUND'S INVESTMENTS INTO THE US FINANCIAL MARKETS:

New Zealand's $44 billion Super Fund, the world's best-performing sovereign wealth investor, is taking a bold stance against Wall Street. Its investment chiefs say American equities are too pricey and are poised for a come-down, while European stocks are trading at a relative bargain, making Europe the fund's biggest overweight bet.

The move signals that even the savviest global investors are questioning the long-term dominance of U.S. markets. Brad Dunstan and Will Goodwin, co-chief investment officers of the NZ Super Fund, told the Financial Times that the portfolio is currently 2% overweight in European equities and 3.5% underweight in U.S. stocks. Their view rests on valuations: the S&P 500 trades at nearly 27.5 times earnings, compared with the Stoxx Europe 600's 16x multiple. This move by NZ Super Fund signals waning confidence in long-term outlook for American equities.

LOOKING FORWARD: JB Were still believes the US deserves to be a core element of any global portfolio. Its structural advantages of profitability, innovation, and liquidity are impossible to ignore. Yet the risks highlighted above, together with the better performance of many non-US markets this year, suggest that the path forward from here is more nuanced than it has been for some time. Even if US exceptionalism persists, investors cannot ignore the rest of the world.

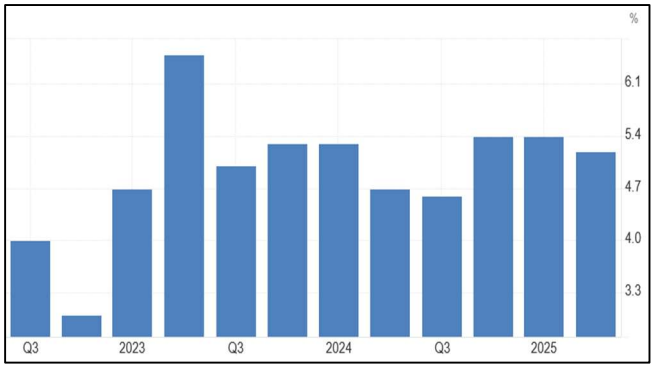
CHINESE ECONOMIC OUTLOOK

Population: 1.42 billion ↓

CHINESE ECONOMY

As of mid-September 2025, China's economy is navigating a period of moderated growth, grappling with internal challenges and external pressures. China's GDP growth forecast for 2025 has been revised to 4.8%, up from earlier estimates of 4.5%, reflecting a more optimistic outlook despite ongoing challenges.

CHINA – ANNUAL GDP GROWTH RATE



While the government is implementing stimulus measures to support domestic demand, the effectiveness of these policies will depend on resolving sectoral imbalances and navigating geopolitical tensions.

TRADE AND GEOPOLITICAL TENSIONS

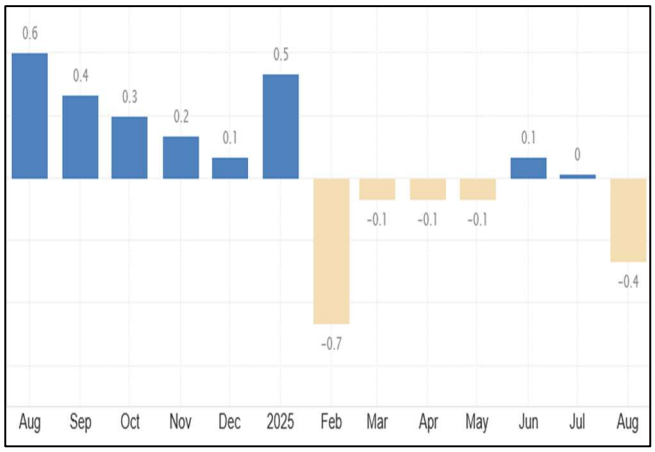
China launched investigations into U.S. chip trade practices, alleging discrimination and dumping, ahead of trade talks in Madrid. Exports to the U.S. have declined by a third, influenced by earlier export frontloading and ongoing trade tensions.

INFLATION RATE

In August, China's consumer prices dropped by 0.4% year-on-year, marking the fifth deflationary month this year and the sharpest decline since February.

Producer prices continued their deflationary trend, falling by 2.9%, reflecting weak demand and overcapacity in certain sectors.

CHINA – ANNUALISED INFLATION RATE



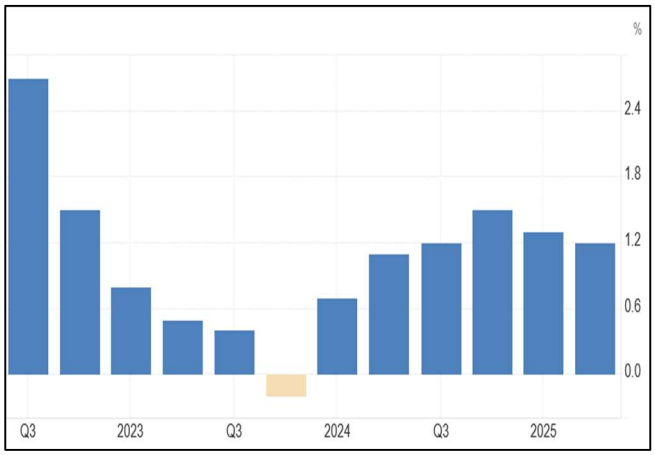
UNITED KINGDOM ECONOMIC OUTLOOK

POPULATION: 69.1 million

UK ECONOMY

The UK economy showed no growth in July 2025, following a 0.4% rise in June. Over a three-month period, overall GDP growth slowed to 0.2%, down from 0.3% in June. The initial strong growth earlier in the year was attributed to front-loaded output ahead of U.S. tariffs and increased government spending, with limited impact from consumer or business activity. The Bank of England forecasts the UK economy will grow by 1.25% in 2025, with a 0.3% growth in the third quarter.

UNITED KINGDOM – ANNUAL GDP GROWTH RATE



While the Bank of England's rate cuts aim to stimulate growth, the effectiveness of these measures will depend on resolving trade issues and addressing structural challenges in the labor market. Analysts caution that without significant policy adjustments, the economy may continue to experience sluggish growth and elevated inflation.

INFLATION

As of August 2025, UK inflation remained steady at 3.8%, nearly double the Bank of England's 2% target. This persistent level of inflation comes despite falling airfares and continued increases in food and drink prices (5.1% higher in August than a year earlier, after a 4.9% rise in July).

UNEMPLOYMENT: The unemployment rate stood at 4.7% in April to July 2025, the highest level in four years.

INTEREST RATES: The Bank of England reduced its main interest rate to 4% in August 2025, the lowest level since March 2023.

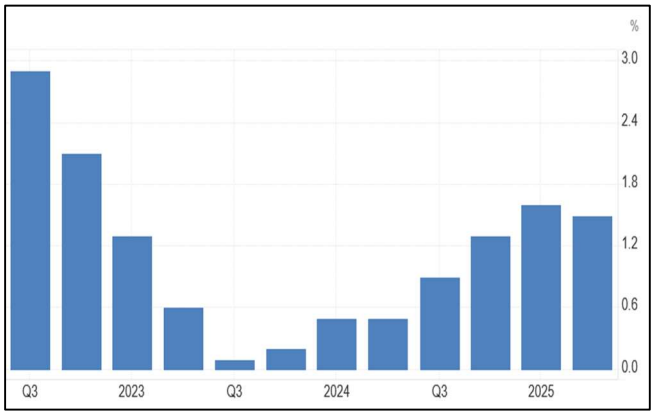
EUROZONE ECONOMIC OUTLOOK

POPULATION: 449.2 million

EU ECONOMY

GDP in the Euro Area expanded 1.5% year-on-year in the second quarter of 2025, higher than 1.4% in the initial estimates, and following an upwardly revised 1.6% in Q1. The largest contributions came from household expenditure and changes in inventories (0.7 percentage points each), followed by gross fixed capital formation (0.6 percentage points), public expenditure (0.4 percentage points) and exports (0.1 percentage points). On the other hand, imports trimmed 1.1 percentage points from the growth. Among the bloc's largest economies, the GDP expanded 0.2% in Germany, 0.8% in France, 0.4% in Italy and 2.8% in Spain.

EUROZONE – ANNUAL GDP GROWTH RATE



The European Central Bank (ECB) anticipates growth to accelerate to 1.1% in 2026 and 1.3% in 2027, supported by rising real wages, employment, and less restrictive financing conditions.

INFLATION

Eurozone inflation stood at 2.0% in August 2025, aligning with the ECB's target. Services and food prices contributed most to inflation, while energy costs declined. Core inflation, excluding energy and food, is projected to ease gradually, helping the ECB maintain its target.

UNEMPLOYMENT

Seasonally adjusted unemployment rate was 6.2% in July 2025, down from 6.4% in July 2024. Youth unemployment decreased to 13.9% in July 2025, from 14.3% in June 2025.

GERMANY

Germany faces challenges with its export-driven economy, particularly in the automotive sector, amid global trade tensions. The Bundesbank warns of potential recessions if trade disputes escalate.

FRANCE

The French economy is projected to grow by 0.8% in 2025, driven by rebounds in key sectors. However, political instability and weak consumer spending pose risks to economic confidence.

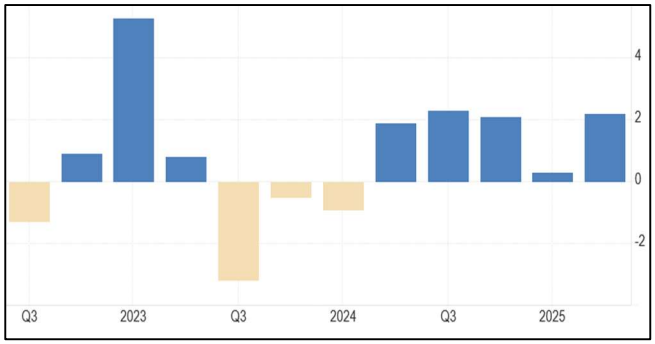
JAPAN'S ECONOMIC OUTLOOK

Population: 123.7 million

JAPANESE ECONOMY

Japan's economy is on a modest recovery path, with stable inflation and a resilient labor market. Japan's economy expanded at an annualized rate of 2.2% in the second quarter, surpassing expectations. The International Monetary Fund projects Japan's GDP growth at 1.2% for 2025, up from 0.1% in 2024, driven by strong corporate profits and wage gains.

JAPAN – ANNUAL GDP GROWTH RATE



INFLATION

In August, Japan's wholesale inflation accelerated to 2.7% year-on-year, primarily due to rising food and beverage prices.

MONETARY POLICY

The BOJ raised interest rates to 0.5% in January and is expected to implement another 25 basis point hike in the fourth quarter to address persistent inflation.

UNEMPLOYMENT

Japan's unemployment rate stands at 2.5%, with labor force participation at its highest level since the late 1990s. Wages are projected to increase by 4.8% in 2026, slightly below this year's 5.25%, indicating a tightening labor market.

INDIA'S ECONOMIC OUTLOOK

Population: 1.45 billion

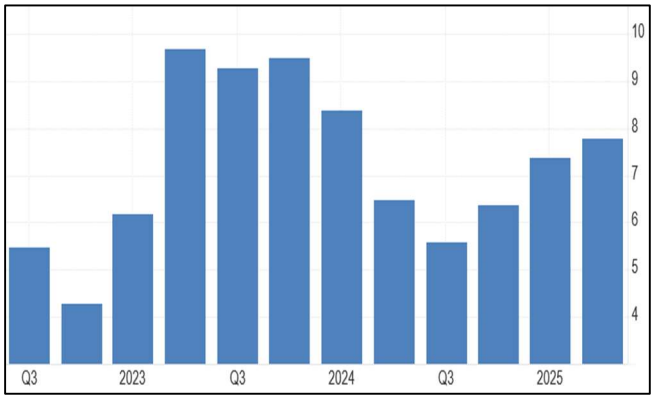
India has now overtaken China as the highest population nation in the world.

INDIAN ECONOMY

India's economy is projected to expand by 6.4% in the fiscal year 2025–26, maintaining its status as the world's fastest-growing major economy. Key contributors include robust domestic demand, increased government capital expenditure, and a rebound in private consumption.

However, external trade challenges and global economic uncertainties present risks that require careful management. Proactive policy measures and diversification of trade partnerships will be crucial to sustaining India's economic momentum.

INDIA – ANNUAL GROWTH RATE



TRUMP TARIFFS: Trump is imposing a 50% tariff on Indian goods exported to USA, saying that the Ukraine War is essentially "Modi's war" – because Indian oil imports from Russia are funding the Russian war effort. Before the Ukraine war started, India imported less than 2% of its crude oil requirements, whereas it now equates to 35-40% of Delhi's oil imports.

Despite Trump, India's exports are expected to grow by 6% in 2025, supported by strong macroeconomic fundamentals and structural reforms.

INFRASTRUCTURE & INVESTMENT

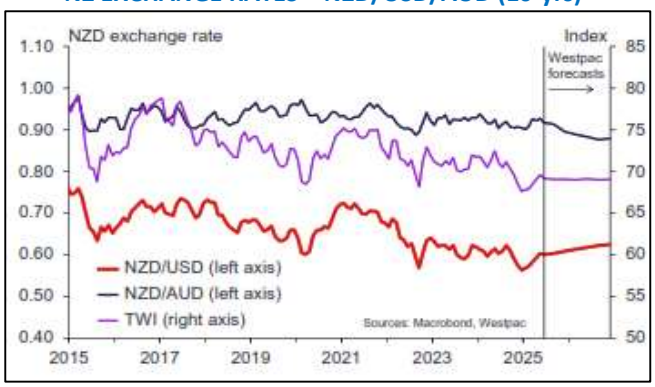
The Indian government has sanctioned over ₹3.6 lakh crore in 50-year interest-free loans to states to encourage capital expenditure, with 22 states already achieving over 10% growth in capital expenditure from their own resources.

Sectoral Growth - Kerala has accelerated growth in tourism, IT, MSMEs, and green energy through substantial investments, contributing significantly to the state's GDP and employment.

MONETARY POLICY: The RBI's current policy stance remains cautious, balancing the need to support growth with the risks posed by external shocks and inflationary pressures.

COMMODITIES

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



OIL – BRENT CRUDE

Brent Crude remains in a thin band since July, currently at US$68/bbl. OPEC announced an additional partial return of the 2.2 million barrels per day in voluntary production cuts effective early September, contributing to downward pressure on oil prices. The United States has implemented a 50% tariff on Indian exports in response to India's procurement of Russian oil. Meanwhile, the lack of progress in negotiations between the United States, Russia, and Ukraine is anticipated to provide ongoing support for oil prices.

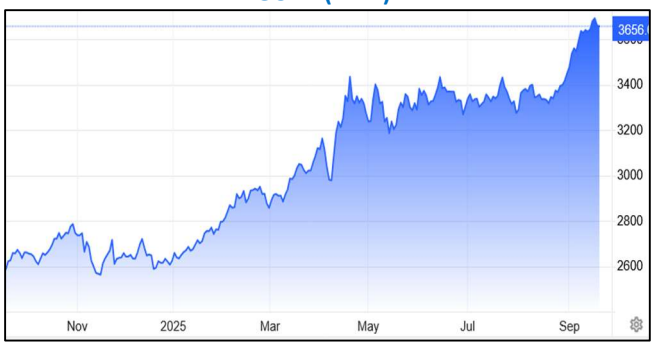
BRENT CRUDE (1-YR)

NOTE: New Zealand trades in Brent Crude Oil

GOLD

Gold has peaked at an all time high of US$3,657 per ounce – This is around NZ$6,200, amid a rising US dollar following the Federal Reserve's policy decision. The Fed cut interest rates by 25 bps as expected and signaled that borrowing costs may continue to decline gradually through the rest of the year.

GOLD (1-YR)

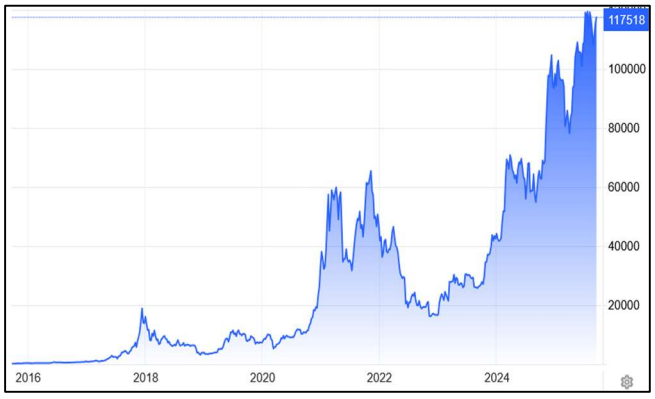


BITCOIN

Bitcoin was created in 2008 by the pseudonymous Satoshi Nakamoto in response to the global financial crisis, designed as a decentralized digital currency independent of banks or governments. Bitcoin is increasingly seen as a digital store of value, akin to gold, by both retail and institutional investors.

Today it is trading at US$117,538 – just off its all time high of US$120,571.

BITCOIN (10-YR)



AGRIBUSINESS – LOOKING FROM THE OUTSIDE IN

AGRICULTURAL SECTORS ARE INVESTING

Reserve Bank figures show rural lending topped $63 billion last month, up from $61b in April 2022 – a sign that the agricultural sector is confident enough to begin investing in growing its businesses. That's no doubt being aided by the Govt's Investment Boost scheme, allowing businesses to claim 20% of the cost of new assets as an expense.

In contrast, our bigger cities remain in a stagnant mood. Stats NZ reports unemployment in Auckland has risen to 6.1% and Wellington is enduring record low consumer confidence levels, with tough trading conditions lingering.

NEW ZEALAND EQUITIES

ROCKIT GLOBAL – PRIVATE EQUITY

Unlisted Rockit Global, once a star in New Zealand's apple industry, has been struggling for nearly a year. Growers were initially told last October that their payouts could be half of what was forecast just months earlier. At the start of the season in February, the company planned to pay $1.80 per tube of apples (five apples per tube), but this was later cut to between 60 cents and $1.00 - a level many growers say is unsustainable.

To raise funds, Rockit brought in Macquarie and asked some shareholders for $20 million, ultimately raising $14 million. PwC was hired to help with a sale and leaseback of Rockit's packhouse. CEO Grant McBeath, appointed a year ago, has now unveiled a turnaround plan expected to take three years instead of one and again cut this season's forecast payout to 60 cents to $1.00.

Rockit was founded in Hawke's Bay in 2010 after winning the global licence for a small apple variety from Plant & Food Research. Tauranga's Enterprise Angels were early investors (2011). In 2017, private equity firms Pioneer Capital and Oriens Capital bought a 55% stake. Ngāi Tahu Holdings also took a small stake in 2021.

Rockit Global has faced several challenges in recent years. Cyclone Gabrielle damaged crops, export markets weakened, and supply chain problems caused losses. In 2024, Rockit aimed to export 200 million apples, but one-third of the crop was destroyed, and many apples had to be sold at clearance prices, sharply reducing payouts.

This year, average production costs for growers are 90 cents to $1.10 per tube, and payouts could rise to $1.20 if things improve. The latest cut reflects 8,000 of 65,000 fruit bins being sold at lower prices after Chinese sales slowed. Rockit plans quarterly payout reviews and may issue monthly financial updates.

However, doubts remain. Rockit's business model requires growers to pay about $100,000 per hectare in licensing fees, which is risky when payouts are low. Only a portion of harvested apples are selling, and some growers are abandoning licences. While the company remains optimistic, there are real concerns that a major collapse could hurt both growers and the wider horticultural industry.

This update indicates the risks associated with unlisted investments. Often, they are hard to value and hard to exit from. Specialist venture capitalists usually need a +40% return on capital – recognising that only one-in-seven of these investments end up being a true star.

PORT OF TAURANGA

Jarden estimates looking forward over the next nine years posts a very rosey picture for this "blue chip stock" (see data below) with normalised Net Profit after Tax doubling in that time. The latest result showed outstanding profit growth and it appears that there is still plenty to come.

PORT OF TAURANGA – STRONG GROWTH PROSPECTS

Year end 30 June	FY24A	FY25A	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E
Container terminal	252.8	284.8	329.1	376.0	398.7	424.2	450.9	479.1	506.7	533.1	559.9
Multi cargo	71.7	78.1	80.5	82.1	83.9	86.2	88.6	91.1	93.6	96.2	98.9
Marine services	50.6	54.2	57.0	60.1	62.8	65.8	69.0	72.4	75.6	78.8	82.0
Rental	41.6	47.1	48.8	50.0	51.3	52.5	53.9	55.2	56.6	58.0	59.4
Other income	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total Revenue	**417.4**	**464.7**	**516.0**	**568.8**	**597.2**	**629.3**	**662.9**	**698.3**	**733.1**	**766.7**	**800.8**
Operating costs	(218.6)	(236.3)	(247.9)	(259.1)	(273.9)	(290.4)	(307.4)	(325.4)	(342.0)	(357.9)	(373.9)
EBITDA	**198.8**	**228.4**	**268.1**	**309.6**	**323.3**	**338.9**	**355.5**	**372.9**	**391.1**	**408.8**	**426.9**
D&A	(43.2)	(42.9)	(44.4)	(46.5)	(48.6)	(50.6)	(52.7)	(55.0)	(57.3)	(59.9)	(62.5)
EBIT	**155.6**	**185.5**	**223.7**	**263.1**	**274.6**	**288.3**	**302.8**	**317.9**	**333.7**	**349.0**	**364.4**
Net finance costs	(22.5)	(19.8)	(19.4)	(20.8)	(23.2)	(27.0)	(31.0)	(35.5)	(38.8)	(41.9)	(44.7)
Associate Profits	4.9	6.2	9.0	11.0	11.6	12.1	12.7	13.4	14.0	14.7	15.5
Abnormals	-	46.6	-	-	-	-	-	-	-	-	-
Profit before tax	**138.1**	**218.5**	**213.3**	**253.3**	**263.0**	**273.5**	**284.5**	**295.8**	**309.0**	**321.8**	**335.2**
Tax	(47.2)	(45.1)	(57.2)	(67.8)	(70.4)	(73.2)	(76.1)	(79.1)	(82.6)	(86.0)	(89.5)
NPAT - reported	**90.8**	**173.4**	**156.1**	**185.4**	**192.6**	**200.3**	**208.4**	**216.7**	**226.4**	**235.8**	**245.7**
Abnormals (post-tax)	11.9	(47.3)	-	-	-	-	-	-	-	-	-
NPAT - normalised	**102.7**	**126.0**	**156.1**	**185.4**	**192.6**	**200.3**	**208.4**	**216.7**	**226.4**	**235.8**	**245.7**

SOURCE: Company data, Jarden estimates, 29-Aug-25

NOTE - DECLARATION OF INTEREST: I am a current regional councillor on Bay of Plenty Regional Council, which currently owns 54.1% of the shares in POT. As such, I pass on research that I receive but make no direct recommendations.

EQUITY MARKET VALUATIONS

Valuation is an important aspect when considering prospective returns from investments, although it tends to have a stronger bearing over longer time horizons. Using the analogy of a coil spring, an undervaluation situation is where a current market price reflects conservative expectations for future expected cashflow and capital appreciation, and like a compressed spring, the inherent pressure is for market price to adjust higher. Similarly, overvaluation reflects a current market price that implies lofty expectations and is like a stretched spring where the inherent pressure is for market price to revert lower.

In Fig a) we show our equity market valuation measure calculated from six different ratios.

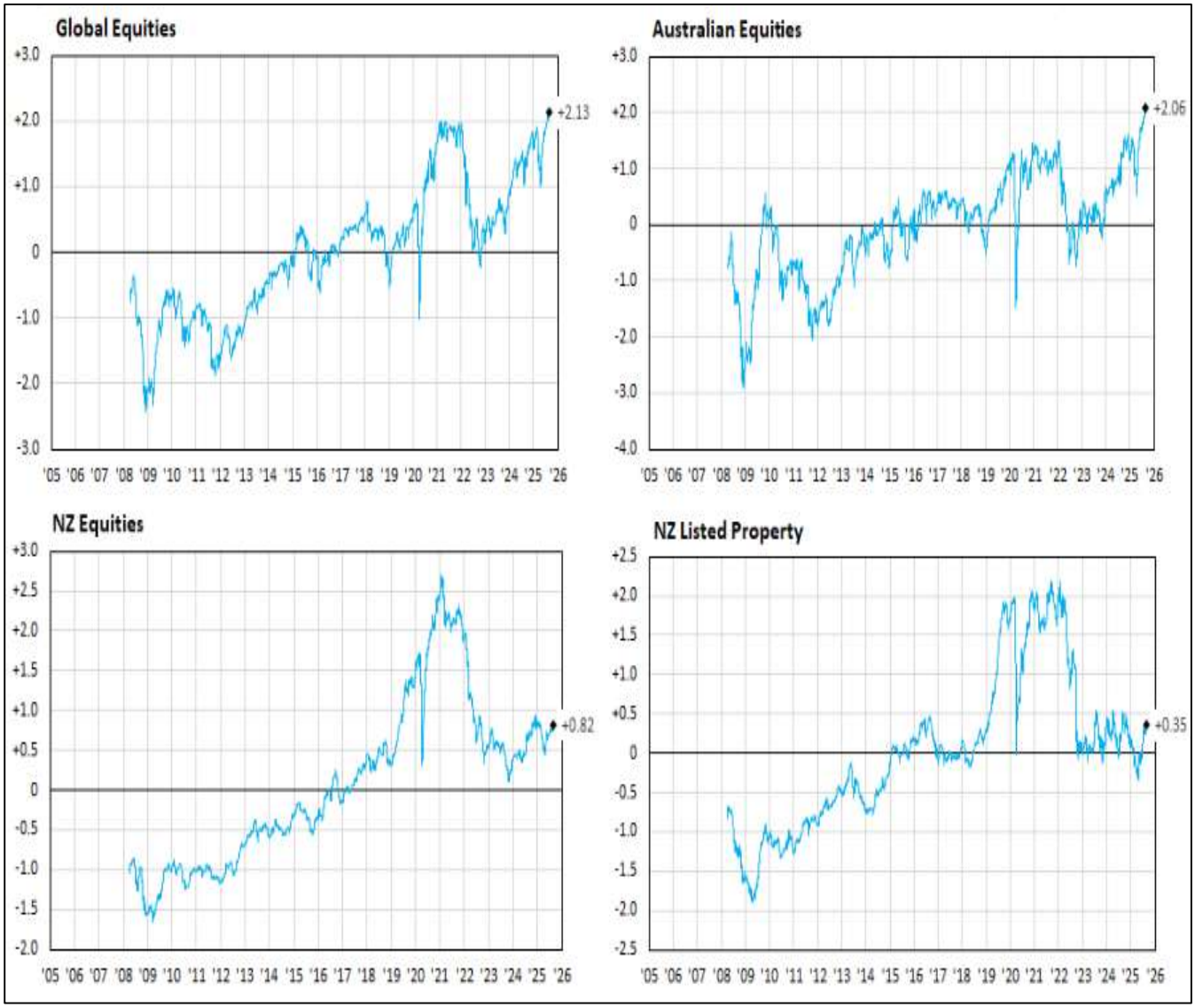
These being price relative to 12-month forward per share earnings, dividends, cashflow and sales, enterprise value to 12-month forward EBITDA, and price to book value per share. Each of these ratios are standardised in the context of their own history, and aggregated into the single measure with contributions reduced for those ratios that are outliers relative to the other ratios.

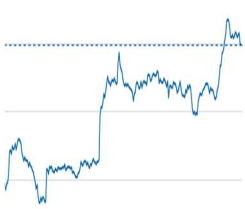
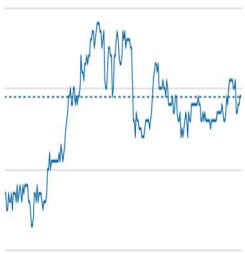
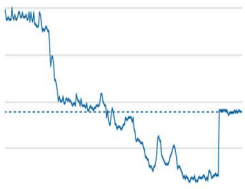
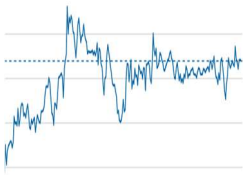
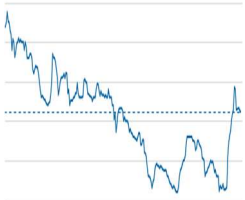
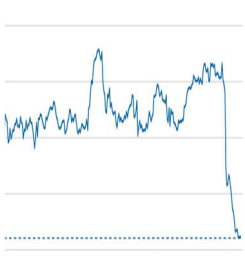
Current valuations are very stretched (overvalued) for the global and Australian equity markets, where both are at all-time highs over the last 20 years. The implications are that high expectations relative to history for growth and/or upward surprises in current expected underlying fundamentals (e.g. earnings), are now embedded in these market prices.

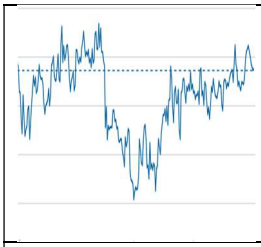
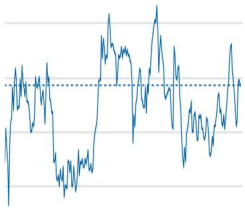
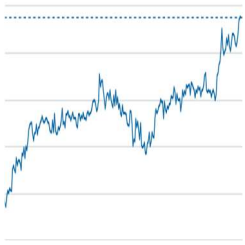
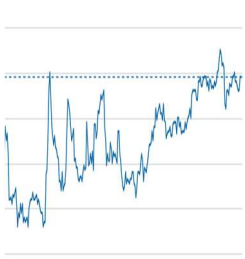
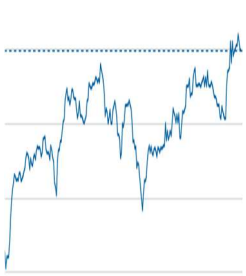
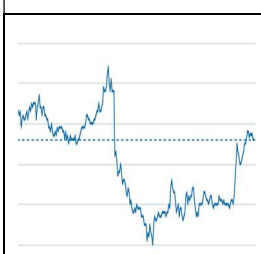
To some extent, these high expectations are justified, given the strong growth in AI related activity (especially for US markets), but there appears now little room for disappointment on these lofty expectations.

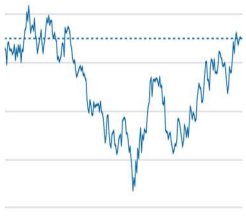
The valuation situation in New Zealand equities and listed property is much more subdued, reflecting a more sluggish macro-economic backdrop that has been in and out of recession over the past 18 months compared to more resilient economies offshore.

EQUITY MARKET VALUATION – standard deviations from historic averages



ALL GRAPHS ARE ONE YEAR		
	**A2 MILK COMPANY** Research: 18th August ATM announced a strong operating result broadly in line with Jarden expectation. Revenue +14% to $1.9bn on pcp (Jarden $1.9bn), with infant milk formula (IMF) revenues +10% to $1.3bn (Jarden $1.3bn). EBITDA +17% to $274m, margin 14.4% and NPAT +21% to $203m. Key operating highlights include: now #4 China IMF brand (from #5) with 8% value share (7.3% pcp), record China Label (CL) value share of 5.5% (4.7% pcp) and strong double-digit English Label (EL) sales growth continuing. Management also noted strong growth in stages 1 and 2, driven by successful new user recruitment. 2026 P/E: 31.5 2027 P/E: 27.3 2026 EPS: 28.3 2027 EPS: 32.7	NZX Code: **ATM** Share Price: **$9.60** 12mth Target: ↓ **$7.80** Projected return (%) Capital gain -18.8% Dividend yield (Net) 2.4% Total return **-16.4%** Rating: **NEUTRAL** 52-week price range: 5.22-10.85
	**AIR NEW ZEALAND** Research: 29th August Top end of FY25 guidance, but a very weak 2H result impacted by escalating engine issues. Reported NPBT of $189m was at the top end of AIR's $170m - $190m guidance range provided at its April trading update. The result was down 15% on the FY24 but significantly supported by compensation from engine manufacturers (+$129m) and unredeemed COVID credits booked to revenue ($35m). Stripping these out, as well as a modest gain on sale, AIR's underlying NPBT was $22m - down from $132m in the pcp. Earnings showed a deterioration in momentum with underlying NPBT of $48m in 1H25 before a loss of -$26m in the second half. The deterioration reflects fleet availability with an average of 7-8 aircraft grounded in 1H25 vs 10-11 grounded in 2H25. On the plus side, AIR estimated the full-year earnings impact of its engine issues to be ~$300m which, if added back to underlying NPBT, suggests FY25 earnings would have been closer to $325m (excluding COVID credits). 2026 P/E: 82.9 2027 P/E: 18.7 2026 EPS: 0.7 2027 EPS: 3.1	NZX Code: **AIR** Share Price: **$0.59** 12mth Target: **$0.59** Projected return (%) Capital gain 0.0% Dividend yield (Net) 4.2% Total return **4.2%** Rating: **NEUTRAL** 52-week price range: 0.51-0.65
	**COMVITA** Research: 20th August CVT continues to face market challenges as margins contract further to hold sales. FY25 group sales were down -4% y/y, led by ongoing declines in China (-11% y/y) which more than offset a +10% bounce in North America as CVT regained lost territory with Costco. While encouraging to see stabilisation in the top line - which is down -18% from the FY23 high - and protection of its market position, this has been achieved by greater participation in sector discounting as the market continues to suffer from commoditisation of the category. 2026 P/E: 90.2 2027 P/E: 8.5 2026 EPS: 0.8 2027 EPS: 8.8	NZX Code: **CVT** Share Price: **$0.76** 12mth Target: **$0.80** Projected return (%) Capital gain 5.3% Dividend yield (Net) 0.0% Total return **5.3%** Rating: **NEUTRAL** 52-week price range: 0.455-1.20
	**CONTACT ENERGY** Research15th September August opstats imply EBITDA of c.$90m (Jarden est. $87m), taking YTD EBITDA to c. $165m, or $182m when normalised for $17m of transaction and integration costs. This compares with c.$87m in August 2024 and c.$155m for the two months to August 2024, and reflects higher geothermal and hydro volumes, firm retail and C&I netbacks, and lower generation costs. Manawa contributed a further $15m in August and $25m YTD (post-acquisition on 11 July 2025). 2026 P/E: 28.3 2027 P/E: 26.7 2026 EPS: 31.5 2027 EPS: 33.4	NZX Code: **CEN** Share Price: **$9.16** 12mth Target: **$10.86** Projected return (%) Capital gain 18.2% Dividend yield (Net) 4.4% Total return **22.6%** Rating: **OVERWEIGHT** 52-week price range: 7.86-9.80
	**DELEGAT GROUP** Research: 29th August DGL delivered a better-than-expected result with an upgrade to FY26 guidance. DGL operating NPAT came in above the top end of guidance, with price increases and input costs helping offset margin challenges from the weak 2024 harvest. Cases sales fell -12% y/y, and while the lower harvest was always going to put pressure on sales, the decline was also driven by negative market movements, with retailers looking to destock inventory amid consumer pressures. DGL put through price increases in most markets at the beginning of the period which, alongside an FX tailwind, drove a better revenue outcome, down -7% y/y. 2026 P/E: 7.3 2027 P/E: 6.6 2026 EPS: 50.3 2027 EPS: 55.5	NZX Code: **DGL** Share Price: **$4.55** 12mth Target: ↓ **$6.10** Capital gain 34.1% Dividend yield (Net) 5.2% Total return **39.3%** Rating: **BUY** 52-week price range: 3.60-6.06
	**EBOS** Research: 27th August Solid execution, but growth expectations too high: FY25 uEBITDA at +7.5% to A$585m on pcp (ex CWA basis, attributed ~5.5% organic, ~2% M&A) ended up towards the bottom of end of the pre guidance range of A$575m (last updated Apr-25), whilst market expectations post the interim result and then SVS acquisition (Apr-25, with ~A$6m contribution) were towards the top end of around A$600m. From a management perspective, the result marked solid execution as the company rolled off the CWA contract in Community Pharmacy and captured growth in Institutional Healthcare and Animal Care. The key changes across the 2H and FY26 YTD were higher Community Pharmacy competition (post CWA move), softer discretionary spend in branded Animal Care (EBO share maintained) and to a lesser extent softer Hospital capital spend for ANZ Medical Technology. 2026 P/E: 27.4 2027 P/E: 24.1 2026 EPS: 129.6 2027 EPS: 147.2	NZX Code: **EBO** Share Price: **$29.86** 12mth Target: ↓ **$39.00** Capital gain 30.6% Dividend yield (Net) 2.6% Total return **33.2%** Rating: **OVERWEIGHT** 52-week price range: 28.73-42.55
	FISHER & PAYKEL HEALTHCARE Research: 23rd July	NZX Code: **FPH** Share Price: **$38.32** 12mth Target: **$34.50**

	FPH has provided an ASM trading update including 1H26 guidance. Key points are 1H26 revenue guidance +13% growth to ~NZ$1.075bn (1H25 +18% growth) 1H26 NPAT guidance +31% growth to ~NZ$200m (1H25 +43% growth). FY26 guidance unchanged at revenue NZ$2.15bn to NZ$2.25bn (Jarden NZ$2.27bn) and NPAT NZ$390m to NZ$440m (Jarden NZ$443m). Consensus also top end of range. US tariff impact included is now 75bp (was 50bps) for hospital products sourced from NZ. 2026 P/E: 48.6 2027 P/E: 42.7 2026 EPS: 75.4 2027 EPS: 85.8	Projected return (%) Capital gain -10.0% Dividend yield (Net) 1.4% Total return **-8.6%** Rating: **NEUTRAL** 52-week price range: 31.80-39.50
	**FLETCHER BUILDING** Research: 20th August FBU has announced its financial results: its revenues are down, its EBIT is down, its net loss has near-doubled to $419m. It's stopped paying dividends, cut back capital investment, and is restructuring, selling or shutting down under-performing business units. With its residential development revenues down 30%, it's starting a strategic review of the unit. And it's signalled "strategic cost out" – which likely means job losses – in its distribution business, which include PlaceMakers and Mico. Fletcher warns investors it's expecting subdued demand through the 2026 financial year, and its cost-cutting won't make much difference before 2027. 2025 P/E: 11.8 2026P/E: 15.5 2025 EPS: 24.5 2026 EPS: 19.2	NZX Code: **FBU** Share Price: **$3.14** 12mth Target: **$4.12** Projected return (%) Capital gain 31.2% Dividend yield (Net) 0.0% Total return **31.2%** Rating: **BUY** 52-week price range: 2.70-3.46
	**FREIGHTWAYS** Research: 20th August FY25 EBITDA up +9.6%: FRW delivered a solid result in a soft market, with normalised EBITDA up ~$22m to $251m (+9.6%). The result was modestly ahead of LSEG consensus ($246.2m), but -1.5% behind our forecast of $254.8m. Allied Express continues to perform very well, lifting volumes 11.6% through the period with solid momentum (1H/2H volume = +8.5% / +15.2%), and improving margins. The core NZ EP business was more subdued with volumes broadly flat (share gains vs same customer volumes down), but some margin improvement on pricing. The IM segment was mixed with pressure on margins driven by Waste Renewal. 2026 P/E: 22.0 2027 P/E: 19.3 2026 EPS: 53.4 2027 EPS: 60.7	NZX Code: **FRW** Share Price: **$13.39** 12mth Target: ↑ **$10.77** Projected return (%) Capital gain -19.6% Dividend yield (Net) 3.8% Total return **-15.8%** Rating: **UNDERWIGHT** 52-week price range: 8.69-13.39
	**GENESIS ENERGY** Research: 26th August GNE reported FY25 EBITDA of $454m (normalised $470m), up from $407m (normalised $413m) in the pcp, with the normalised outcome ahead of guidance ($460m). FY26 guidance was soft, with EBITDA forecast at $445m at the midpoint, c.$65-70m below consensus and Jarden estimates. Communication of the outlook could have been clearer, as most of the reduction is one-off in nature, explained by higher digital investment opex, a slower hydro start to the year, higher carbon pricing and elevated Kupe costs. A dividend of 14.3cps was declared, up from 14.0cps in the pcp and in line with guidance. 2026 P/E: 28.7 2027 P/E: 19.4 2026 EPS: 8.2 2027 EPS: 11.8	NZX Code: **GNE** Share Price: **$2.40** 12mth Target: ↓ **$2.93** Projected return (%) Capital gain 22.1% Dividend yield (Net) 6.3% Total return **28.4%** Rating: **BUY** 52-week price range: 2.05-2.47
	**HALLENSTEIN GLASSON** Research: 28th August HLG has maintained its positive momentum, pre-releasing impressive FY25 headline numbers. FY25 revenue of $470m is up +8.1% y/y, ahead of its 1H25 run-rate of +7.7% as its products continues to resonate well. HLG is clearly delivering well against a challenged consumer backdrop, in part helped by demographic exposures with other fashion retailers also delivering robust results including Universal which reported FY25 LfL (like-for-like) sales growth of +13% y/y. While Jarden doesn't have regional detail, they suspect the strong result - while led by Australia - likely implies robust sales growth in New Zealand, a region that has been particularly challenged for most listed retailers. HLG sales growth of c.+8.3% in 2H25 compares to industry growth rates of c +3.4% in Australia and c.-2.2%in New Zealand, indicating continued share growth. 2026 P/E: 12.3 2027 P/E: 10.3 2026 EPS: 70.6 2027 EPS: 78.3	NZX Code: **HLG** Share Price: **$8.76** 12mth Target: **$9.10** Projected return (%) Capital gain 7.1% Dividend yield (Net) 7.1% Total return **14.2%** Rating: **NEUTRAL** 52-week price range: 6.00-9.20
	**HEARTLAND GROUP HOLDINGS** Research: 1st September HGH delivered normalised NPAT of $46.9m vs guidance of "at least" $45m. After a series of downgrades primarily related to impairments, HGH reported a very poor 1H25 result, with a substantial lift in opex overtaking impairments as the key concern. The task Jarden saw for HGH in the second half was to demonstrate that it had gained control over opex and for no further surprises on impairments. HGH met essentially all of its targets provided at 1H25. Meeting these targets is a pleasing first step but HGH has some way to go to demonstrate it has put the business on a stable footing for sustainable growth. Opex remains our key concern, with guidance for a further ~$8m in FY26 - albeit partly growth related. 2026 P/E: 10.2 2027 P/E: 9.2 2026 EPS: 8.8 2027 EPS: 9.8	NZX Code: **HGH** Share Price: **$0.95** 12mth Target: **$1.15** Projected return (%) Capital gain 20.4% Dividend yield (Net) 6.0% Total return **26.4%** Rating: **NEUTRAL** 52-week price range: 0.70-1.15

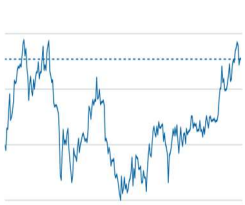


INFRATIL Research: 10th September

IFT's Investor Day reaffirmed its strategy of holding 3-4 scaled assets (c. 40% of portfolio) delivering c. 5% yields, alongside 7-10 higher growth platforms targeting 15%-20%+ IRRs. This framework is consistent with prior updates, with asset recycling supporting near-term capital needs. Longroad highlighted stronger-than-expected momentum from tax benefits and build rate, CDC reaffirmed a doubling of earnings by FY27, One NZ maintained steady margin expansion, while Gurin provided limited detail to build confidence that it can be a medium-term growth pillar. We maintain our Buy rating and NZ$14.79 target price.

2026 P/E: (67.4) 2027 P/E: 72.1 2026 EPS: (18.5) 2027 EPS: 17.3

NZX Code:	**IFT**
Share Price:	**$12.34**
12mth Target: ↑	**$14.79**
Projected return (%)	
Capital gain	19.9%
Dividend yield (Net)	1.7%
Total return	**21.6%**
Rating: **BUY**	
52-week price range: 9.13-13.34	

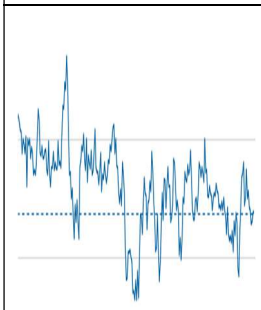


MERCURY NZ Research: 11th September

MCY reported FY25 EBITDAF of $786m, an outcome largely supported by trading gains and retail yield growth, offsetting weak hydro. The result was $114m below management's normalised expectation of $900m heading into the year. Looking ahead, FY26 EBITDAF guidance of $1.0bn is underpinned by c.300GWh stronger starting hydro storage, renewables commissioning, opex savings, and portfolio optimisation. On a normalised basis, guidance equates to $950m.

2026 P/E: (1.4) 2027 P/E: (1.8) 2026 EPS: 25.9 2027 EPS: 26.4

NZX Code:	**MCY**
Share Price:	**$6.49**
12mth Target: ↑	**$7.38**
Projected return (%)	
Capital gain	13.7%
Dividend yield (Net)	3.8%
Total return	**17.5%**
Rating: **OVERWEIGHT**	
52-week price range: 5.50-7.00	

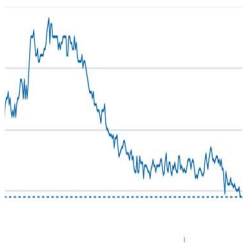


MERIDIAN ENERGY Research: 19th August

MEL reported FY25 EBITDAF of $786m, an outcome largely supported by trading gains and is starting to lap a tough pcp where expensive demand response and altered gas contracts had a meaningfully negative impact. August EBITDA is up $65m on the pcp at $92m, with the two months to date now up $75m at $180m. While early in the year, the company is on track to meet our EBITDA forecast of $1,090m for FY26 ($611m in pcp). The September 2024 EBITDA was negative $2m and October just $24m, so Jarden expects the month-on-month material beat of pcp to continue for a few months. MEL's generation in August 2025 was 22.1% higher than the pcp, and the two months to date is 15.6% higher than the same period last year. Without all the demand response, national electricity demand in August 2025 was 5.9% higher than August 2024.

2026 P/E: 2027 P/E: 2026 EPS: 2027 EPS:

NZX Code:	**MEL**
Share Price:	**$5.68**
12mth Target:	**$6.49**
Projected return (%)	
Capital gain	14.3%
Dividend yield (Net)	3.8%
Total return	**18.1%**
Rating: **OVERWEIGHT**	
52-week price range: 5.30-6.37	

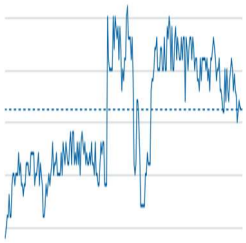


MICHAEL HILL INTERNATIONAL Research: 25th August

MHJ saw a positive sales shift in 2H25 and into FY26, though consumer activity is yet to show a meaningful turn. MHJ delivered broadly flat same-store sales (SSS) and gross margin in FY25 as sales growth rates in 2H25 improved across all regions, an encouraging sign, albeit off a low base. MHJ also provided a trading update for the first seven weeks of FY26 with group SSS up +3.2% y/y. Sales growth in Australia appears to have accelerated into FY26 (SSS +2.4%) while Canada remains strong (+6.8%) however New Zealand remains a laggard and decelerated again (down -3.2% y/y).

2026 P/E: 11.0 2027 P/E: 5.0 2026 EPS: 3.4 2027 EPS: 7.5

NZX Code:	**MHJ**
Share Price:	**$0.40**
12mth Target: ↓	**$0.75**
Projected return (%)	
Capital gain	87.5%
Dividend yield (Net)	4.3%
Total return	**93.8%**
Rating: **BUY**	
52-week price range: 0.39-0.69	

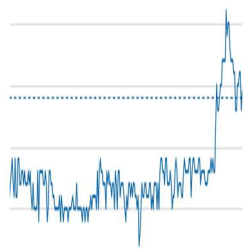


NZME Research: 26th August

NZM delivered FY25 post-IFRS 16 EBITDA guidance of $57-$59m vs. Jarden's ingoing expectation of $58.3m (downgraded to $57.7m post result). Strong action on cost-out announced at the recent AGM is a key factor supporting earnings growth in FY25E and while earnings are in line with expectations, Jarden has made downwards revisions in revenue that flows into our nearer-term forecast outlooks for digital subscriptions and OneRoof digital in particular, where momentum in key drivers came off in 1H25. Jarden forecasts for both of these key areas remain constructive longer term but they highlight that it will be important to see tangible signs of momentum return as the macro environment improves. The slowdown in digital subscriptions in the first six months of this year is a concern and it looks like yield is going to have to be used to keep growing this subscriber base into FY26E.

2026 P/E: 15.3 2027 P/E: 11.8 2026 EPS: 7.3 2027 EPS: 9.4

NZX Code:	**NZM**
Share Price:	**$1.09**
12mth Target:	**$1.20**
Projected return (%)	
Capital gain	10.1%
Dividend yield (Net)	7.8%
Total return	**17.9%**
Rating: **OVERWEIGHT**	
52-week price range: 0.05-0.185	

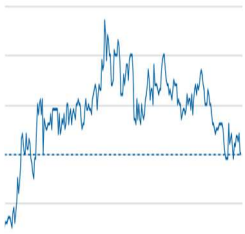


NZ RURAL LAND CO Research: 21st August

NZL reported a solid 1H25 result in line with expectations, particularly when allowing for one-off costs. The benefits of NZL's recent acquisitions at attractive yields are coming through, and 2H25E is to benefit from a 13.8% increase in the second tranche of dairy assets representing 18.2% of portfolio rental. Notwithstanding some dilution (a mix of growth funding and performance fees), AFFO per share has increased from 1.53c 1H23 to 1.94c 1H24 and 2.7c in 1H25. NZL completed a dairy asset trade up (+$290k net impact to NPI while also increasing asset quality) during the half and expects to settle the second tranche of their previous apple orchard in 2H25. AFFO guidance of $7.5-$8m is unchanged. With NZL generating $3.9m in 1H25 and the momentum noted above, this guidance looks very achievable and Jarden forecast for FY25 AFFO is $8.4m (from $8m). Gearing remains flat at just under 30%.

2026 P/E: 10.5 2027 P/E: 10.1 2026 EPS: 9.5 2027 EPS: 10.3

NZX Code:	**NZL**
Share Price:	**$0.98**
12mth Target: ↑	**$1.23**
Projected return (%)	
Capital gain	25.5%
Dividend yield (Net)	4.5%
Total return	**30.0%**
Rating: **OVERWEIGHT**	
52-week price range: 0.87-1.06	

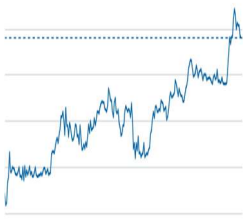


NZX Research: 22nd August

NZX delivered an in line 1H25 result with normalised EBITDA up 7.5% on pcp and suggesting NZX is tracking toward the mid full year guidance range of $49.0m - $54.0m (unchanged). Underlying NPAT growth of 5.8% was more muted largely resulting from the drag from associate earnings (-$1.0m vs -$0.2m in the pcp) as a result of expensed investment (now complete). NZX demonstrated good cost control with opex up 5% on the pcp, but down 1.6% on 2H24. While NZX is carrying net debt following recent acquisitions, Jarden continues to highlight their expectation for strong free cash flow generation over coming years (link), providing scope for a review of dividend policy settings. For context, Jarden forecasts see NZX reaching a net cash position around the end of FY28.

2026 P/E: 21.0 2027 P/E: 17.1 2026 EPS: 6.9 2027 EPS: 8.6

NZX Code:	**NZX**
Share Price:	**$1.39**
12mth Target: ↑	**$1.83**
Projected return (%)	
Capital gain	31.7%
Dividend yield (Net)	4.4%
Total return	**36.1%**
Rating: **OVERWEIGHT**	
52-week price range: 1.23-1.68	

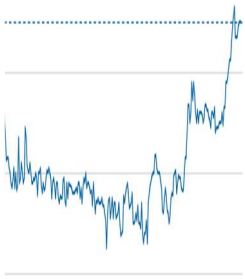


PORT OF TAURANGA Research: 29th August

FY25 adjusted NPAT of $126.0m, up 23% on the pcp and above the top end of guidance. Overall revenues up 11% vs FY24 on a 5.3% increase in container volumes and a 4.7% increase in total bulk cargo, highlighting the benefits of POT's tariff increases coming through in FY25 average pricing. Expect this dynamic to continue in FY26E with further shipping line contracts set to reset at higher rates. Container terminal revenue was 13% up on the pcp, supported by strong growth in higher margin reefers linked to kiwifruit (+48% in TEU). Bulk cargo revenues were up 8.9%, supported by coal imports, while logs were down after a very strong pcp (early harvest of wind-damaged trees). Cruise ship volumes were down 14% and look set to remain at lower levels for the next couple of years.

2026 P/E: 29.8 2027 P/E: 25.1 2026 EPS: 23.2 2027 EPS: 27.5

NZX Code:	**POT**
Share Price:	**$7.19**
12mth Target:	**$6.54**
Projected return (%)	
Capital gain	-9.0%
Dividend yield (Net)	2.9%
Total return	**-6.1%**
Rating: **NEUTRAL**	
52-week price range: 5.58-7.74	

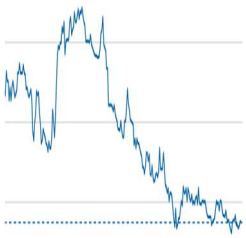


PROPERTY FOR INDUSTRY Research: 25th August

With PFI having made several positive announcements in the lead up, all that was left to digest was the operating result which was largely in line with expectations. PFI's portfolio continues to benefit from like-for-like rental growth of 1.7% (6.2% average uplift) and the under-renting gap now down to ~11.5% (FY24: ~16.2%). Jarden's updated long-term trends analysis highlights growth in operating cash flow and a well covered dividend to date. With a reduction in construction costs and interest rates (and likely tax boost benefits) PFI noted 'superior returns on capital' on their development projects targeting a yield of ~6.5% vs low-to-mid 5%s they say is more typical of market acquisitions more recently. The potential development pipeline now sits at ~$350m and with more confidence in execution, PFI appear to be more open to spec developments for faster kick-off.

2026 P/E: 19.0 2027 P/E: 17.6 2026 EPS: 12.19 2027 EPS: 13.1

NZX Code:	**PFI**
Share Price:	**$2.48**
12mth Target: ↑	**$2.46**
Projected return (%)	
Capital gain	-0.8%
Dividend yield (Net)	3.9%
Total return	**3.1%**
Rating: **NEUTRAL**	
52-week price range: 2.04-2.56	

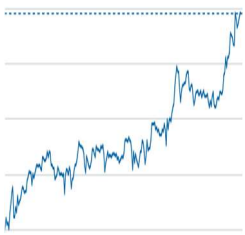


RESTAURANT BRANDS NZ Research: 26th August

It was a softer than expected result from RBD with modest sales growth largely a function of favourable currency movements. New Zealand and Australia both reported negative same store sales (SSS) growth, while New Zealand SSS turned negative for the first time since FY12 (excluding 2020). While consumer pressures are well understood, to date RBD's sales base had proven resilient, with the turn negative likely reflective of higher competition and promotional activity. Interestingly RBD indicated it achieved sales growth from both Pizza Hut and Taco Bell suggesting the SSS decline was likely greater within KFC, while Carl's Jr. Hawaii was a standout for sales growth with SSS up +5.5% y/y, however this was partially driven by extended hours as it cycles staffing shortages that began to ease from 1H24.

2026 P/E:12.4 2027 P/E: 9.8 2026 EPS: 23.4 2027 EPS: 29.6

NZX Code:	**RBD**
Share Price:	**$2.83**
12mth Target:	**$3.60**
Projected return (%)	
Capital gain	27.2%
Dividend yield (Net)	0.0%
Total return	**27.2%**
Rating: **NEUTRAL**	
52-week price range: 2.80-4.32	

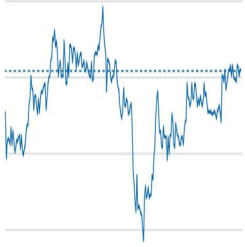


SCALES CORPORATION Research: 4th August

SCL delivered a strong 1H25 result with an upgrade to guidance as it illustrated operating leverage within Horticulture. Group Underlying EBITDA was up +43% y/y in 1H25, underpinned by Horticulture earnings which increased +77% y/y. Firstly, the apple harvest was c.+8% above the original December 2024 forecast volumes at high quality. While SCL benefited from favourable growing conditions, Jarden suspects underlying yields were also likely higher than expected, especially on orchards where the farming model had changed. If correct, this provides a source of possible upside to long-term Horticulture volume forecasts. Secondly, the interim EBITDA margin recovered in line with historic levels, providing a level of confidence in medium-term margins as volumes recover and operating leverage appears.

2026 P/E: 14.1 2027 P/E: 13.9 2026 EPS: 34.9 2027 EPS: 35.2

NZX Code:	**SCL**
Share Price:	**$5.33**
12mth Target: ↑	**$5.10**
Projected return (%)	
Capital gain	-4.3%
Dividend yield (Net)	4.3%
Total return	**0.0%**
Rating: **OVERWEIGHT**	
52-week price range: 3.45-5.50	

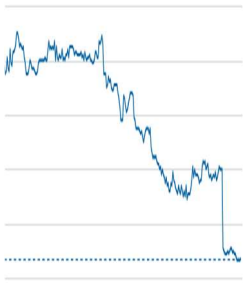


SKELLERUP HOLDINGS Research: 22nd August

SKL continues to illustrate its resilience, delivering +9% NPAT growth despite cyclical and geopolitical challenges. A recovery in Agri division volumes was the key driver of earnings, with a combination of operating leverage and further productivity gains supporting margin expansion and offsetting the more challenged footwear product. Encouragingly, new product launches are being well received with on-farm trials underway in international markets likely to see growth accelerate in the segment. Industrial growth was more muted, though success in potable water, wastewater, and solar roofing applications offsetting weakness in construction and modest hygiene expansion. Opportunities continue to exist with new OEM products launching, normalisation of hygiene customer volumes expected in 2Q26, and ongoing infrastructure demand growth. While recent performance has illustrated resilience of the business through cyclical challenges, the health of end market demand, particularly in North America as tariff impacts wash through, remains a question. In our view, broad-based nature of the business should provide a strong platform for growth and navigation of specific end application challenges.

2026 P/E: 17.4 2027 P/E: 15.8 2026 EPS: 28.8 2027 EPS: 31.6

NZX Code:	**SKL**
Share Price:	**$5.01**
12mth Target:	**$5.25**
Projected return (%)	
Capital gain	4.8%
Dividend yield (Net)	5.1%
Total return	**9.9%**
Rating:	**OVERWEIGHT**
52-week price range:	3.91-5.49

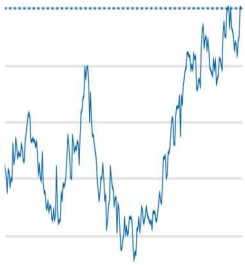


SKY CITY ENTERTAINMENT Research: 16th September

Jarden resumes coverage of SKC with a 12-month TP of 95c (down from $1.75) and Overweight rating. The material decline in their TP is broadly attributed ~40c to lower cashflow track, which reflects a more difficult bottom of economic cycle environment and a more conservative longer-term recovery profile; and ~40c to the dilutive nature of an emergency equity raising ($240m at 70c) due to concerns the company would likely breach 1H26 leverage ratio covenants for its USPP debt issuance (FY25 $446m drawn). SKC remains difficult (momentum-wise) but Jarden retains a positive investment case on valuation grounds, acknowledging further investor patience is required for the potential Adelaide CBS fine to be concluded (we assume A$50m in FY26), the NZ economic cycle to improve and additional earnings to emerge as NZICC opens in Feb-26..

2026 P/E: 19.5 2027 P/E: 13.8 20266 EPS: 3.4 2027 EPS: 4.8

NZX Code:	**SKC**
Share Price:	**$0.67**
12mth Target:	**$0.95**
Projected return (%)	
Capital gain	43.9%
Dividend yield (Net)	0.0%
Total return	**43.9%**
Rating:	**OVERWEIGHT**
52-week price range:	2.31-3.17

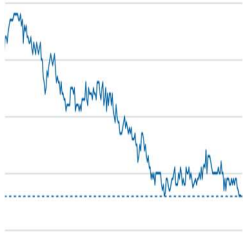


SKY NETWORK TELEVISION Research: 25th August

SKT has delivered on rugby cost rebasing - factored in but still a major milestone. While the structuring of the deal sees a bit more of the benefit flow in FY27E than FY26E, SKT has reset the rugby rights cost back down and in line with Jarden expectations. This is a major milestone with SKT retaining all key rights. The combination of the rugby timing benefit and SKT increasing opex a touch in FY26 (investment in marketing) mean midpoint FY26 EBITDA guidance came in at $152m vs. Jarden's ingoing $159m. Their revised FY26E EBITDA is $153m, with FY27E at $155m from $160m previously. SKT is set to deliver on a number of elements of its three-year strategy to FY26E (dividend at 30cps; programming at 47-49% revenue - and with SKT bringing key rights back into the tent; capex 7-9% revenue). With rugby rebased, SKT should also deliver broadly stable EBITDA over the FY23-FY27E period (FY25 a low point). While we accept economic challenges are a factor, the key area of disappointment has been revenue (particularly with low margin broadband growth stripped out). In addition, and reflecting the mix, they expect EBITDA margin will be at the low end of the target range of 21-23%.

2026 P/E: 9.9 2027 P/E: 9.0 20266 EPS: 30.1 2027 EPS: 33.0

NZX Code:	**SKT**
Share Price:	**$3.10**
12mth Target:	**$3.15**
Projected return (%)	
Capital gain	1.6%
Dividend yield (Net)	9.6%
Total return	**11.2%**
Rating:	**OVERWEIGHT**
52-week price range:	2.31-3.26

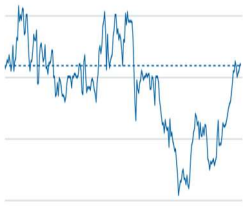


STEEL & TUBE HOLDINGS Research: 27th August

VSL signed a conditional sale and purchase agreement to acquire 100% of Roofing Industries Limited, a leading supplier of roll-formed roof and cladding products in New Zealand, for $88m. VSL also announced an accelerated renounceable entitlement offer to raise approximately A$87.1m (c.NZ$96.3m) through the issue of 14.6m new shares at A$5.95 each, representing a 9.0% discount to the theoretical ex-rights price (TERP) of A$6.53. As the transaction remains subject to conditions, Jarden does not yet include it in their forecasts.

2026 P/E: 30.6 2027 P/E: 11.9 20266 EPS: 23.6 2027 EPS: 60.3

Code:	**STU**
Share Price:	**$0.65**
12mth Target:	**$0.90**
Projected return (%)	
Capital gain	37.4%
Dividend yield (Net)	0.0%
Total return	**37.4%**
Rating:	**OVERWEIGHT**
52-week price range:	0.65-0.99



VULCAN STEEL Research: 25th August

STU reported normalised FY25 EBITDA of $2.1m (Jarden est $4.8m), down from $35.8m in the pcp. Sales revenue declined 20%, driven by a 12% drop in volumes. The company noted some activity lift in 2H25 and expects this to improve through FY26. Including a full 12-month contribution from the Perry acquisition (incremental c.$12m), Jarden forecasts FY26 normalised EBITDA of $24m. Risk remains with elevated debt and no sustained evidence of cycle recovery yet.

2026 P/E: (13.3) 2027 P/E: 29.6 20266 EPS: (5.3) 2027 EPS: 2.4

NZX Code:	**VSL**
Share Price:	**$8.12**
12mth Target:	↑ **$7.60**
Projected return (%)	
Capital gain	-6.4%
Dividend yield (Net)	2.0%
Total return	**-4.4%**
Rating:	**OVERWEIGHT**
52-week price range:	5.82-9.14

JARDEN'S NEW ZEALAND EQUITIES WATCH LIST

AS AT 18TH SEPTEMBER 2025

NEW ZEALAND EQUITY WATCH LIST as at 18-Sept-2025		Jarden Rating	18-Sept Price	Monthly % Change	Annual % Change	12-month Target Price
AIA	Auckland International Airport	N	7.70	1.45%	5.42%	7.81
ATM	A2 Milk Company	N	9.71	9.78%	73.66%	7.80
CEN	Contact Energy	O	9.20	4.51%	17.58%	10.86
CHI	Channel Infrastructure	N	2.44	17.65%	52.69%	2.15
CNU	Chorus	U	9.44	4.95%	10.78%	8.44
EBO	Ebos Group	O	28.62	-27.37%	-18.89%	39.00
FBU	Fletcher Building	B	3.16	0.64%	16.45%	4.15
FPH	Fisher & Paykel Healthcare	N	37.48	0.11%	0.77%	34.50
FRW	Freightways	U	12.80	11.25%	45.03%	10.77
HGH	Heartland Group	N	0.97	22.88%	-0.62%	1.15
IFT	Infratil	B	12.11	-0.78%	1.39%	14.79
MCY	Mercury	O	6.65	6.75%	17.47%	7.38
MEL	Meridian Energy	O	5.63	3.30%	-3.60%	6.49
MFT	Mainfreight	O	62.61	5.40%	-9.87%	70.00
NZX	NZX	O	1.40	-1.69%	17.58%	1.83
OCA	Oceania Healthcare	N	0.67	0.00%	-16.25%	0.73
POT	Port of Tauranga	N	7.30	6.83%	34.09%	6.54
RYM	Ryman Healthcare	O	2.48	2.48%	-39.93%	2.51
SCL	Scales Corporation	O	5.41	15.85%	56.71%	5.10
SKC	Sky City Entertainment Group	O	0.66	-29.28%	-48.24%	0.95
SKL	Skellerup	O	5.02	4.37%	11.79%	5.25
SPK	Spark	O	2.35	-1.86%	-13.87%	2.82
SUM	Summerset Group Holdings	N	10.95	3.41%	-3.52%	11.32
THL	Tourism Holdings	RESTRICT	2.59	18.79%	39.59%	RESTRICT
SUM	Vector	O	4.60	4.38%	31.64%	4.79

JARDEN'S AUSTRALIAN EQUITIES WATCH LIST

AS AT 18TH SEPTEMBER 2025

AUSTRALIAN EQUITY WATCH LIST as at 18-Sept-2025		Jarden Rating	18-Sept Price (A$)	Monthly % Change	Annual % Change	Target Price (A$)
ALL.AU	Aristocrat Leisure	O	68.42	-3.05%	21.68%	69.00
ALQ.AU	ALS	N	19.63	5.65%	34.37%	14.60
ANZ.AU	ANZ Banking Group	O	32.86	0.89%	11.44%	30.00
BHP.AU	BHP Billiton*	N	39.97	-1.51%	6.32%	42.66
CBA.AU	Commonwealth Bank of Australia	N	164.33	-1.99%	18.04%	100.00
CSL.AU	CSL	O	198.34	-26.04%	-31.52%	298.13
CWY.AU	Cleanaway Waste Management	O	2.74	-2.75%	-1.65%	3.20
IGO.AU	IGO	N	4.80	-11.93%	-5.51%	4.84
JHX.AU	James Hardie Industries	N	28.84	-36.55%	-46.11%	38.00
MQG.AU	Macquarie Group*	O	223.42	2.85%	0.36%	200.00
NAB.AU	National Australia Bank	N	43.36	7.78%	15.08%	29.00
NXT.AU	NEXTDC*	O	17.99	24.33%	6.89%	20.72
QBE.AU	QBE Insurance Group	B	20.23	-5.12%	26.49%	23.90
RHC.AU	Ramsay Health Care	B	32.95	-14.29%	-16.39%	43.64
RIO.AU	Rio Tinto*	N	115.54	1.98%	10.81%	120.19
RMD.AU	Resmed	O	40.94	-6.53%	13.92%	44.62
S32.AU	South32*	N	2.58	-11.95%	-17.00%	3.23
SEK.AU	Seek	B	28.89	13.47%	27.75%	30.00
TCL.AU	Transurban Group	N	14.14	0.64%	7.01%	13.60
TLS.AU	Telstra Group	B	4.88	0.91%	26.32%	4.80
WDS.AU	Woodside Energy	O	23.06	-11.56%	1.36%	26.10
WES.AU	Wesfarmers	N	92.47	3.55%	34.30%	73.40
WOR.AU	Worley*	O	13.98	7.91%	-0.87%	17.43
WOW.AU	Woolworths	O	27.49	-13.84%	-19.52%	30.10
XRO.AU	Xero	O	160.28	-4.96%	8.41%	207.00

Note: Prices shown in local currency *Target price reflects consensus Source: Thomson Reuters, JBWere

JARDEN'S GLOBAL EQUITY WATCH LIST AS AT 17TH SEPTEMBER 2025

GLOBAL EQUITY WATCH LIST as at 17-Sept-2025		17-Sept Price	Monthly % Change	Annual % Change	12-month Target
700.HK	Tencent Holdings	661.50	11.74%	74.08%	686.24
AAPL.US	Apple	238.99	3.20%	10.24%	243.48
AMZN.US	Amazon	231.62	0.26%	23.94%	263.47
APH.US	Amphenol	118.41	8.42%	85.04%	116.96
APO.US	Apollo Global Management	138.82	-0.41%	17.85%	165.27
ASML.NA	ASML	737.00	15.75%	1.52%	750.76
AXP.US	American Express	336.00	9.99%	26.60%	319.10
BRK/B.US	Berkshire Hathaway	492.33	3.17%	7.81%	541.00
CBOE.US	CBOE	236.96	-4.31%	10.91%	248.43
COP.US	ConocoPhillips	93.82	-1.58%	-13.36%	116.52
GOOGL.U	Alphabet	249.53	22.38%	56.62%	232.71
IBE.EU	Iberdrola	15.55	-4.57%	18.29%	16.63
JPM.US	JPMorgan	311.75	7.32%	48.98%	305.37
LLY.US	Eli Lilly	760.13	8.40%	-16.12%	886.56
LULU.US	Lululemon	163.48	-17.63%	-39.09%	209.78
MA.US	MasterCard	598.63	2.91%	19.49%	641.65
MC.FR	LVMH	511.30	7.39%	-15.86%	554.42
MSFT.US	Microsoft	510.02	-1.95%	17.21%	605.21
NVDA.US	NVIDIA	170.29	-5.63%	47.32%	212.77
OR.FR	L'oreal	377.15	-4.01%	2.39%	387.87
ORCL.US	Oracle	301.41	21.40%	79.98%	330.38
SU.FP	Schneider Electric	226.95	2.88%	-1.48%	257.10
TSLA.US	Tesla	425.86	28.83%	86.89%	312.09
UNH.US	United Health	341.61	12.37%	-40.89%	337.67
WMT.US	Walmart	104.27	4.27%	32.66%	113.06
Source: Thomson Reuters, JB Were		Target Prices reflect consensus			

JARDEN'S INVESTMENT TRUST WATCH LIST AS AT 17TH SEPTEMBER 2025

Ticker	INVESTMENT TRUST WATCH LIST as at 17-Sept-2025	Price £	Annual % Change
ATR	Schroder Asian Total Return	5.24	14.41%
BGFD	Baillie Gifford Japan Trust	9.27	27.51%
BNKR	Bankers Inv. Trust	1.27	13.04%
BRWM	Blackrock World Mining	6.08	22.46%
CTY	City of London Investment Trust	4.99	12.91%
IAD	Asia Dragon Trust	3.99	26.67%
ESCT	Euro Small Comp. Trust	2.12	21.42%
FCIT	F&C Investment Trust	11.70	14.04%
GSCT	Global Smaller Companies Trust	1.68	1.58%
HVPE	HarbourVest Global Private Eq.	28.30	20.68%
JAM	JPM American	10.76	9.35%
JEDT	JPMorgan Eur Discorvery Trust	5.73	22.83%

Ticker		Price £	Annual % Change
JEGI	JPM European Inv. Trust	1.28	24.27%
JFJ	JPMorgan Japanese	6.86	28.46%
JGGI	JPM Global Growth	5.61	2.00%
MIDW	Mid Wynd International	7.60	-3.80%
MNKS	Monks ITC	14.34	24.05%
NAIT	Nth American Inc. Trust	3.46	10.74%
PCT	Polar Cap Tech	4.21	43.20%
RCP	RIT Cap Partners	20.10	9.60%
SDP	Schroder Asia Pacific	6.42	23.94%
SMT	Scottish Mortgage Trust	11.12	35.35%
TEM	Templeton Emerg.	2.13	34.81%
WWH	Worldwide Health	3.26	-9.19%

JARDEN'S FIXED INTEREST BONDS

AS AT 18TH SEPTEMBER 2025

Ticker	SECURITY	Credit Rating	Coupon Rate	Yield	Monthly Change	Maturity
AIA240	Auckland Airport	A-	3.29%	3.19	0.43	17-Nov-26
TRP100	Transpower NZ	AA	4.63%	3.15	0.59	16-Sept-27
CNU030	Chorus Limited	BBB	1.98%	3.46	0.92	2-Dec-27
IFT310	Infratil	Not rated	3.60%	5.24	0.80	15-Dec-27
ANB180	ANZ Bank New Zealand	AA-	5.22%	3.24	0.69	16-Feb-28
FBI220	Fletcher Building Industries	Not rated	6.50%	6.67	1.10	15-Mar-28
KPG050	Kiwi Property Group	BBB+	2.85%	4.08	1.00	19-Jul-28
SBS020	Southland Building Society	BBB+	6.14%	3.92	1.13	7-Mar-29
FCG060	Fonterra Co-Operative	A-	4.60%	3.85	1.29	8-Nov-29
SUM050	Summerset Group Holdings	Not rated	6.43%	4.65	1.25	8-Mar-30
MEL070	Meridian Energy	BBB+	5.40%	3.87	1.54	23-Mar-30
LGF170	NZ Local Govt Funding Agency	AAA	4.50%	3.64	1.52	15-May-30
LGF140	NZ Local Govt Funding Agency	AAA	2.25%	3.93	1.65	15-May-31
SPF600	Spark Finance	A-	5.45%	4.10	1.37	18-Sept-31
HYBRID	**SECURITY**	**Credit Rating**	**Coupon Rate**	**Price/ Yield**	**Monthly Change**	**Reset**
ANB170	ANZ Bank Subordinated Notes	A	3.00%	98.64	-0.16	17-Sept-26
IFTHA	Infratil Perpetual Infrastructure B	Not rated	5.51%	68.62	3.34	1-yr swap rate
KWB1T2	Kiwibank Subordinated Notes	BBB	2.36%	101.76	0.38	12-May-28
VCT110	Vector Perpetual Capital Bonds	BB+	6.40%	102.06	0.14	15-Jun-27
WNZHA	Westpac Perpetual Preference Sh	BBB+	7.10%	104.22	0.96	-

LIMITATIONS AND DISCLAIMER