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INVESTMENT STRATEGIES

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Authorised by AJ von Dadelssen, 115 Fourth Avenue, Tauranga

November 2022



VERSUS



WEBSITE:

vond.co.nz

SENATE CONTROL ON A KNIFE'S EDGE

US Midterm election is very close, with Republicans making gains, but not much. The Trump effect may have been a negative factor, and the anti-abortion stance of Republican's was also very negative for them. That said, Biden still looks weakened.

LABOUR IS STILL NOT LISTENING

Despite overwhelming disapproval for the 3 Waters legislation, this (most transparent – Ardern's words) Labour Government seems determined to push ahead with this legislation. What's more, on top of the \$70m that Labour has syphoned off (stolen) from the Covid Recovery Fund to fund consultants working on these reforms, they have now acknowledged that have just spent another \$2.1m to lease prime office space in Auckland for these same bureaucrats and consultants. That is on top of 14.6m to increase iwi/Maori understanding of the 3 Waters changes, and \$21m of policy & communication work.

Ardern and Robertson just don't get it, and Labour is rapidly destroying any chance of improving racial unrest. We are an ever increasingly devious society, and god help us if we can't change Government next year.

EDUCATION OF OUR YOUTH

For me, even worse is the continued deterioration of our education system. Youth truancy is an epidemic, and unless we address this immediately, it will send New Zealand into (an Argentina styled) third world basket case economy.

HUGE THANKS

A huge thanks to those that voted for me to continue to represent Tauranga City on our Regional Council for another 3 more years. It is a privilege to represent you.

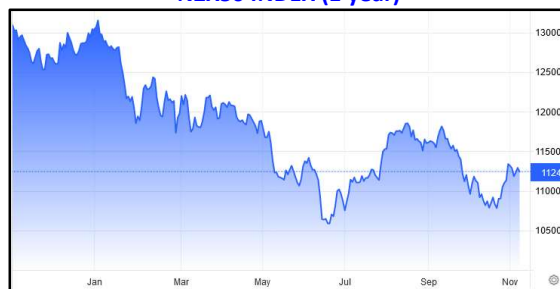
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STATISTICS NZ DATA

Estimated population at 4-November-2022 ↓	5,131,335
Estimated population at 1-August-2022	5,158,489
Fertility Rate (births per woman)	1.69
Births 30-Jun-22 year ↓	60,009
Deaths 30-Jun-22 year ↑	36,726
Natural Increases (Births minus Deaths) June year	23,283
Net Migration July-22 yr (NZ citiz -8300; non-NZ -4100)	-12,383
Annual GDP Growth June-22 year	1%
Quarterly GDP June-22 quarter	1.7%
Inflation Rate (CPI) Sept-22 year (7.3% in Jun yr)	7.2%
Debt per person (public+private) 2022 (↑9%yoy)	\$140,861
Minimum wage from 1-Apr-22 (+\$48/week)	\$21.20
Living wage 1-Sept-22	\$22.75
Annual Wage Inflation Sept-22 Year ↑ (3.4% in Jun yr)	3.7%
Wages average per hour Sept-22 qtr (↑7.4% yoy)	\$37.86
Employment rate Sept-22 qtr (↑0.8% since Jun-22)	68.5%
Unemployment Sept-22 year n/c	3.3%
Underutilisation rate Sept-22 qtr	9.0%
Beneficiaries (Job seeker/Solo/Supported living)	348,339
(11.1% of working-age population – up 2.2%, as at 31-Mar-22)	
Size of Māori Economy 2020 (2013: \$42bn)	\$70 bn
Size of NZ Economy Oct-22 year	\$359.52 bn

NZX50 INDEX (1 year)



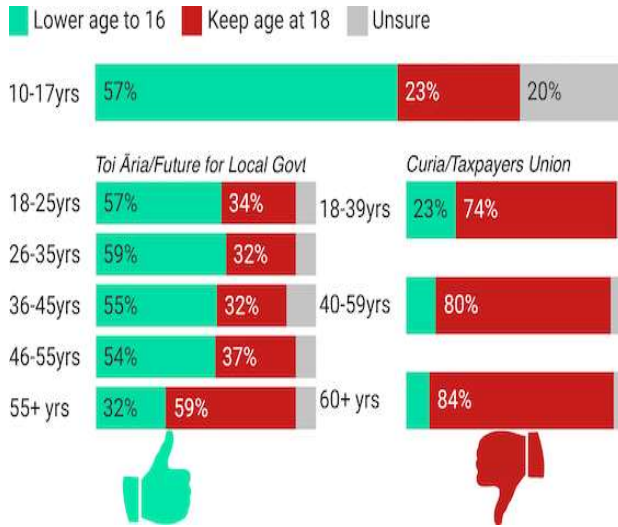
LOCAL ISSUES

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

LOWERING THE VOTING AGE: COMPARE THESE POLLS

HOW CAN THEY BE SO CONTRASTING?

SOURCE: Newsroom Pro, 28-Oct22



The Make It 16 campaign comes one step closer to realisation, with a recommendation from a government-commissioned Future for Local Government draft report to lower the voting age in council elections.

As with NZ's ground-breaking 1893 decision to give women the vote, there is opposition from those who are already enfranchised. Many men opposed women getting the vote; similarly, many older voters oppose extending it to 16- and 17-year-olds.

A Curia Market Research poll of 1,000 eligible voters, published today by the Taxpayers Union and Auckland

Ratepayers' Alliance, finds that 79% oppose lowering the voting age.

These two polls show the bias that pollsters can influence the outcome of any poll. It all depends on the actual questions asked. This is typical "Labour government spin" and needs to be discredited for the ridiculous outcome that they got.

I, for one, never found a single 45+ aged voter who wanted the voting age to be lowered any further.

LOCAL GOVERNMENT ELECTION RESULT

3.53 million NZers have a new mayor. Many have starkly different councils, too, reflecting an appetite for change. But what will that change look like? A survey of 223 newly-elected mayors and councillors reveals how difficult it will be for them to make progress with central government on three key areas: transport, housing and Three Waters reforms.

The Local Government election win for centre-right mayors doesn't seal the deal for National at next year's general election. But it does send a big wake-up call to Labour. It's been a long and miserable winter for many in New Zealand dealing with the Covid hangover, a cost-of-living crisis and gloomy economic forecasts ahead.

Jacinda Ardern left it until the final days to publicly endorse Efeso Collins and Paul Eagle. She could have simply said nothing at all. Now, Labour needs to work out exactly what it's selling to the electorate if it wants to avoid its own defeat of Eagle-sized proportions.

UNDERSTANDING THREE WATERS

Dereck Simpson

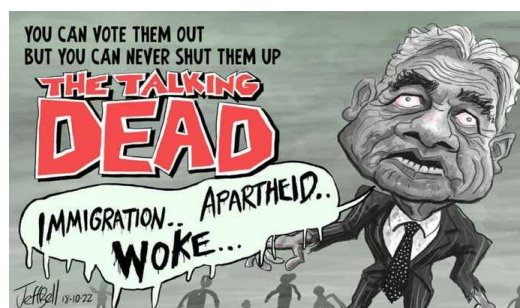
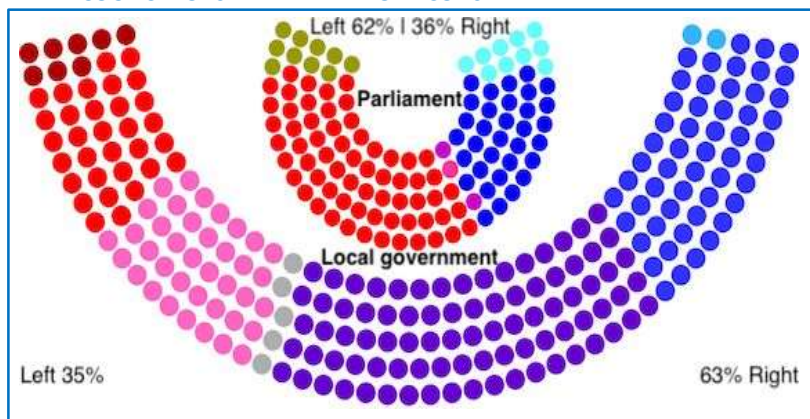
3 Waters simply explained

I was explaining it to someone today in very simple terms:

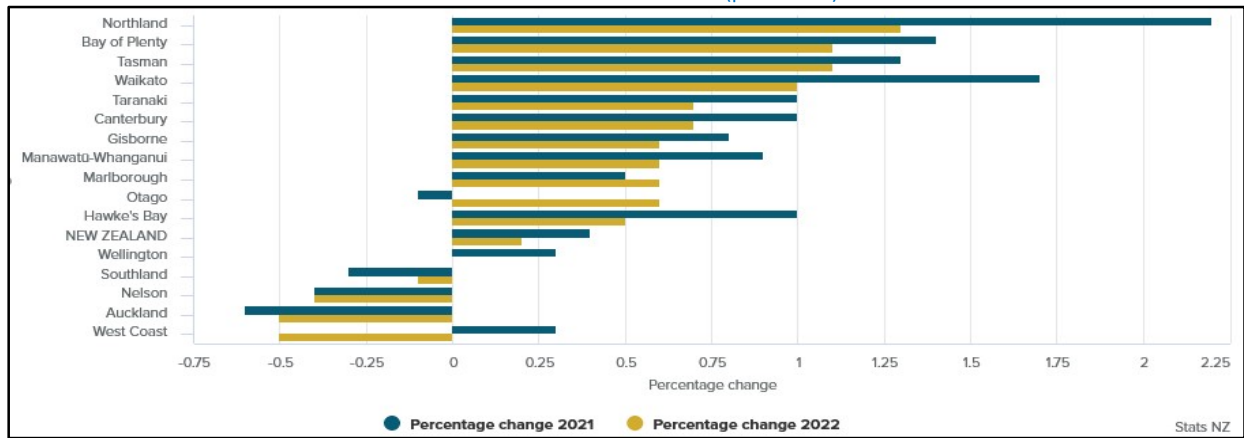
- You have an asset that you and your family has spent decades paying for
- You pay a small fee each year to pay for the upkeep of the asset to be able to use it
- Someone comes and tells you that they will buy your asset for 10% of its value but you will still be able to use it
- They tell you that they will pay you in 3 years the 10% value of the asset
- They then tell you they are going to borrow the funds to pay you in 3 years but you are going to have to pay them for the loan, the interest and the team of people they will put in place to manage the asset because you are going to use it. So in short you are paying for your asset twice
- They also point out that they are going to have to charge you 10x the amount you paid each year for the upkeep of your asset
- They are going to give away half of the asset to someone else who has the ability to change the outcome to suit their own agenda which inevitably is going to cost you more money.....

And they tell us this is a really good idea and totally for your benefit.....

NEW COUNCILLORS MARKEDLY MORE CONSERVATIVE THAN PARLIAMENT



POPULATION GROWTH RATE BY REGION
YEAR ENDED JUNE 2021 & 2022 (provisional)



Year at 30 June	2019	2020	2021	2022
Tauranga city	146,800	153,000	156,100	158,300
Western Bay of Plenty district	54,400	57,000	58,500	59,700
Rotorua district	75,700	77,100	76,900	76,800
Whakatane district	37,500	38,000	38,200	38,300
Kawerau district	7,550	7,620	7,690	7,760
Opotiki district	9,950	10,250	10,400	10,500
Major Metros				
Auckland	1,681,300	1,714,200	1,704,100	1,695,200
Wellington city	212,900	216,500	215,400	213,100
Christchurch city	387,200	391,600	390,000	389,300
Hamilton city	172,500	177,400	179,100	179,900

BAY OF PLENTY GROWTH REMAINS STRONG

Growth in the Bay of Plenty remains strong, with Western Bay growing 2.1% in the 2022 June year. Tauranga City grew 1.4%, and only Rotorua continued to buck the trend, being down 0.1% in 2022.

My issue is that we need sustainable growth, and that means genuine Central Government investment into transport corridors, so that congestion is alleviated. It also means the inclusion of more greenspace, so that the attributes brought us all to Tauranga are not lost.

Growth for growth's sake just makes developers wealthy, while our city residents don't gain any benefit.

GARRY MOORE

Garry is a former Labour aligned Mayor of Christchurch City (1998 -2007)

This government has got cloth ears. They just don't want to listen. Having beaten local government around for years, central government has turned LGNZ into a patsy. As a former LGNZ board member I have been appalled at their ineptitude and their willingness to become central government's lackey on all sorts of issues.

After announcing a number of "initiatives" over their terms in office which had basically garrotted local government, the government cynically attempted to demonstrate some good faith and set up a commission to look at the sector. It really was a prime example of closing the gate after the horse had bolted.

I know a number of people on the review commission. There are some very good people there. In Christchurch, we will take an active interest in their report.

At the end of the day, the Department of Internal Affairs will once again demonstrate the fact that it is a weak outfit. The worst Minister of Local Government I can remember will then rubbish the sector once again. Nothing substantial will change.

SEA LEVEL RISE IN NZ IN THE LAST 20 YEARS

SOURCE: Kiwiblog, 17-Oct22

Some interesting [data at Stats NZ](#) about sea level rise in New Zealand. It is current up to 2020. The increase in mm between 2000 and 2020 in each site is:

- Auckland 25 mm or 1.3 mm/year
- Moturiki (Mount) 8 mm or 0.4 mm/year
- New Plymouth 10 mm or 0.5 mm/year
- Wellington 30 mm or 1.5 mm/year
- Lyttleton 53 mm or 2.7 mm/year
- Dunedin 12 mm or 0.6 mm/year

Not quite Noah's Ark is it!

There is sea level rise, but it is not an existential threat in any sense. Yes, it is projected to increase but for over 30 years now the rise has in fact been quite modest.

OUR POLITICAL CLIMATE



This photo, taken recently at the opening of WOW in Wellington, sums up our woke Prime Minister beautifully.

Jacinda's kind heart isn't shared by many in her Cabinet. The clearly racist comments of both Willie Jackson and Kelvin Davis (in the House) indicate the pressure that Labour is under.

Ardern needs to put Jackson and Davis back into their boxes, if Labour is to have any chance in the 2023 Election.

Likewise, Robertson will also need to show a better understanding of what is really going on with the New Zealand economy (and in particular middle NZ hard workers) if he is to offer any hope of victory.

MĀORI PARTY ALSO PLAYS THE RACIST CARD

Māori Party President John Tamihere is calling an investigation into his charities political donations racist.

The Charities Services is investigating Tamihere in relation to two donations made by National Urban Māori Authority and Te Whānau o Waipareira, of which Tamihere is also chief executive.

Tamihere said they disclosed everything in audited financial statements and that there was no cover up or attempt to be dishonest.

"It is a sad day for democracy in Aotearoa when Māori get demonised for being honest in publicly ensuring that every cent spent to advance the Te Pāti Māori, or Māori causes by Māori people is somehow deemed illegal or unworthy." ...

Tamihere said should the Charities Commission find against them, they would litigate this because he said they had a right to overtly and openly stand up in a free democracy.

What Tamihere doesn't seem to understand is that you can be a charity or be a political party, but you can't be both. This has nothing to do with race. It is about charities only being able to spend money on charitable purposes.

LATEST POLITICAL POLLS

NEWSHUB - REID RESEARCH POLL - November 2022					
	Vote		Change*	Seats	Change**
National	40.7%	↑	0.2%	52	19
Labour	32.3%	↓	(5.9%)	41	(24)
Act	10.0%	↑	3.6%	13	3
Green	9.5%	↑	1.1%	12	2
māori	1.9%	↓	(0.6%)	2	nc
NZ First	3.3%	↑	1.6%	-	nc
Top	1.2%	↑	0.3%	-	nc

* Change from May ** Change since election

Polling Period: 25th October to 3rd November 2022

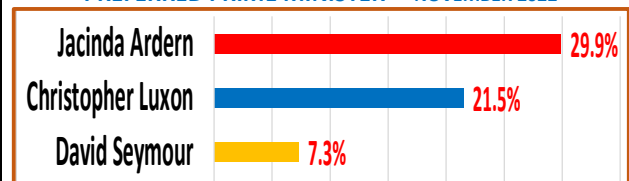
Labour has dropped a whopping 5.9%, down to 32.3% - its lowest result since Jacinda Ardern took the helm of the Labour Party in 2017. National has kept its head above 40%, but only just. It's up 0.2% to 40.7%.

ACT, meanwhile, has regathered some steam at 10%, up 3.6%. The Greens have sprung up 1.1% to 9.5%.

It means the left and right blocs are now poles apart. National and ACT together are on 50.7% while Labour and the Greens trail back on 41.8%.

Te Pāti Māori has dropped back to 1.9%, down 0.6%, and The Opportunities Party is just below them on 1.2%, up 0.3%. But look who is back on the rise - New Zealand First has doubled its support to 3.3%, up 1.6%.

PREFERRED PRIME MINISTER NOVEMBER 2022



Ardern has suffered a 6.4% drop in the Preferred Prime Minister rankings, hugely down from previous levels in the mid-fifties.

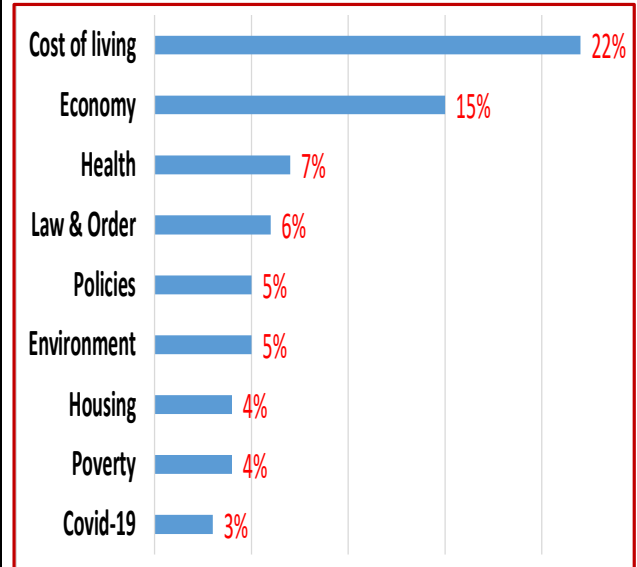
CURIA/TAXPAYERS' UNION OCTOBER 2022 POLL				
	Vote	Change*	Seats	Change**
National	39.2%	2.0%	51	18
Labour	34.4%	1.0%	45	(20)
Act	9.4%	(3.0%)	12	2
Green	7.2%	(2.7%)	9	(2)
māori	2.0%	0.4%	3	1
Top	3.4%	-	-	-
NZ First	2.0%	0.4%	-	-
New Conservatives	1.0%	-	-	-

* Change from September ** Change since election

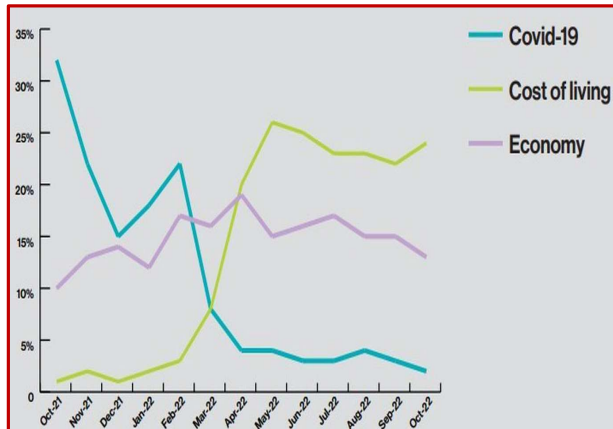
Polling Period: 2nd to 11th October 2022

The Curia/Taxpayers' Union Poll included 1,000 respondents and had a 3.1% margin of error. The poll follows a commercial poll from Talbot Mills, who also poll for the Labour Party, which had National and Labour neck and neck on 35%. Labour was stable while National had dropped three points from September. That poll also had the Green Party on 9% and Act on 11%.

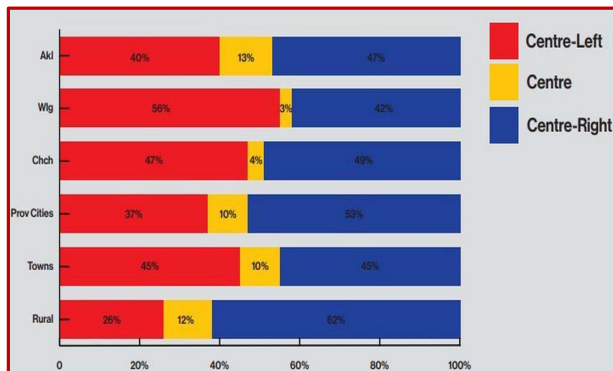
MAJOR VOTING ISSUES SEPTEMBER 2022



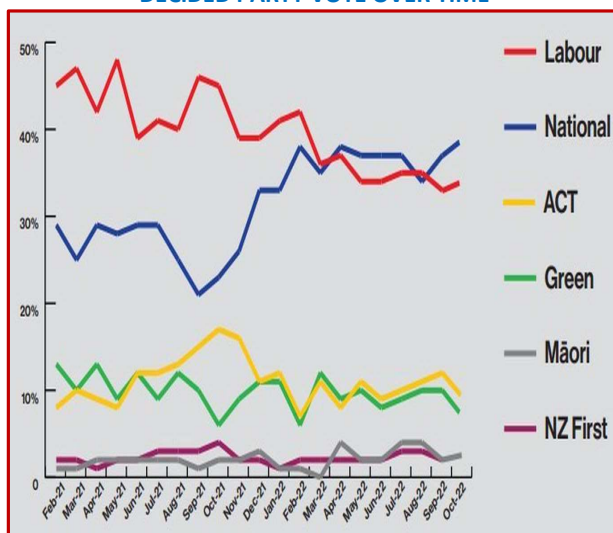
MAJOR VOTING ISSUES OVER TIME OCT 2021 TO OCT 2022



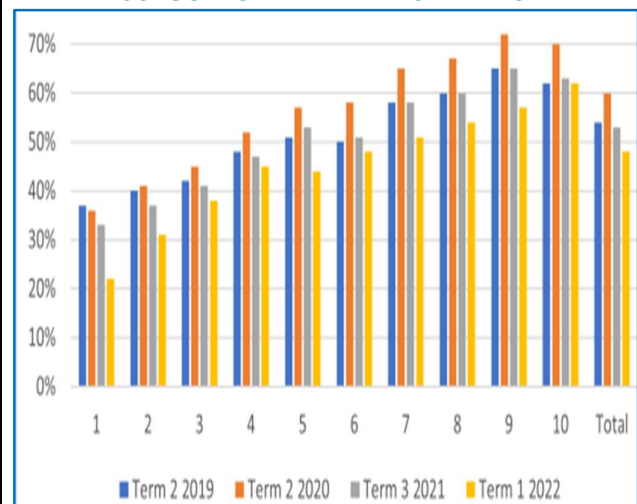
PARTY VOTES BY AREA



DECIDED PARTY VOTE OVER TIME



NZ SCHOOL FULL ATTENDANCE BY DECILE



Sadly, it is the lower decile schools that have the major problem with children being truant from school. Unless Government resolve this issue, New Zealand will continue to have a huge underclass of uneducated and unemployable youth. The problem is that this is already inter-generational and looks likely to continue unacceptably.

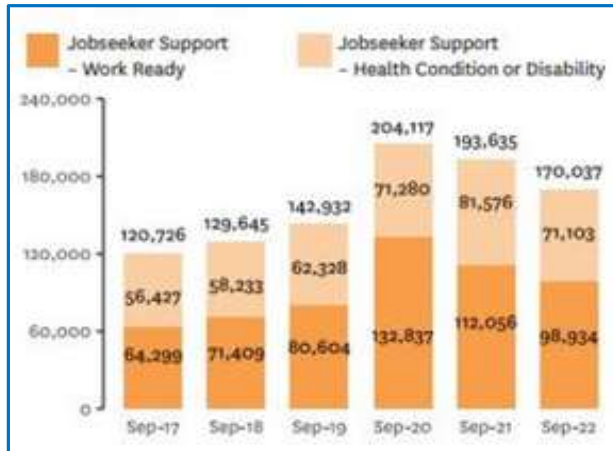
Today, only 45% of all students are fully attending school - with Decile one students at only just over 20% attending school regularly.

This is a total disgrace, as Labour has failed to ensure our lower decile students have the opportunity to climb out of poverty (except by antisocial and criminally violent gang activity). This has proven to be Labour's biggest failure in the past 5 years.

JOBSEEKER NUMBERS

The statistics for the September 2022 quarter show 98,934 people are receiving the Jobseeker Work Ready benefit, compared to 112,056 this time last year - a drop of more than 13,000.

The total number of people on a Jobseeker Support benefit, which includes those with a health condition or disability, is down to 170,037 (compared to last year's figure of 193,635, but up from 120,726 under National).

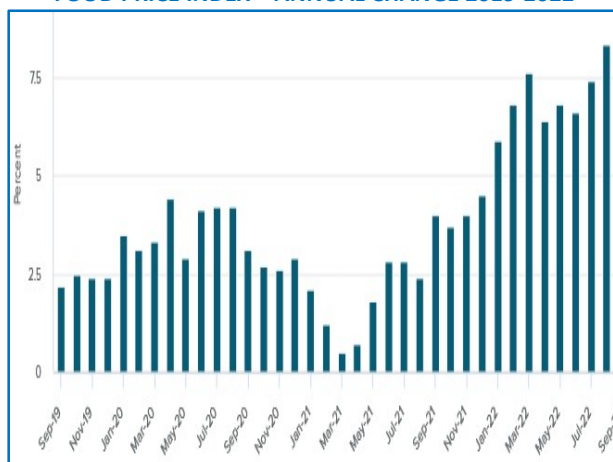


PROPORTION OF WORKING-AGE POPULATION RECEIVING JOBSEEKER SUPPORT AT END OF LAST 6 QTRS



While the numbers on benefit has reduced in the last 2 years, it remains well above the equivalent numbers when Labour came into government in 2017 (up 40.8%).

FOOD PRICE INDEX – ANNUAL CHANGE 2019-2022



Food price inflation is an internal Central Government induced problem, and Labour can't spin this by blaming the likes of the Ukraine war.

Since a low (0.5%) Annual Food Price Inflation of 0.5% in March 2021, the graph has gone crazy. Yes, it has been exacerbated by Covid, but the graph came down during the first lockdown. This is plain mismanagement of our economy, and Labour's incompetence.

THE 'PODIUM OF TRUTH' APPROACH TO PUBLIC DISCOURSE MUST END

SOURCE: Peter Dunne, Newsroom Pro, 6-Oct-2022

Those who raised their heads above the parapet to criticise the government pandemic response were quickly silenced or dismissed as acting against the national effort. Many of the same intolerances are being displayed in the way we are facing up to the Māori dimension of our history. Intolerance and anger are becoming more pronounced, and bitterness entrenched.

This is not about pandering to the prejudices of the extremists on both sides of the debate – as always, they are at the margins. What is worrying is division is now becoming mainstreamed, which could lead to deep, irreconcilable cleavages in our society, if left unchecked.

Too many NZers now feel left out of the national conversation because we have stopped talking to each other. We have become too adept at talking at and past each other, a trend exacerbated by how we were treated during the pandemic.

LABOUR KICKS FARMERS IN THE GUTS

The Government released for consultation its plans for a world-first scheme that would see farmers paying for agricultural emissions in some form by 2025.

Prime Minister Jacinda Ardern called the plan pragmatic but it was heavily criticised by Federated Farmers national president Andrew Hoggard, who said it would "**rip the guts out of small town New Zealand**" by facilitating the conversion of sheep and beef farms in particular into trees.

The Government shocked New Zealand's 23,400 sheep and cattle farmers with proposals to make them pay for their greenhouse gas emissions, the effects of which would like see around 20% of them forced to give up farming livestock.

The Government's plan was estimated to reduce land in sheep and beef farming by 20% by 2030, compared with 5% for dairy.

The shockwaves are reverberating through National's caucus, with some rural MPs questioning the party's continuing support for a bipartisan climate change policy.

Farmers had been expecting to pay — but not as much as the proposals indicated. Federated Farmers

President Andrew Hoggard said the clear view was that the Government changes were unacceptable.

The more radical Groundswell movement said the Government had declared war on rural New Zealand and said the Government's proposal would destroy NZ food production, "bringing sheep, beef, and deer farmers in particular to their knees."

The industry bodies funded by farmer levies, Beef and LambNZ and DairyNZ, who are frequently attacked by Groundswell for their willingness to work with the Government on climate change policy, were more measured in their response.

Nearly half of New Zealand's greenhouse gas emissions come from the sector and while other industries paid for emissions through the Emissions Trading Scheme (ETS), the agriculture sector did not. Its emissions mostly come through livestock burping methane, as well as nitrous oxide from sources like fertiliser and cow urine.

This plan was announced without any multi-partisan consultation within Parliament, and is contrary to the Paris Accord that New Zealand, under then PM John Key, signed up to. The Paris Accord was very specific in saying under Article 2(b):

The aim of the agreement is to have a stronger response to the danger of climate change; it seeks to enhance the implementation of the United Nations Framework Convention on Climate Change through: ...

2(b) Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production.

This latest Labour Government initiative flies totally contrary to the principles that the bi-partisan agreement that National signed up to. The whole idea was to separate the ETS from any political interference, and yet this proposal allows the Government Minister to set the price for emissions.

"Farmers wanted to do their bit fighting climate change, but felt already achieved sequestration was not recognised under the plan," according to Federated Farmers.

Ciaran Keogh summed it up well in her comment in Newsroom Pro (18-Oct-22):

"Can someone please explain how an industry that is underpinned by the photosynthesis of carbon dioxides and light energy to produce complex carbohydrates that are then metabolised by everything from microbes to humanity with livestock and farm crops as one step in the wider metabolic process called life on earth could possibly emit more carbon dioxide and methane than it absorbs? It is physically impossible for farm carbon emissions to

exceed farm carbon sequestrations (excluding one-off events such as land clearances etc). The world's emission problems come from humanity exploiting fossil fuels not from farm emissions. This is basic year seven general science – the photosynthetic – respiratory cycle – as its name indicates – it is a CYCLE! it goes round and round and has done since the earliest life form."

JAMIE-LEE ROSS NOT GUILTY OF DONATIONS FRAUD



A group with political and business links to New Zealand's two major parties have had their verdicts confirmed in a trial over donations in the High Court today - with former National MP Jami-Lee Ross being cleared.

Ross was found not guilty of all the charges he faced in the case. The Serious Fraud Office (SFO) prosecution involved seven defendants, including Ross and New Zealand Order of Merit recipient Yikun Zhang.

Along with Zhang, businessmen and twins Shijia (Colin) Zheng and Hengjia (Joe) Zheng also faced obtaining by deception allegations over donations to both Labour and National.

The Judge accepted the argument that Ross' lawyer, Ron Mansfield KC, admitted his client was at the time "a desperate and unwell man" and the claims made about Bridges to SFO were unreliable and lies.

Similarly, Labour got away with receiving \$100,000 from New Zealand Order of Merit recipient Yikun Zhang, for an antique imperial robe and two other works of art at a Labour auction event in September 2017.

GOVERNMENTS HAVE SCRAMBLED TO INCREASE HOUSING SUPPLY - BUT WHY?

SOURCE: Ashley Church, OneRoof, NZ Herald, 19-Oct-22

Over the past few years it has been impossible not to hear and read about the shortage of housing in New Zealand, and the pressing need to build as many houses as possible to urgently increase our stock.

The most popular version claims that we've been building fewer homes than we actually need, for decades, and that we now have a shortage of around 100,000 dwellings. This claim was first popularised by the opposition Labour Party in 2012 and became the central plank of their KiwiBuild policy, which was essentially a promise to build 100,000 homes over 10 years if they were elected to office in 2014. Over the next few years, the claim gathered momentum and by 2016 belief in a shortage of houses had taken absolute hold and attained the status of unchallengeable dogma. Even the National Government bought into it and came up with its own initiatives to address the problem.

But here's the thing – if anybody had actually bothered to check the simplest indicators of housing numbers, back when the claim was gaining traction, they would have seen the whole thing for the nonsense that it was and could have nipped it in the bud early on.

Instead, we blindly accepted the mantra, and persevered with policies to (supposedly) dramatically increase our housing stock, culminating in Labour getting their chance to implement the disastrous KiwiBuild programme after the 2017 election. Spurred on by inexperience and naivete, the new Government pressed on with the rhetoric around building 100,000 homes – only to have the entire project crash and burn just a couple of years later, having produced just a handful of new houses.

But perhaps, in hindsight, that was a blessing?

Here's why: there are two very simple and widely available indicators which tell us whether we're building enough homes to keep up with demand. The first is the population count and the second is a census measure which tells us the average number of people occupying a Kiwi home on a particular date. By dividing one by the other we can get a very accurate read on how many houses we have in New Zealand at any given time.

Let me demonstrate. In 1986, the population of the country was 3.24 million – and we know from the census that year that, on average, there were 3.29 people per dwelling/ household in New Zealand. So by simply dividing the population figure by the average household figure, we know that there were almost 985,000 occupied houses in New Zealand in that year. You can do the math, yourself, on a calculator.

By 2013 (the year after Labour announced their original policy) the population of the country had increased to 4.45 million and the average household occupancy number had actually dropped to 2.87 people per household. If we divide this new population figure by the new average household figure, we now find that the number of occupied dwellings had grown to 1,550,000 – an increase of 565,000 dwellings over 27 years (or an average of 21,000 new dwellings being built per year).

Why does this matter? Because the household occupancy number could only have dropped if we had built more homes than we needed. If we had maintained the 1986 average of 3.29 people per household, we would only have needed 1,352,000 homes by 2013 – so we built almost 200,000 more homes, over that 27-year period, than we needed just to stand still.

In hindsight, it's easy to understand what happened. While public and media attention was focused on government initiatives to build more homes, the private sector had been simply getting on with it and quietly building them, doing so in the numbers required to meet market demand at any given time.

This stood us in good stead over nearly 30 years, producing the homes that we needed and increasing stock in the quantities required to accommodate the demographic changes brought about by the end of the Baby Boom and changing tastes and requirements.

So why did we think we had a shortage? Because we have confused short-term accommodation needs with long-term housing numbers – and they're not the same thing. Homelessness and a demand for emergency housing have spiked in recent years, but this isn't because we don't have enough homes. It's because government policy, most particularly the current Labour government, has made it increasingly difficult for the private sector to provide rental housing.

Of course, this shortage doesn't entirely explain the mythical figure of '100,000 homes' proposed by Labour in 2012. To understand this figure you need to go all the way back to the Labour election manifesto from the early 1980s where they were proposing that we were short of – you guessed it – 100,000 houses.

The upshot of all this is that the frantic drive to build tens of thousands more homes wasn't only unnecessary – but, the legacy of it may be a glut in supply in the coming years – which is the last thing we need in a market where prices are already under pressure. Let's hope sanity prevails.



A SUMMARY OF TREASURY'S NZ GOVERNMENT FINANCIAL POSITION

SOURCE: Thanks to Alexanders Accountancy & Advice to Agribusiness, Christchurch

Alexanders has evaluated the Financial Statements of NZ's Central Government, as prepared by the NZ Treasury Office – this data was released on 5th October 2022.

FINANCIAL STATEMENTS OF THE GOVERNMENT OF NEW ZEALAND FOR THE YEAR ENDED 30 JUNE 2022

Total Government revenue:		
Income Tax	\$107.9 billion	(76.2%)
GST Revenue	\$17.4 billion	(12.3%)
Other Revenue	\$16.3 billion	(11.5%)
	\$141.6 billion	(100.0%)
Total Government expenses:		
Welfare payments	\$48.3 billion	(32.0%)
Health payments	\$27.7 billion	(18.3%)
Education payments	\$18.9 billion	(12.5%)
Economic payments	\$16.7 billion	(11.1%)
Core Crown expenses	\$39.4 billion	(26.1%)
	\$151.0 billion	(100.0%)
Excess of expenses over revenue	\$9.4 billion	
Gross Domestic Product (GDP)	\$359.52 billion	
Total Government expenses as a percentage of GDP	42%	
Interest paid by Government *	\$3.349 billion	
Insurance paid by Government *	\$6.447 billion	
Personnel expenses paid by Government *	\$32.648 billion	
Depreciation claimed by Government *	\$6.152 billion	
Transfer payments and subsidies paid by Government *	\$44.087 billion	
Operating expenses paid by Government *	\$58.273 billion	
	\$150.956 billion	
* Total of point (6) to (11) inclusive		

Government debt at 30 June 2022	\$118.95 billion
Increase in Government debt at 30 June 2022 compared with 30 June 2021	\$18.115 billion
Government National Superannuation payment	\$17.764 billion
Government cost regarding auditor for 2022 year	\$63 million
Government Student Loan advances as at 30 June 2022	\$16.137 billion
Government advances to Kiwi Group Holdings Limited as at 30 June 2022	\$27.786 billion
Value of Government plant and equipment as at 30 June 2022	\$7.012 billion
Government electricity generation assets as at 30 June 2022	\$19.027 billion
Government liability regarding NZ Emissions Trading Scheme at 30-Jun-22	\$11.308 billion

The New Zealand gross Government debt of \$118.95 billion as at 30 June 2022 represents 33.08% of the NZ GDP - this figure is much lower than Australia, UK and the USA - this is a very important feature looking forward.

What has the overall cost of COVID-19 been to the New Zealand Government - approximately \$33 billion.

Total number of Government (including health, education etc) employees - approximately 440,000.

Since 1900, how often has the world experienced a significant worldwide event - on average, around every 11.5 years.

Suggested Summary:

- (a) The New Zealand Government Financial Statements for the year ended 30 June 2022 are better than anticipated - a function mainly of tax revenue holding up well.
- (b) The New Zealand Government gross debt as at 30 June 2022 is around \$23,187 per New Zealand man, woman and child or around \$39,650 per New Zealand adult.
- (c) Two of New Zealand Ministers of Finance have played a major role in keeping the New Zealand Government debt to GDP down to a lowish level - Michael Cullen and Bill English.
- (d) Right now, climate control issues are not in the top three priorities for many countries.
- (e) It does look as though a number of countries may move into recession over the next six months.
- (f) The New Zealand Government needs to move the Income Tax brackets for individuals (these have been unchanged for some 10 years) from, say, 1 April 2023 to something like:

(1)	From \$1 to \$5,000	No tax
(2)	From \$10,000 to \$50,000	at, say, 15%
(3)	From \$50,000 to \$100,000	at, say, 25%
(4)	From \$100,000 to \$150,000	at, say, 30%
(5)	Over \$150,000	at, say, 35%
- (g) Right now, the world is short of sound leadership in many countries.
- (h) Some countries will not be able to cope financially with the equivalent of another event like COVID-19 - New Zealand would be able to but another \$33 billion would push the New Zealand debt to GDP ratio up from 33% to around 42% - and even then, only if the New Zealand GDP figure held up.
- (i) The Christchurch City Council has still not indicated how they are going to fund the stadium - many Christchurch ratepayers do not have a money tree - approximately \$200 million still needs to be found.
- (j) The financial rebuilding of Ukraine in due course will cost a fortune.
- (k) The energy issues in the UK and Europe is surprisingly bad both financially and politically and looks as though it will continue for some time.
- (l) Almost all of the world's central banks moved too slowly with increasing interest rates, which is easy to say now but New Zealand needs its inflation rate to come down to no more than 3% probably within 9-12 months.
- (m) More and more countries are presently sliding into financial problems - such as Turkey, Bangladesh, Sri Lanka, UK and quite a number of countries in the continent of Africa.
- (n) The cost of food production must rise, as will the value of food - some countries will have a food requirement problem but no money to pay for it - the International Monetary Fund could easily find itself lending money for a country to purchase food which could be a never ending exercise.
- (o) In the year ended 20 June 2022, the New Zealand Government spent \$48.3 billion on welfare issues - that is 34.1% of their total income in that year - this looks high enough for a country that prides itself on being able to live within its income and to stand alone through thick and thin - see the (PS) below for more specifics.

Interesting times to be alive.



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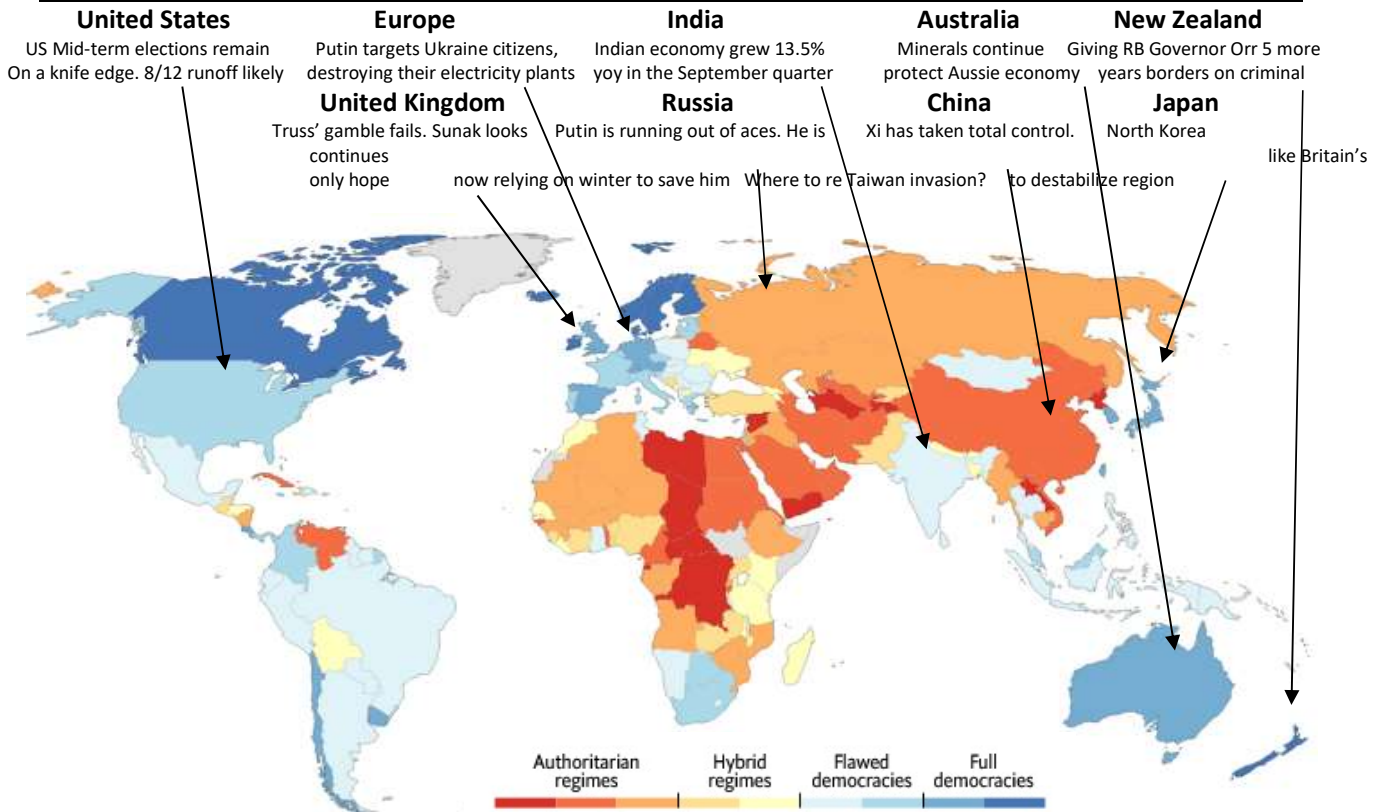


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PS: As at 31 March 2022:

- (a) There were 348,339 people (from 18 years to 64 years) who received a means tested main benefit from the New Zealand Government - that is 11.1% of the working age population of 3,138,189.
- (b) There were a further 850,000 people approximately receiving New Zealand National Superannuation.
- (c) Points (a) and (b) mean that just on 1,198,339 New Zealand people were receiving a New Zealand Government welfare benefit of some kind in the year ended 30 June 2022.

THE WORLD AT A GLANCE GLOBAL DEMOCRACY INDEX



THE GLOBAL ECONOMIC OUTLOOK

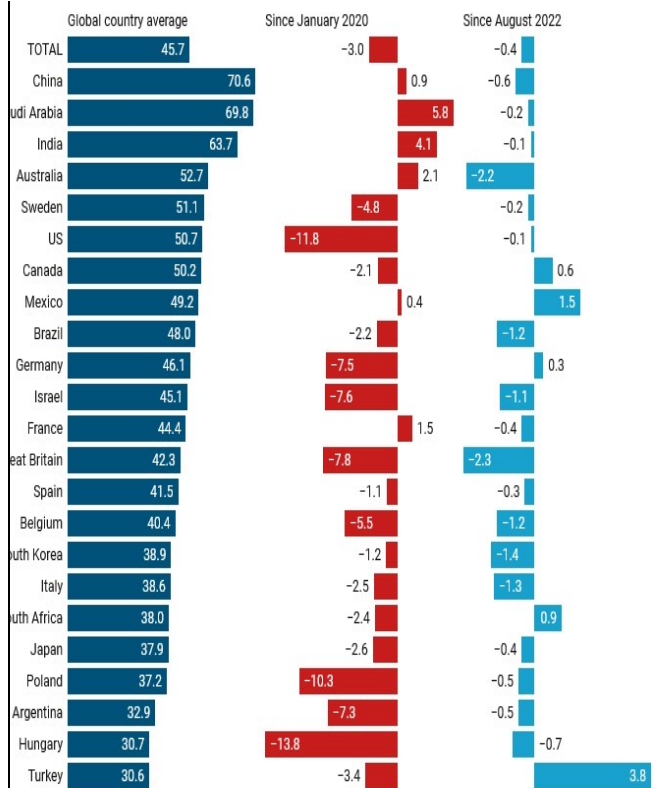
GLOBAL OUTLOOK



GLOBAL CONSUMER CONFIDENCE REMAINS MUTED

Expectations Index continues its decline as sentiment remains low among the world's most advanced economies, according to the latest Ipsos Global Consumer Confidence Index (October 2022).

Global sentiment has continued its downward path as concern about inflation has become increasingly widespread. Fifteen of the 23 countries now show a National Index score that is significantly lower than it was in February, while just four (Saudi Arabia, Brazil, India, and Turkey) show scores that are significantly higher. Lastly, in five of the G7 countries—the United States, Germany, Great Britain, Italy, and Japan—consumer confidence is at its lowest level in more than a year.



NOTE: 17,000+ adults aged 18-74 in the United States of America, Canada, Israel, Turkey, and South Africa; and aged 16-74 in all other markets each month, conducted on Ipsos' Global Advisor online platform

JOBS, EXPECTATIONS, AND INVESTMENT INDEX TRENDS

Among 23 countries:

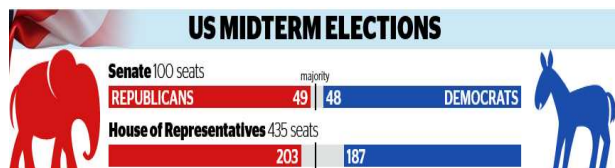
- Six countries show a significant drop (at least 1.5 points) in their Expectations Index: Great Britain, Hungary, South Korea, Belgium, Germany and Sweden. Turkey and Brazil both show significant gains.
- Six countries (Great Britain, Sweden, Israel, Italy, South Korea, and Saudi Arabia) show significant losses in their Investment Index. Turkey is the only country to show a significant gain.
- Sweden and Germany show a significant drop in their Jobs Index, while Turkey is the only country to show a significant month-to-month gain.

PUTIN IS COUNTING ON WINTER TO HELP HIS FORCES BATTER UKRAINE



European Union foreign policy chief Josep Borrell said it's a "moral duty" of the G7 nations to help Ukraine, with a potentially punishing winter on the way. "The winter is coming. Putin is waiting for the 'General Winter' to come and support the Russian army," Borrell said after a meeting of G7 foreign ministers. He blamed Russia for destroying Ukraine systematically by bombing and destroying civilian infrastructure after Moscow's army was unable to win on the battlefield. "Millions of Ukrainians no longer have access to electricity, and what Putin is willing to do is to put the country in the darkness in the wintertime," Borrell said. "We have to continue supporting them, providing arms to defend themselves, to bring economic and financial support, and reaching out to the whole world in order to explain which are the causes and the consequences of this war," he added.

This recent meeting of the G7 brought together leaders from some of the world's largest economies: Canada, France, Germany, Italy, Japan, the United Kingdom and the US.



NEW ZEALAND'S ECONOMIC OUTLOOK

POPULATION: 5.2 MILLION

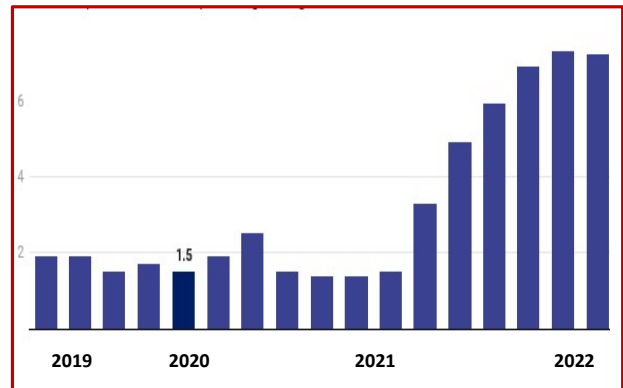
INFLATION

Brace yourself for higher interest rates. Economists say 18th October's ugly inflation data makes it inevitable the Reserve Bank will have to hike rates more aggressively. The inflation rate was down, only just.

Consumer Price Index Inflation for the year to September came in at **7.2%** - well above expectations of about 6.5%. More worrying was domestic (non-tradable) inflation, which rose from 6.3% to 6.6%. Don't believe Labour's spin – this isn't all because of international factors. Domestic inflation rose to 6.6 per cent, the largest rise since Stats NZ began the measurement. Vegetables rose an astonishing 24% in the past three months.

Labour's addiction to spending is driving up inflation and costing New Zealanders dearly.

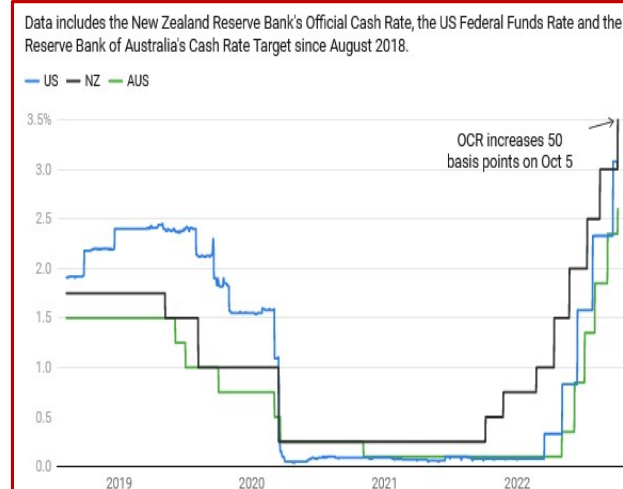
NZ ANNUAL INFLATION



OCR OUTLOOK

ANZ economists were shocked, and rose their forecast for the OCR to now peak at 5%; arguing for two 75 basis point hikes in a row. This, despite Australia's OCR raise of just 25bp rise to 2.6%.

NEW ZEALAND, AUSTRALIA AND US OFFICIAL CASH RATES



Adrian Orr, RBNZ Governor has been much more hawkish in recent times, raising the New Zealand rate another 50bp to 3.5%. This now looks far too conservative.

CORPORATE PROFITS GIVE A \$9.3BN SURPRISE

In just five years, Government tax revenue has increased by \$33 billion, an average of \$15,000 per household. Kiwis deserve a real economic plan - not just more taxes.

Finance Minister Grant Robertson unwrapped a \$9.3bn surprise, revealing the Government's books were nearly \$10bn closer to surplus than forecast in May, helped by a tax take that topped \$100bn for the first time.

The bonus was partly thanks to healthy year for corporate profits, with companies paying 26.2% more in tax on their earnings than last year - an increase of \$4.1bn.

Workers had a good year too, as rising wages and low unemployment pushed the tax take from individuals up by 11.2%, about \$4.3bn.

The accounts cover the fiscal year from 1 July 2021 to 30 June 2022.

At the Budget in May, Treasury reckoned the Government would post a \$19bn deficit (measured by operating balance before gains and losses), as Covid wrought havoc on the Government's books. As it happened, the deficit was \$9.7bn, expenses were lower and revenue was higher. The figure accelerates the Government's pathway to surplus, currently forecast to be \$2.6bn in 2025 - although a looming international recession may scupper these plans.

Expenses were also up on last year, but by less than forecast. Core Crown expenses were \$125.6bn up on \$107.7bn last year, but \$2.8bn lower than forecast.

Robertson was evasive about whether the Government would itself promise tax cuts targeted at middle- and low-income earners. He suggested this might not come at Budget 2023, but Labour might take such a policy to the election next year.

The Government's books were a real best of times, worst of times affair, with the books largely surviving the worst of the Covid-19 pandemic, but still posting a large deficit and debt increase.

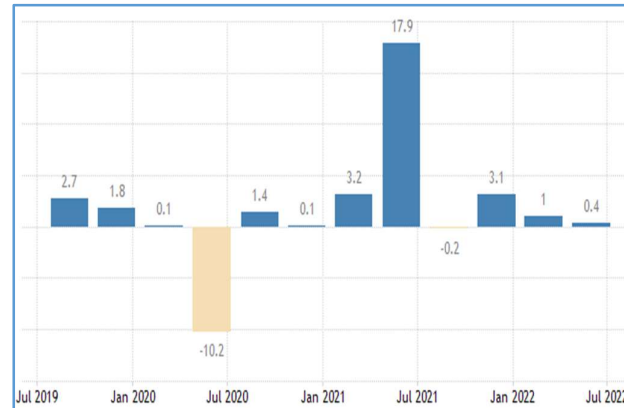
Net debt was 17.2% of GDP, or \$61.8bn, up slightly on the \$62.1bn or 16.9% of GDP forecast in the budget. The Government earned \$42.4bn from source deductions, the tax paid by ordinary income earners, \$4.3bn more than last year. Corporate taxes were \$19.9bn, up from \$15.8bn last year - an increase of \$4.1bn. Total tax revenue hit \$107.8bn, up from \$97.3bn last year.

GDP GROWTH

New Zealand's economy expanded by 0.4% from a year earlier in the second quarter of 2022, slowing from a downwardly revised 1% growth in the previous period but surpassing market estimates of a 0.2% jump. The Kiwi economy maintained its expansionary trend on a yearly basis as the easing of pandemic related

restrictions and opening of domestic and international travel supported industries that suffered the most from Covid measures. On a quarterly basis, the GDP rose by 1.7%, rebounding from the 0.2% contraction in the first quarter.

NZ – ANNUAL GDP GROWTH RATE



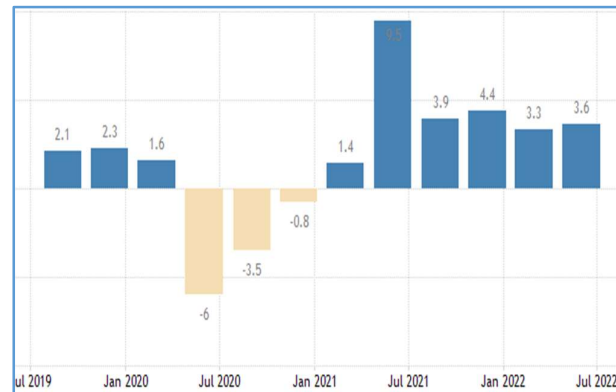
AUSTRALIAN ECONOMIC OUTLOOK

POPULATION: 27.1 MILLION

AUSTRALIAN ECONOMICS - RBA WALKING A FINE LINE BETWEEN INFLATION AND GROWTH

The RBA's 25bps hike was a dovish surprise to the market and economists (21/28 economists surveyed by Bloomberg expected a 50bps move). While the RBA maintained their hiking guidance, repeating they expected to "increase interest rates further over the period ahead", they are clearly more concerned about the outlook noting they are "closely monitoring the global economy, household spending and wage and price-setting behaviour". This dovish shift in guidance, particularly concerns around the darkening global outlook, along with the fact that we are now around the RBA's estimate of neutral suggest to us that the period for 50bps hikes is likely behind us. Importantly with the ABS commencing the release of monthly CPI, the RBA should have a better read on where inflation is tracking, reducing the risk of a material upside surprise. Interestingly the RBA remains "resolute" in returning inflation to target (a shift from "committed" previously), we view this as a modest strengthening of their rhetoric, likely intended reiterate their focus on the inflation target despite their dovish pivot.

AUSTRALIA – ANNUAL GDP GROWTH RATE



UNITED STATES ECONOMIC OUTLOOK

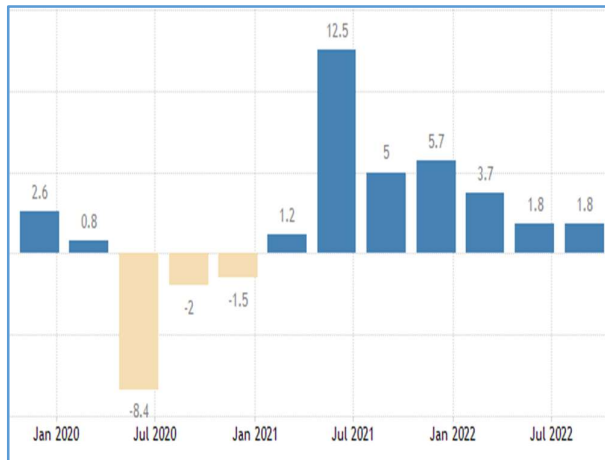
POPULATION: 335.2 MILLION

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

US ECONOMY

The US economy grew an annualized 2.6% on quarter in Q3 2022, beating forecasts of a 2.4% rise and rebounding from a contraction in the first half of the year. On an annualised basis, GDP remained steady at 1.8%.

UNITED STATES – ANNUAL GDP GROWTH RATE



CHINESE ECONOMIC OUTLOOK

POPULATION: 1.43 BILLION

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

THE CHINESE ECONOMY

In China life remains dominated by coronavirus. From a trade perspective, the country initially weathered Covid-19 fairly well: 2020 saw a rise in demand for its exports as economies scrambled to fill supply chain gaps and respond to changes in production as a result of their own lockdowns.

But economic pressures are mounting. Growth is expected to slow this year, which the World Bank largely attributes to the country's prolonged lockdowns. China is likely to find it's dependent on the outside world for investment, just as much as the outside world has become dependent on China for trade.

China remains the world's largest trading nation and its GDP continues to grow—by 2.2% in 2020 and 8.1% in 2021. Gross domestic savings are high, at 45% of GDP, and the banking system has accumulated assets of more than US\$50 trillion. But economic pressures are mounting.

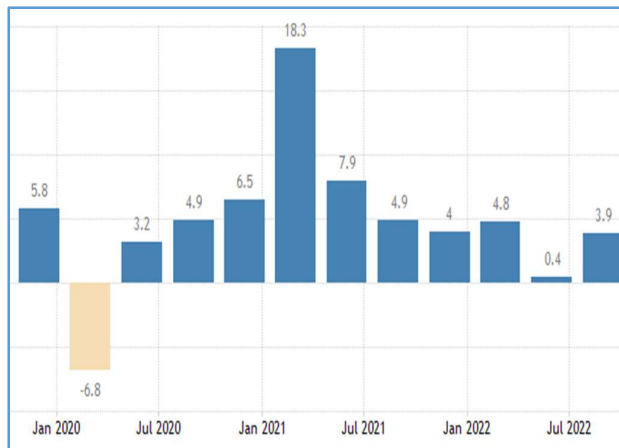
The property market is also limping along and the pandemic has taken its toll on employment. This means consumption, and especially conspicuous

consumption, will slow. External factors may start to affect exports as well.

GDP GROWTH

The Chinese economy advanced 3.9% yoy in Q3 of 2022, exceeding market consensus of 3.4% and picking up from a 0.4% growth in Q2, boosted by various measures from Beijing to revive activity. The latest figure was released just a day after President Xi Jinping secured a historic third term, and as the statistics agency warned that the recovery was still not solid due to domestic and global headwinds. September data showed a mixed recovery in China, with retail sales rising the least in 4 months, export growth at a 5-month low, and the jobless rate hitting its highest since June. Meantime, industrial output rose the most in 7 months, due to faster rises in output of both manufacturing and mining. For the first nine months of the year, China's GDP grew by 3%, with Beijing no longer mentioning about the target of 5.5% for 2022 but pledged easier lending and other measures to boost growth.

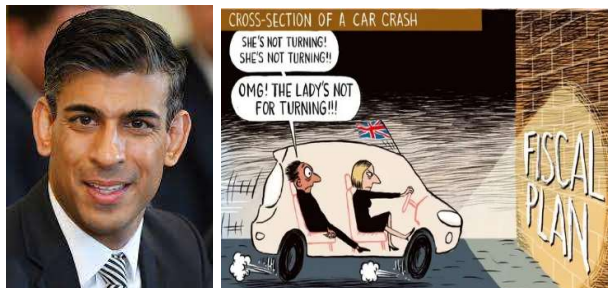
CHINA – ANNUAL GDP GROWTH RATE



UNITED KINGDOM ECONOMIC OUTLOOK

POPULATION: 68.4 MILLION

TRUSS LASTED JUST 45 DAYS – SUNAK LOOKS STRONG



Liz Truss 'collision course' politics seemed doomed from day one. **Rishi Sunak** was an impressive Finance Chancellor under Boris Johnson, and this "ultra-wealthy" ethnic Indian Prime Minister now has to reverse the slide in confidence (and markets), at a time when the United Kingdom appears to be headed towards a deep recession. The US investment bank downgraded its outlook for Britain, in analysis just

released, forecasting the UK economy would shrink by 1% next year, down from its previous estimate for a 0.4% contraction. The outlook, however looks dire. Goldman Sachs is now predicting that the UK will enter a deeper recession than previously expected next year.

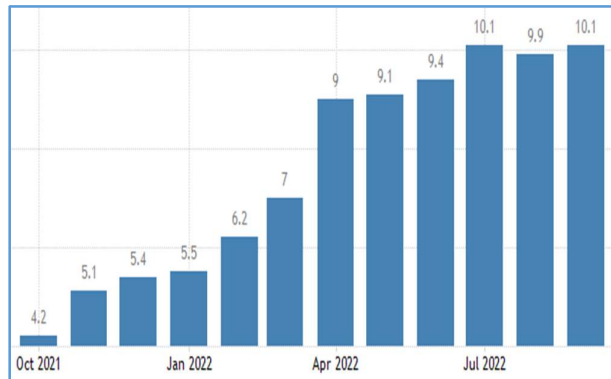
UK ECONOMY

High energy prices, elevated inflation, rising interest rates and global economic weakness mean the UK economy is expected to be in recession until at least the middle of 2023 – some have now moved that to mid-2024. Following a forecast 0.3% decline in GDP in Q3, the UK economy is expected to contract around 0.2% each quarter from Q4 this year through to Q2 2023, resulting in GDP falling 0.3% in 2023 as a whole.

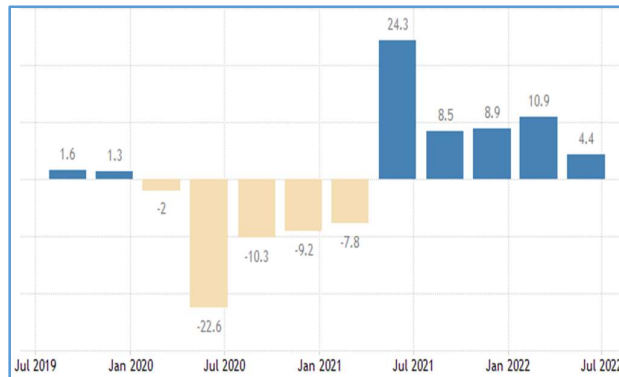
INFLATION – 10.1% IN AUGUST

Inflation is at a 40-year high, with Citibank already forecasting UK inflation of 15%+ in January — the highest since 1976 — the last thing needed was another (Truss’s previously proposed) £45bn stimulus.

UNITED KINGDOM - INFLATION



UNITED KINGDOM – ANNUAL GDP GROWTH RATE



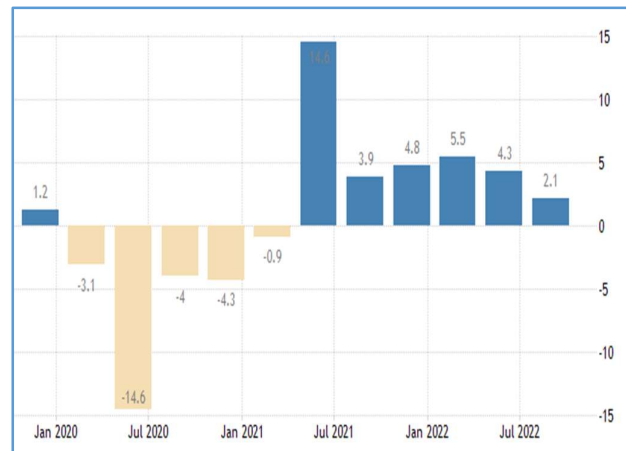
The British GDP grew 4.4% year-on-year in the second quarter of 2022, higher than an initial 2.9% rise. Still, it is the smallest growth rate in five quarters. The level of real GDP is now estimated to be 0.2% below where it was pre-coronavirus at Quarter 4 2019, downwardly revised from previous estimates of 0.6% above.

EU ECONOMIC OUTLOOK

POPULATION: 447.7 MILLION

The Euro Area economy expanded 2.1% year-on-year in the third quarter of 2022, easing from an upwardly revised 4.3% advance in the second quarter.

EUROZONE – ANNUAL GDP GROWTH RATE



EU INFLATION

Inflation in Europe reaches a Record 10.7%. Twelve months ago, it was 4.1%. Despite rapid interest rate increases by the European Central Bank, more than half of the 19 eurozone countries see double-digit rises in consumer prices.

EUROZONE – YEAR ON YEAR INFLATION



JAPAN’S ECONOMIC OUTLOOK

POPULATION: MILLION

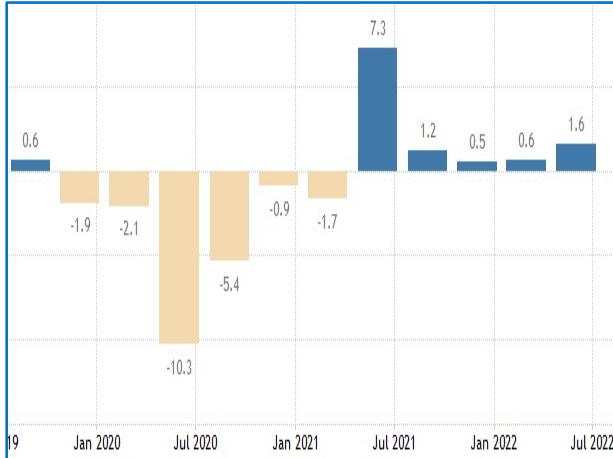
GDP GROWTH REMAINS POSITIVE

The Gross Domestic Product (GDP) in Japan was worth US\$4937.4bn in 2021, according to official data from the World Bank. The GDP value of Japan represents 3.7% of the world economy.

The Japanese economy expanded 0.9% qoq in Q2 of 2022, after an upwardly revised 0.1% growth in Q1. The latest figure was above market consensus of a 0.7% increase, growing for the third straight quarter, amid an upward revision of private consumption (1.2% vs 1.1% in the first estimate and after a 0.3% rise in Q1) following a lifting of all COVID curbs, as did government spending (0.7% vs 0.5% in flash data and after a 0.4% rise previously). Also, business sentiment grew 2.0%, faster than initially thought of 1.4%, which was a reversal from a 0.1% drop in Q1. Net trade also contributed positively, with growth in exports stable (at 0.9%) while imports went up at a softer rate (0.7% vs 3.5%). In the longer term, however, the economic outlook remains uncertain as the global economy

weakens amid a new wave of infections in some countries, persistent supply chain issues, and high raw material prices that are boosting households' living costs.

JAPAN – ANNUAL GDP GROWTH RATE



If you are looking for a sharebroker I recommend

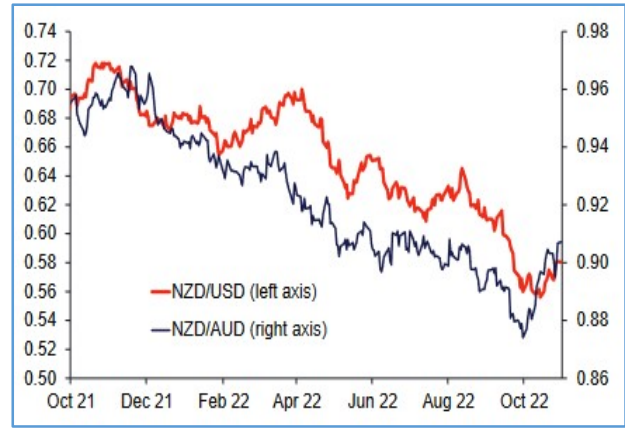


GRAHAM NELSON AFA
 Director, Wealth Management Advisor
 Graham works out of Jarden's Wellington office. With modern communications you won't be disappointed...

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CURRENCIES

NZD/USD & NZD/AUD

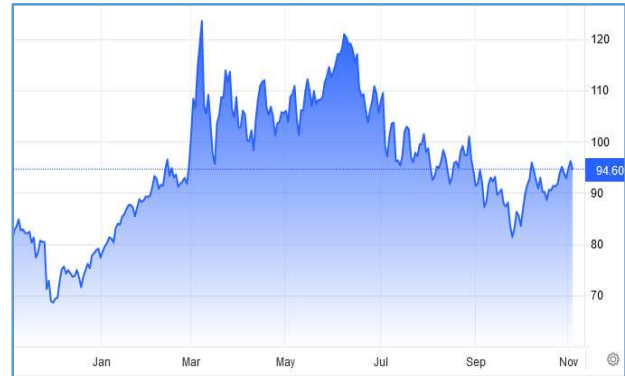


SOURCE: Westpac

OIL

OPEC+ has recently agreed to cut production by 2m barrels per day in November, the most since the pandemic, while speculation grows that the oil cartel will further intervene in markets to shore up prices. Meanwhile, Saudi Arabia has shared intelligence with the US, warning of an imminent attack from Iran on targets in the kingdom. A conflict in the region could remove millions of barrels from the global market.

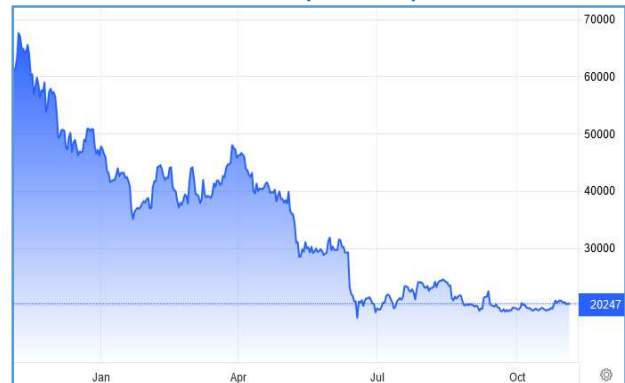
BRENT CRUDE (1YR GRAPH)



CRYPTO

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

BITCOIN (1YR GRAPH)



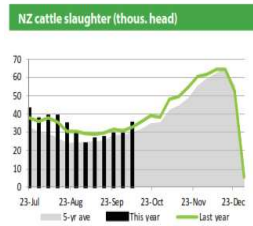
AGRIBUSINESS – LOOKING FROM THE OUTSIDE IN



Red meat exports up - New Zealand exported red meat and co-products worth \$777m during September, a 21% increase on last year. The top three markets were China (\$286m), the US (\$149m) and the Netherlands (\$29m) according to an analysis by the Meat Industry Association.

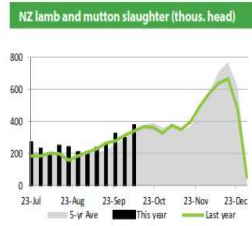
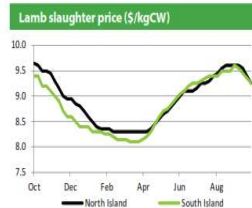
Cattle

Beef	Slaughter price (NZ\$/kgCW)	Last week	Last year
North Island P2 steer (300kg)	6.80	6.65	
North Island M2 bull (300kg)	6.50	6.50	
North Island M cow (200kg)	4.90	4.90	
South Island P2 steer (300kg)	6.55	6.30	
South Island M2 bull (300kg)	6.25	6.15	
South Island M cow (200kg)	4.85	4.80	
Export markets (NZ\$/kg)			
US imported 95CL bull	9.27	9.35	
US domestic 90CL cow	9.23	8.53	



Sheep

Sheep Meat	Slaughter price (NZ\$/kgCW)	Last week	Last year
North Island lamb (18kg)	9.05	9.65	
North Island mutton (25kg)	5.80	6.70	
South Island lamb (18kg)	9.05	9.40	
South Island mutton (25kg)	5.75	6.75	
Export markets (NZ\$/kg)			
China lamb flaps	11.84	13.01	
Wool			
(NZ\$/kg clean)	Two weeks ago	Last year	
Coarse crossbred ind.	2.66	2.63	
37 micron ewe	-	-	
30 micron lamb	-	-	

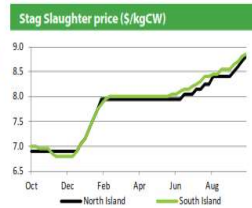


Deer

Venison	Slaughter price (NZ\$/kgCW)	Last week	Last year
North Island AP stag (60kg)	8.90	7.00	
South Island AP stag (60kg)	8.95	7.00	
Fertiliser			
NZ average (NZ\$/tonne)	Last week	Last year	
DAP	1794	1135	
Super	509	342	
Urea	1340	955	
Urea (Coated)	1339	-	

Fertiliser

Exports	NZ Log Exports (thous. Tonnes)	Sep	Last year
China	1,683,156	1,147,424	
Rest of world	213,832	107,519	
Carbon price (NZ\$/tonne)	Last week	Last year	
NZU	84.6	65.3	

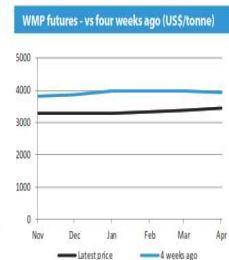


Data provided by AgriHQ

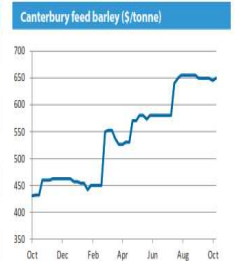
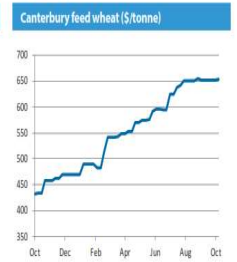
Dairy



Dairy Futures (US\$/t)	Nearest contract	Last price*	Prior week	4 weeks prior
WMP	3275	3410	3815	
SMP	3200	3270	3625	
AMF	5525	5700	5950	
Butter	4835	4910	5380	
Milk Price	9.00	9.42	10.25	



Grain



NEW ZEALAND EQUITIES

TECH SECTOR UPDATE 7TH NOVEMBER 2022

Addressing the macro concerns, Jarden views EROAD (ERD) as most at risk from a deteriorating economic backdrop, with Pushpay (PPH) offering a more resilient revenue base. The uncertain economic environment is likely to weigh on customer behaviour, with enterprise customers potentially delaying purchasing decisions, impacting ERD's ability to convert its pipeline in the short term, particularly given the more cyclical nature of its customer base. While a challenged consumer may slow PPH's processing volume growth, we note US giving to religious organisations has declined year on

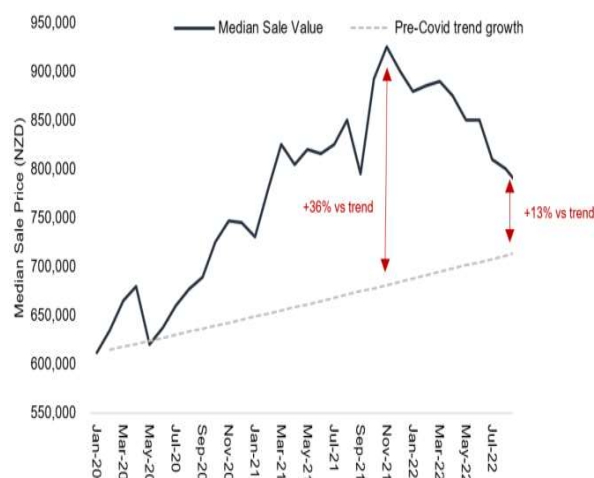
year only once in the past 44 years. Gentrack (GTK) has been operating in challenging times for an extended period, with a number of its customers having entered a form of administration. GTK has reported an improvement in its underlying customer health and we view government measures to help stabilise the utility sector as valuable support. Serko (SKO) should be benefitting from a strong rebound in corporate travel activity and while we are cognisant of economic risks to the recovery profile, we view the embedded growth and SME nature of its target customers as likely to offset any noticeable impact.

Key financial metrics	Rating	Price (NZ\$)	12m target price (NZ\$)	Projected return	Price to earnings (x)	Dividend yield
EROAD Limited	Neutral	1.28	2.75	114.8%	-74.0	0.0%
Gentrack Group Limited	Neutral	1.53	1.55	1.3%	-63.9	0.0%
Pushpay Holdings Limited	Neutral	1.27	1.34	5.5%	29.0	0.0%
Serko Limited	Underweight	2.80	3.90	39.3%	-15.0	0.0%
Vista Group International Limited	Overweight	1.60	1.90	18.7%	-55.1	0.0%

HOUSE PRICES HAVE RETREATED FROM PEAK BUT JARDEN SEES POTENTIAL FOR MORE DOWNSIDE RISK TO COME

At the same mid-year juncture, Jarden was working on the basis that house prices would continue to slide backwards. As of August 2022, based on the REINZ Median Sales Price Index, prices had already retreated 14% from their November 2021 peak but continue to show downside risk with more price decline to come. Jarden's base case is that house prices continue to fall over the next six months, albeit at a tapering rate.

Figure 9: House prices are now -13.5% off peak levels



Source: REINZ. Note: Latest print August 2022.

ELECTRICITY SECTOR UPDATE 31ST OCTOBER 2022

EXTRACTING MAXIMUM VALUE FROM WATER

In their latest quarterly trading updates, Mercury, Meridian and Genesis each gave meaningful FY23 upgrades, with Contact lifting modestly, as the companies take advantage of high hydro inflows, as well as locking in improved CFD returns as forward wholesale prices elevate further. Manawa downgraded its guidance as costs increase and inflow timing limits trading opportunities. Jarden has updated their forecasts for the shifting ASX hedge curve, which has

increased on the back of market perceived risk over winter periods, and our valuations for increasing bond yields. They have reduced all their valuations but have left their ratings unchanged.

Meridian's 1Q23 EBITDA was \$221m, up \$22m on a strong pcp. Jarden has increased their FY23 EBITDA forecast from \$728m to \$791m. Genesis is having one of its best quarters ever, upgrading its guidance by \$45m. Jarden has lifted their estimate of FY23 EBITDA from \$460m to \$507m, as the company turns off thermal generation during low wholesale price periods.

Mercury upgraded its FY23 EBITDA to \$795m, up \$40m on prior guidance. Jarden has increased their estimate from \$753m to \$801m.

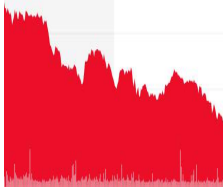
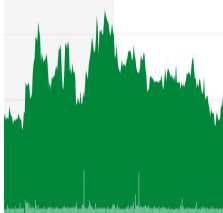
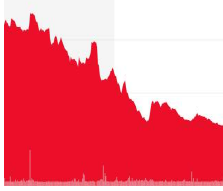

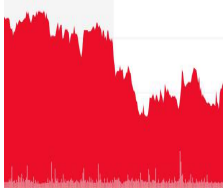
Contact started to beat pcp in September post a soft start to 1Q23 (which was down \$49m on a record pcp of \$133m). Jarden modestly increased their FY23 EBITDA estimate from \$541m to \$545m.

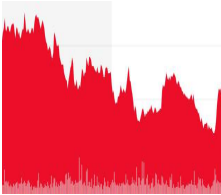




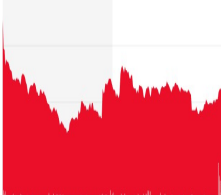
Manawa downgraded FY23 EBITDA (due to report 1H23 on 9 November as has a March year-end) and Jarden has reduced their FY23 estimate from \$151m to \$134m.



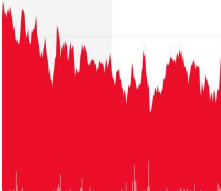

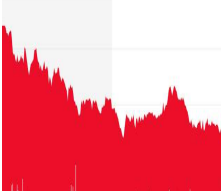
For all gentailers, the quarter to December 2022 has started well, as dam levels are full while near-term wholesale prices are low and 2HFY23 forward prices are elevated.

When reviewing current multiples, on FY23 estimates the sector is at 13.0x EV/EBITDA, 15.1x EV/EBITDA less maintenance capex, P/E of 35x and a net dividend yield of 4.7%. Jarden highlights that normalised P/E's are far lower than news service P/E multiples suggest; after adjusting for the excessive depreciation impact, the normalised P/E falls to only 17x FY23 estimates - a modest and mostly renewable sector entry valuation. While the sector has a trading pattern driven by bond yields, Jarden highlights that while current prices reflect latest bond yield changes, they ignore the new growth phase that the sector is entering, justifying Jarden's buy thesis. They calculate the implied EV/EBITDA less maintenance capex that the renewable portion of the assets is trading on, which supports Buy ratings for both Mercury and Contact.

Key financial metrics	Rating	Price (NZ\$)	12m target price (NZ\$)	Projected return	Price to earnings (x)	Dividend yield
Contact Energy Limited	Buy	7.09	9.84	43.7%	32.9	4.9%
Meridian Energy Limited	Overweight	4.56	5.68	28.5%	33.9	3.9%
Mercury NZ Limited	Buy	5.33	6.99	35.2%	40.0	4.1%
Genesis Energy Limited	Neutral	2.78	3.02	15.0%	18.9	6.4%
Manawa Energy Limited	Overweight	5.01	5.78	19.1%	25.0	3.7%

ALL GRAPHS ARE 1 YEAR	
	<p>Arvida Group Research: 5th October</p> <p>Improving resale momentum. ARV reported that it achieved total sales of 210 units in the five months to end-August. Based on its addition disclosure, we estimate total 1H sales of ~260 units. Within this total Jarden estimates there were 155-160 resales (excluding the Village at the Park JV), equivalent to 40% of our full-year forecast. While they would normally expect a ~45%/55% 1H/2H sales seasonality, they expect this to be exaggerated this year, given the slowdown in sales settlements that occurred during the Omicron outbreak. As such, Jarden expects a 40%/60% split is more likely in FY23. This view is supported by improving sales momentum in September, with ~40 sales vs an average of ~25 over prior months. Importantly, resale margins also strengthened, increasing from ~24% in 1Q to ~35% in 2Q.</p> <p>2023 P/E: 11.5 2024 P/E: 9.1</p>
	<p>Ebos Group Research: 28th October</p> <p>EBO has released a strong first quarter trading update as part of its ASM, demonstrating continued momentum in its underlying businesses, with organic growth ~2% ahead of our 1H expectations. First quarter revenue through to 30 September came in at cA\$3bn, with underlying EBITDA of cA\$142m. The company noted this reflected double-digit organic growth on pcp as well as contribution from acquisitions completed in FY22, attributing this to strong revenue and earnings growth across both the Healthcare and Animal Care segments. On LifeHealthcare, CEO commentary highlighted integration with broader EBO medical devices distribution has been progressing well. The impact of Covid-19 on various EBO businesses has been both positive and negative, including stronger pharmacy foot traffic for Covid-related products and services, demand for Covid related contract logistics services, and also increased consumer spending on pets due to work from home and social isolation trends. Negatives flagged were a reduction in elective surgeries and supply disruptions both in terms of staff and supply chains.</p> <p>2023 P/E: 21.0 2024 P/E: 20.1</p>
	<p>Eroad Research: 8th November</p> <p>ERD)has updated its FY23 guidance, narrowing the revenue range to \$154-164m (from \$150-170m) and reaffirming its FY23 normalised EBIT guidance of breakeven to a loss of \$5m. Jarden estimates FY23 guidance implies underlying cost growth of +7%, with much of this relating to R&D. Cost pressures were elevated through 1H23, with the company signalling inflation and long purchasing lead times, which they believe, in combination with a shift towards enterprise customers, is likely to drive a meaningful uplift in inventory requirements. The company also signalled a number of cost-saving initiatives are underway to support improved profitability in 2H23. Given negative forecast FCF, Jarden believes capital requirements are likely to be a focus when ERD reports its interim results on 25 November.</p> <p>2023 P/E: (13.3) 2024 P/E: 42.7</p>
	<p>Fletcher Building Research: 26th October</p> <p>FBU has reiterated that FY23 guidance for EBIT at \$855m+ (Jarden \$838m). Jarden had been concerned that NZ housing slowdown in September was pointing to an earlier-than-expected market downturn, however, management indicated that post-September, spring trading is showing a pick up in customer visitations. While the company continues to see unbroken momentum in most of its businesses, what Jarden liked in particular was the company referencing that it is preparing for a slowdown, whether it be the back end of FY23 or into FY24, in their view a positive update. Jarden's FY24 EPS forecast of 52.7cps is on a PE of 9.3x, 29-35% upside to the historical average PE of 12.0-12.5x.</p> <p>2023 P/E: 7.3 2024 P/E: 9.3</p>
	<p>Freightways Research: 28th October</p> <p>FY23 revenue of \$237.4m (+3.4% vs. Jarden), EBITDA (excl. IFRS16) of \$37.8m (-4.1% vs. Jarden), and NPAT of \$19.3m (in line with Jarden). Importantly, while EBITDA was modestly below the required run-rate for full-year forecasts, at the divisional level profit was largely as expected, Express Package EBITDA was \$31.1m (+1.6% ahead), while Information Management was \$9.7m (-1.9% below). It noted higher one-off group overhead, most notably an FX-driven revaluation of AUD banking facilities and transaction costs related to the acquisition of Allied Express. FRE provided commentary on the trading outlook, most notably: (1) that they expect item count to be slightly negative YoY due to a strong PCP; (2) they are yet to see any material impact on their customers from the economic environment; (3) the labour market remains tight and cost of labour continues to be a source of pressure; (4) the Express Package division has implemented a 6.2% general rate increase (guidance at the FY22 result was an uplift of 66.5%).</p> <p>2023 P/E: 19.5 2024 P/E: 17.2</p>
<p>NZX Code: ARV Share Price: \$1.28 12mth Target: ↓ \$1.58 Projected return (%) Capital gain 23.4% Dividend yield (Net) 4.3% Total return 27.7% Rating: OVERWEIGHT 52-week price range: 1.24-2.06</p>	
<p>NZX Code: EBO Share Price: \$37.70 12mth Target: \$39.00 Projected return (%) Capital gain 3.4% Dividend yield (Net) 2.6% Total return 6.0% Rating: NEUTRAL 52-week price range: 35.11-44.30</p>	
<p>NZX Code: ERD Share Price: \$1.38 12mth Target: ↓ \$1.65 Projected return (%) Capital gain 19.6% Dividend yield (Net) 0% Total return 19.6% Rating: NEUTRAL 52-week price range: 1.23-5.52</p>	
<p>NZX Code: FBU Share Price: \$5.12 12mth Target: ↓ \$6.30 Projected return (%) Capital gain 23.00% Dividend yield (Net) 8.8% Total return 31.8% Rating: BUY 52-week price range: 4.65-7.44</p>	
<p>NZX Code: FRE Share Price: \$10.13 12mth Target: \$11.75 Projected return (%) Capital gain 16.0% Dividend yield (Net) 3.9% Total return 19.9% Rating: OVERWEIGHT 52-week price range: 8.72-13.04</p>	

	<p>Mainfreight Research: 25th October</p> <p>MFT's investor day contained detailed updates from each of the company's country heads. A number of themes were clearly evident through all presentations, most notably (1) ongoing network expansion and intensification will continue to deliver material financial and service quality upside across all markets, including the well-established NZ business; and (2) the significant scale of potential growth and the opportunity for network expansion, particularly in the United States and Europe.</p> <p>2023 P/E: 14.25 2024 P/E: 15.3</p>	<p>NZX Code: MFT Share Price: \$74.30 12mth Target: ↑ \$90.00 Projected return (%) Capital gain 21.1% Dividend yield (Net) 2.8% Total return 23.9% Rating: OVERWEIGHT 52-week price range: 64.50-94.99</p>
	<p>NZME Research: 10th November</p> <p>NZM downgrades FY22 guidance from \$67-72m to \$64-67m. A strong start to the year and revenue contributions from Google and Meta saw NZM set ambitious guidance for FY22 vs GrabOne adjusted FY21 EBITDA of ~\$64m. Jarden sat at the lower end of guidance and downgrade their estimate from \$68.6m to \$65.4m for FY22. They also reflect increasing economic uncertainty in our FY23 forecasts, cutting EBITDA to \$63.6m (\$70.8m previously) before factoring in some recovery from FY25. While NZM's objective remains a return to sustainable earnings growth, this has proved challenging and a more uncertain economic backdrop is likely to weigh also. Jarden expects NZM to continue delivering on cash generation broadly in line with the levels of the past five years. With a strong balance sheet, the company is increasingly delivering that return in real-time through a combination of ordinary dividends (payout ratio increased), special dividends and buyback activity.</p> <p>2022 P/E: 8.0 2023 P/E: 8.2</p>	<p>NZX Code: MZM Share Price: \$1.18 12mth Target: ↓ \$1.27 Projected return (%) Capital gain 7.6% Dividend yield (Net) 11.9% Total return 19.5% Rating: OVERWEIGHT 52-week price range: 1.09-1.79</p>
	<p>Pacific Edge Research: 17th October</p> <p>PEB's 2Q23 investor update shows volume was broadly in line with Jarden's estimate and there is no change in the company's view on the likelihood of Novitas' draft LCD surviving in its current form. The key overhang on PEB recently has been the draft LCD from Novitas, which would result in a loss of Medicare coverage (stock price fell ~40% on day of announcement). Furthermore, it has not yet seen a negative impact on demand from existing customers; at the same time, it has increased the number of unique ordering clinicians. This is supportive of our view in Proposed LCD uncertainty but long-term opportunity remains unchanged. The policy change is not targeted towards xbladder, rather Cxbladder's inclusion is an unintended consequence.</p>	<p>NZX Code: PEB Share Price: \$0.43 12mth Target: \$0.75 Projected return (%) Capital gain 76.5% Dividend yield (Net) 0.00% Total return 76.5% Rating: OVERWEIGHT 52-week price range: 0.40-1.46</p>
	<p>Port of Tauranga</p> <p>Auckland may have written off its first \$65m attempt at container automation, but Tauranga is moving ahead with its own project. CEO Leonard Sampson says its progress highlights the benefits of simpler, less cutting-edge automation that can essentially be bought off the shelf. A very positive AGM was held on 28th October, signalling improved performance in the current quarter, albeit with total export tonnage down 7% at 6.4m/tonnes. Container trade is up 1.8%, with 115-120m TEU's projected. The biggest downside risk remains the inability to gain consent to make the wharf extensions. The consent hearing has been further delayed until March 2023, and any further delays would impact on capacity. There are currently 92 trains per week servicing the port, with 40% additional capacity available in transporting shipping containers to the port.</p> <p>2021 P/E: 38.7 2022 P/E: 36.4</p>	<p>NZX Code: POT Share Price: \$6.34 12mth Target: \$6.55 Projected return (%) Capital gain 3.3% Dividend yield (Net) 2.3% Total return 5.6% Rating: NEUTRAL 52-week price range: 5.96-7.37</p>
	<p>Precinct Properties NZ Research: 5th October</p> <p>PCT has announced it has been selected as the preferred development partner for the Downtown Car Park site and has partnered with Ngati Whatua Orakei as part of the proposal. This had been broadly anticipated given PCT's clear advantages (local relationships; track record) but is still a major milestone in what would have been a competitive process. The site is similar in footprint to Commercial Bay with the potential for multi-tower development which is likely to span Residential and Office, together with a range of amenities (hotel; food & beverage; some retail). Our expectation is that PCT will bring in additional partner capital into what will be a multi-use large scale development.</p> <p>2022 P/E: 26.0 2023 P/E: 21.5</p>	<p>NZX Code: PCT Share Price: \$1.24 12mth Target: ↓ \$1.29 Projected return (%) Capital gain 4.0% Dividend yield (Net) 3.9% Total return 7.9% Rating: NEUTRAL 52-week price range: 1.15-1.69</p>
	<p>Pushpay Holdings Research: 9th November</p> <p>PPH reported soft 1H23 results as slower customer acquisition weighed on revenue growth. The results contained few surprises, with headline revenue/earnings pre-released and customer numbers broadly in line with Jarden's estimate. Underlying EBITDA of US\$26.8m in 1H23 was down -10% on the prior year period, as the company invests ahead of growth in other markets, namely Catholic. Customer growth slow on macro uncertainty and sales strategy reset. Indicative of the price sensitivity at that end of the market, PPH is now leading sales discussions with its donor management tool only, as opposed to the full suite of products, with a lower subscription price point.</p> <p>2022 P/E: 43.6 2023 P/E: 27.2</p>	<p>NZX Code: PPH Share Price: \$1.27 12mth Target: ↓ \$1.34 Projected return (%) Capital gain 5.5% Dividend yield (Net) 0% Total return 5.5% Rating: NEUTRAL 52-week price range: 0.90-1.75</p>

	<p>Seeka Research: 12th October</p> <p>As a result of severe frosts (the worst in 10 years) hitting New Zealand - particularly central North Island - there has been a major impact on the key kiwifruit growing regions in Bay of Plenty. SEK has provided its early expectations for a volume loss of 3.5-4.0m class 1 trays. This represents a ~7% downgrade at the midpoint to Jarden's prior volume forecasts. SEK notes that it is difficult to make an assessment, given the kiwifruit growing cycle (vines develop fruit in summer), so this number may change. Jarden has highlighted in the past that SEK presents as a difficult investment case given its sensitivity to harvest issues and high debt loading, with future capital required to fulfil expansion plans. 2022 P/E: 23.7 2023 P/E: 13.5</p>	<table border="0"> <tr><td>NZX Code:</td><td>SEK</td></tr> <tr><td>Share Price:</td><td>\$3.62</td></tr> <tr><td>12mth Target:</td><td>\$3.85</td></tr> <tr><td>Projected return (%)</td><td>↓</td></tr> <tr><td>Capital gain</td><td>8.9%</td></tr> <tr><td>Dividend yield (Net)</td><td>0.0%</td></tr> <tr><td>Total return</td><td>6.4%</td></tr> <tr><td>Rating:</td><td>UNDERWEIGHT</td></tr> <tr><td colspan="2">52-week price range: 3.52-5.36</td></tr> </table>	NZX Code:	SEK	Share Price:	\$3.62	12mth Target:	\$3.85	Projected return (%)	↓	Capital gain	8.9%	Dividend yield (Net)	0.0%	Total return	6.4%	Rating:	UNDERWEIGHT	52-week price range: 3.52-5.36	
NZX Code:	SEK																			
Share Price:	\$3.62																			
12mth Target:	\$3.85																			
Projected return (%)	↓																			
Capital gain	8.9%																			
Dividend yield (Net)	0.0%																			
Total return	6.4%																			
Rating:	UNDERWEIGHT																			
52-week price range: 3.52-5.36																				
	<p>Skellerup Holdings Research: 26th October</p> <p>SKL has provided maiden guidance for FY23 for NPAT of \$48-52m (Jarden estimate \$53m). The company provided little detail. 1Q23 results in line with pcp, which was a strong quarter performance. SKL commented that demand remains solid with the critical nature of many of its end markets offsetting lower demand for more consumer type products (e.g. tapware). SKL's refreshed OEM model is positioned towards better quality end markets and customers performing well through difficult macro conditions. Since the FY22 results (strong 2H & above expectation), and prior to this update, SKL's share price had declined ~14% versus the S&P/NZX50 index down ~8%. Jarden suspects the reason for this is concerns about SKL sustaining double-digit growth. In this context, the ASM update should provide some comfort on the growth front. They note also that the company is historically conservative when setting early guidance. They leave their earnings estimates unchanged but they have updated their risk-free rate assumptions in line with the broader Jarden framework. This reduces their DCF-based 12-month target price -5% from \$6.40 to \$6.10 and maintains their Overweight rating. Jarden continues to like SKL's portfolio of growth options, track record and M&A upside potential. 2023 P/E: 21.8 2024 P/E: 19.8</p>	<table border="0"> <tr><td>NZX Code:</td><td>SKL</td></tr> <tr><td>Share Price:</td><td>\$5.60</td></tr> <tr><td>12mth Target:</td><td>\$6.10</td></tr> <tr><td>Projected return (%)</td><td>↓</td></tr> <tr><td>Capital gain</td><td>15.5%</td></tr> <tr><td>Dividend yield (Net)</td><td>4.4%</td></tr> <tr><td>Total return</td><td>13.3%</td></tr> <tr><td>Rating:</td><td>OVERWEIGHT</td></tr> <tr><td colspan="2">52-week price range: 4.40-6.50</td></tr> </table>	NZX Code:	SKL	Share Price:	\$5.60	12mth Target:	\$6.10	Projected return (%)	↓	Capital gain	15.5%	Dividend yield (Net)	4.4%	Total return	13.3%	Rating:	OVERWEIGHT	52-week price range: 4.40-6.50	
NZX Code:	SKL																			
Share Price:	\$5.60																			
12mth Target:	\$6.10																			
Projected return (%)	↓																			
Capital gain	15.5%																			
Dividend yield (Net)	4.4%																			
Total return	13.3%																			
Rating:	OVERWEIGHT																			
52-week price range: 4.40-6.50																				
	<p>Sky City Entertainment Research: 31st October</p> <p>1Q23 revenue and EBITDA exceeds internal expectations, with normalised EBITDA c.10% above pre-Covid levels on a like-for-like basis. Outperformance being driven by stronger recovery in hospitality sites, as well as positive gaming performance across Auckland and Hamilton (especially EGMs). Adelaide also achieved its highest ever revenue across the 1Q, benefiting from visitation on the rise. We estimate 1Q EBITDA of NZ\$80-85m, which was c.NZ\$10m above Jarden's prior expectation. Looking forward, management remained cautious on extrapolating the above 1Q result across the balance of the year given both global and domestic macroeconomic uncertainties, with risk around positive trends such as tourism recovery balanced by negative such as rising pressures on domestic discretionary spend. No mention of when dividends may resume but Jarden thinks 1Q trading would support an interim dividend in February. 2023 P/E: 16.7 2023 P/E: 14.5</p>	<table border="0"> <tr><td>NZX Code:</td><td>SKC</td></tr> <tr><td>Share Price:</td><td>\$2.81</td></tr> <tr><td>12mth Target:</td><td>\$3.40</td></tr> <tr><td>Projected return (%)</td><td>↑</td></tr> <tr><td>Capital gain</td><td>21.0%</td></tr> <tr><td>Dividend yield (Net)</td><td>3.9%</td></tr> <tr><td>Total return</td><td>24.9%</td></tr> <tr><td>Rating:</td><td>BUY</td></tr> <tr><td colspan="2">52-week price range: 2.47-3.27</td></tr> </table>	NZX Code:	SKC	Share Price:	\$2.81	12mth Target:	\$3.40	Projected return (%)	↑	Capital gain	21.0%	Dividend yield (Net)	3.9%	Total return	24.9%	Rating:	BUY	52-week price range: 2.47-3.27	
NZX Code:	SKC																			
Share Price:	\$2.81																			
12mth Target:	\$3.40																			
Projected return (%)	↑																			
Capital gain	21.0%																			
Dividend yield (Net)	3.9%																			
Total return	24.9%																			
Rating:	BUY																			
52-week price range: 2.47-3.27																				
	<p>Vector Research: 31st October</p> <p>Uncertainty for gas but a strong outlook for the core EDB: With the NZ government signalling its commitment to net zero emissions by 2050 but providing little direction to date on implementation, VCT faces uncertainty regarding its existing gas distribution business (GDB) and gas trading businesses - together ~12% of FY22 adjusted EBITDA. However, Jarden sees VCT as well positioned to benefit from the associated electrification, with the much larger electricity distribution business (EDB) set for significant growth. Jarden's forecasts, which assume the GDB is switched off in FY50, also sees the EDB RAB more than double through that period. They highlight the risk around long-term GDB outcomes but note the recent introduction of accelerated depreciation should go some way to mitigating stranded asset risk. 2023 P/E: 20.6 2023 P/E: 19.9</p>	<table border="0"> <tr><td>NZX Code:</td><td>VCT</td></tr> <tr><td>Share Price:</td><td>\$4.21</td></tr> <tr><td>12mth Target:</td><td>\$4.40</td></tr> <tr><td>Projected return (%)</td><td>↑</td></tr> <tr><td>Capital gain</td><td>4.5%</td></tr> <tr><td>Dividend yield (Net)</td><td>4.1%</td></tr> <tr><td>Total return</td><td>8.6%</td></tr> <tr><td>Rating:</td><td>OVERWEIGHT</td></tr> <tr><td colspan="2">52-week price range: 3.67-4.82</td></tr> </table>	NZX Code:	VCT	Share Price:	\$4.21	12mth Target:	\$4.40	Projected return (%)	↑	Capital gain	4.5%	Dividend yield (Net)	4.1%	Total return	8.6%	Rating:	OVERWEIGHT	52-week price range: 3.67-4.82	
NZX Code:	VCT																			
Share Price:	\$4.21																			
12mth Target:	\$4.40																			
Projected return (%)	↑																			
Capital gain	4.5%																			
Dividend yield (Net)	4.1%																			
Total return	8.6%																			
Rating:	OVERWEIGHT																			
52-week price range: 3.67-4.82																				
	<p>Vista Group International Research: 26th October</p> <p>VGL's investor day contained detailed updates from key management staff across the business, with a focus on the digital product transition and expanded revenue opportunity. VGL is well positioned to capture the market opportunity, and updated its expected revenue opportunity from the transition away from on-premise to cloud, now expecting annual revenue per site of 3-5x previous maintenance fees (prior commentary >2.5x). The greater forecasts follow initial customer rollouts and further market discussions. Importantly, VGL has provided additional detail on where it expects to capture share, with the targets underpinned by existing customer spend such as server hardware/maintenance and cybersecurity. Emerging from a cinematic winter, VGL should be well positioned to expand its share of wallet, given industry tailwinds such as (1) increasing cybersecurity costs, (2) higher digital penetration of sales and greater need for digital stability and (3) a general cost focus for exhibitors following a period of suppressed revenues. 2022 P/E: (36.2) 2023 P/E: (64.0)</p>	<table border="0"> <tr><td>NZX Code:</td><td>VGL</td></tr> <tr><td>Share Price:</td><td>\$1.50</td></tr> <tr><td>12mth Target:</td><td>\$1.90</td></tr> <tr><td>Projected return (%)</td><td>↓</td></tr> <tr><td>Capital gain</td><td>26.7%</td></tr> <tr><td>Dividend yield (Net)</td><td>0.0%</td></tr> <tr><td>Total return</td><td>26.7%</td></tr> <tr><td>Rating:</td><td>OVERWEIGHT</td></tr> <tr><td colspan="2">52-week price range: 1.43-2.70</td></tr> </table>	NZX Code:	VGL	Share Price:	\$1.50	12mth Target:	\$1.90	Projected return (%)	↓	Capital gain	26.7%	Dividend yield (Net)	0.0%	Total return	26.7%	Rating:	OVERWEIGHT	52-week price range: 1.43-2.70	
NZX Code:	VGL																			
Share Price:	\$1.50																			
12mth Target:	\$1.90																			
Projected return (%)	↓																			
Capital gain	26.7%																			
Dividend yield (Net)	0.0%																			
Total return	26.7%																			
Rating:	OVERWEIGHT																			
52-week price range: 1.43-2.70																				

JARDEN'S NZ LISTED COMPANIES GROSS DIVIDEND YIELD AS AT 3RD NOVEMBER 2022

COMPANY	RATING	PRICE (NZ\$)	GROSS DIVIDEND YIELD				DIVIDEND COVER				NET DEBT/ EQUITY CURRENT
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2	
Metro Performance Glass	B	\$0.20			20.8%	25.0%			1.7	1.7	61.1%
My Food Bag	B	\$0.60	16.2%	13.4%	15.3%	15.7%	1.2	1.2	1.3	1.3	-3.7%
NZME	O	\$1.13	9.8%	23.4%	12.3%	12.3%	1.6	0.8	1.6	1.6	-8.6%
Michael Hill	O	\$1.35	8.4%	10.7%	11.8%	11.8%	1.6	1.3	1.3	1.3	-49.1%
Turners	O	\$3.58	8.9%	9.7%	10.1%	10.5%	1.6	1.5	1.4	1.5	158.2%
Kiwi Property Group	O	\$0.87	9.6%	10.0%	10.0%	10.0%	1.1	1.1	1.1	1.1	49.5%
Heartland Group	O	\$1.74	8.8%	8.8%	9.6%	10.4%	1.5	1.4	1.3	1.3	726.6%
The Warehouse Group	N	\$3.13	8.9%	8.2%	9.3%	9.5%	1.4	1.4	1.4	1.4	9.8%
Stride	O	\$1.61	9.2%	9.2%	9.2%	9.2%	1.1	1.2	1.1	1.1	26.3%
Fletcher Building	B	\$5.17	10.7%	11.6%	9.1%	9.7%	1.5	1.5	1.6	1.6	18.4%
Channel Infrastructure	O	\$1.48		5.6%	9.1%	8.7%		1.3	0.7	0.8	37.1%
Steel and Tube	N	\$1.30	10.9%	11.2%	9.1%	8.8%	1.3	1.4	1.3	1.4	20.5%
Fonterra	O	\$3.03	6.6%	9.9%	9.1%	8.6%	1.8	1.8	1.5	1.6	72.1%
Argosy Property	N	\$1.19	8.2%	8.4%	8.5%	8.5%	1.2	1.1	1.1	1.1	47.2%
Genesis Energy	N	\$2.84	8.0%	8.1%	8.3%	8.5%	0.6	0.8	0.5	0.5	58.3%
Precinct Properties	N	\$1.20	8.3%	8.3%	8.3%	8.3%	1.0	1.0	1.0	1.0	50.7%
Kathmandu	B	\$1.09	7.0%	5.7%	8.1%	8.7%	0.9	1.5	1.4	1.4	4.7%
Investore Property	N	\$1.54	7.7%	7.9%	7.9%	8.0%	1.0	1.1	1.2	1.1	40.3%
Sky City	B	\$2.86		5.3%	7.8%	9.2%		1.5	1.2	1.1	38.3%
PG&Wrightson	N	\$4.15	7.2%	7.2%	7.5%	7.7%	1.1	1.1	1.1	1.0	19.0%
Spark	O	\$5.07	6.8%	7.4%	7.4%	7.9%	0.9	0.9	1.0	1.0	98.6%
NZX	B	\$1.19	7.1%	7.1%	7.1%	7.1%	1.0	0.8	0.9	0.9	-14.3%
Sky Network Television	N	\$2.28	3.2%	7.0%	7.0%	7.0%	3.9	2.0	1.8	1.8	-27.9%
NZ Rural Land Co	O	\$1.09	4.9%	6.6%	6.7%	7.0%	1.5	1.0	0.9	1.0	53.5%
Contact Energy	B	\$7.44	6.1%	5.9%	6.4%	6.9%	0.7	0.6	0.7	0.7	32.8%
Oceania Healthcare	O	\$0.81	5.1%	5.8%	6.0%	6.5%	1.8	1.8	1.8	1.8	39.0%
Freightways	O	\$9.96	5.2%	5.5%	6.0%	6.6%	1.2	1.2	1.3	1.3	42.7%
Chorus	N	\$7.90	4.4%	5.4%	6.0%	6.3%	0.3	0.3	0.3	0.4	215.3%
Vital Healthcare	U	\$2.45	5.8%	6.0%	6.0%	6.1%	1.3	1.1	1.1	1.1	45.8%
Mercury	B	\$5.71	4.9%	5.3%	5.7%	6.2%	0.5	0.6	0.7	0.8	39.8%
Comvita	B	\$3.24	1.7%	3.1%	5.6%	7.6%	3.6	2.2	1.7	1.6	11.2%
Scales Corporation	N	\$4.79	5.5%	5.5%	5.5%	6.7%	1.1	1.0	1.2	1.2	-21.0%
Arvida	O	\$1.26	4.4%	4.8%	5.5%	6.1%	2.1	2.1	2.2	2.2	33.1%
Skellerup	O	\$5.51	4.3%	4.9%	5.3%	5.9%	1.2	1.2	1.2	1.2	11.9%
Meridian Energy	O	\$4.82	4.8%	4.9%	5.1%	6.1%	1.5	0.8	0.7	0.8	14.5%
Property For Industry	N	\$2.55	4.6%	4.7%	4.9%	5.0%	1.4	1.2	1.2	1.3	38.2%
Air New Zealand	N	\$0.81			4.8%	5.8%			1.8	1.7	-18.5%
Goodman Property	U	\$1.99	4.1%	4.4%	4.5%	4.7%	1.3	1.3	1.3	1.3	27.7%
Vector	O	\$4.20	4.4%	4.4%	4.4%	4.4%	1.1	1.2	1.2	1.3	132.0%
Mainfreight	O	\$74.00	2.7%	3.6%	4.2%	4.1%	2.5	2.5	2.0	2.0	-1.8%
Seeka	U	\$3.58	10.6%		4.1%	8.4%	0.7		2.0	1.5	40.8%
Manawa Energy	O	\$5.65	13.6%	3.3%	3.9%	4.2%	0.6	1.1	1.3	1.2	70.9%
Port of Tauranga	N	\$6.40	3.2%	3.5%	3.8%	4.2%	1.1	1.1	1.1	1.1	21.0%
AFT Pharmaceuticals	B	\$3.73		1.8%	3.7%	4.6%		4.0	2.0	2.0	51.7%
Ebos	N	\$37.80	2.7%	3.2%	3.6%	4.0%	1.3	1.3	1.2	1.1	38.0%
Infratil	O	\$8.73	3.1%	3.3%	3.4%	3.6%	-0.1	2.0	2.2	2.2	69.4%
Delegat's Group	O	\$10.00	2.8%	2.9%	3.3%	3.9%	2.9	2.9	2.9	2.8	49.8%
Fisher & Paykel Healthcare	O	\$20.05	2.7%	2.8%	3.0%	3.1%	1.7	0.9	1.3	1.6	-0.9%
Ryman Healthcare	U	\$8.38	2.7%	2.8%	2.8%	2.9%	2.3	2.6	2.8	3.0	74.2%
Auckland Airport	U	\$7.57		1.5%	2.6%	3.1%		1.0	1.3	1.3	17.8%
Sanford	U	\$4.14		1.2%	2.4%	3.6%		5.1	3.2	2.4	28.2%
Summerset	O	\$9.77	1.9%	1.9%	2.0%	2.0%	3.3	4.0	4.4	4.8	38.4%
Asset Plus	O	\$0.23	7.1%			8.4%	1.0			1.3	32.1%
a2 Milk	N	\$5.75									-66.1%
Eroad	N	\$1.26									1.4%
Pacific Edge	O	\$0.42									-97.2%
Pushpay	N	\$1.28									29.1%
Restaurant Brands	O	\$7.20	6.2%				1.2				69.6%
Serko	U	\$2.90									-82.5%
Synlait	N	\$3.08				8.8%				2.0	45.4%
Vista Group	O	\$1.58									-27.3%
MEDIAN			4.7%	4.9%	5.5%	6.4%	1.2	1.2	1.3	1.3	32.8%

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

NEW ZEALAND

SELL		UNDERWEIGHT		NEUTRAL		OVERWEIGHT		BUY	
		AIA GMT SAN SEK	RYM SKO VHP	AIR ATM ERD GTK NZK PGW SCL SKT VCT WHS	ARG CNU EBO GNE IPL PCT PFI POT SML STU	ARV CHI FPH FRE FSF IFT KPG MFT MNW NZL PPH RBD SPG SPK	HGH MEL MHJ OCA PEB SKL SUM TRA VGL	AFT CVT FBU KMD MPG NZX SKC	CEN MCY MFB

AUSTRALIA

SELL		UNDERWEIGHT		NEUTRAL		OVERWEIGHT		BUY	
		EDV	MQG ANZ ASX DXS GPT MGR TCL WBC	AMC CBA ORG SGP TLC	APA BHP COL FMG GMG SHL	BSL COH JHX LLC MPL NAB NCM NST RHC RIO STO WDS WES WOW	ALL BXB CPU CSL MIN RMD S32 SEK TLS TWE	IAG SCG SUN XRO	QAN QBE

GLOBAL

SELL		UNDERWEIGHT		NEUTRAL		OVERWEIGHT		BUY	
BABA.US MMM.US	700.HK XOM.US WMT.US 7203.JP	TSLA.US T.US STMN.SW MU.US 2330.TW	BAC.US JNJ.US BP/.LN ADBE.US ZTS.US VOW3.GE	GS.US 5930.KS DE.US CRM.US BX.US GSK.LN CAT.US	BLK.US C.US LULU.US NFLX.US DIS.US MRK.US META.US	ABT.US BRK/B.US EW.US GOOGL.US NVDA.US V.US MDLZ.US 1299.HK	AAPL.US AI.FP SIE.GE HSY.US COP.US NKE.US UNH.US SU.FP LLY.US	AMZN.US ASML.NA DHR.US MSCI.US MS.US IBE.SP MSFT.US	PYPL.US MC.FR JPM.US MA.US ENPH.US

BBB+, BBB, BBB-

Issuer	NZDX Code	Coupon	Maturity Date	CPN Freq	Credit Rating	Type	Min. Size	Best Offer Yield	Best Price/\$100
Contact Energy	CEN040	4.630	15/11/2022	4	BBB	Senior	5,000	3.851	99.81
Manawa Energy	MNW150	4.010	15/12/2022	4	BBB-(NR)	Senior	5,000	4.420	100.54
Meridian Energy	MEL030	4.530	14/03/2023	2	BBB+	Senior	5,000	4.694	100.61
Wellington Intl Airport	WIA030	4.250	12/05/2023	2	BBB	Senior	10,000	5.458	99.34
Summerset	SUM010	4.780	11/07/2023	4	BBB-(NR)	Senior	5,000	5.739	99.72
GMT Bond Issuer	GMB050	4.000	1/09/2023	2	BBB+	Senior	5,000	5.628	99.45
Kiwi Property Group Limited	KPG020	4.000	7/09/2023	2	BBB+	Senior	5,000	5.781	99.24
Z Energy	ZEL050	4.320	1/11/2023	4	BBB-(NR)	Senior	5,000	5.887	98.58
Meridian Energy	MEL040	4.880	20/03/2024	2	BBB+	Senior	5,000	5.725	99.54
Heartland Bank	HBL020	3.550	12/04/2024	4	BBB	Senior	5,000	-	-
Investore Property	IPL010	4.400	18/04/2024	4	BBB(NR)	Senior	5,000	6.249	97.70
Christchurch International Airport	CHC010	4.130	24/05/2024	2	BBB+	Senior	5,000	5.750	99.51
GMT Bond Issuer	GMB040	4.540	31/05/2024	2	BBB+	Senior	5,000	5.921	99.95
Wellington Intl Airport	WIA040	4.000	5/08/2024	2	BBB	Senior	10,000	6.155	97.50
Contact Energy	CEN050	3.550	15/08/2024	4	BBB	Senior	5,000	5.720	98.21
Z Energy	ZEL060	4.000	3/09/2024	4	BBB-(NR)	Senior	5,000	6.112	97.10
Precinct Properties	PCT020	4.420	27/11/2024	2	BBB+(NR)	Senior	5,000	5.750	99.42
Property for Industry	PFI010	4.590	28/11/2024	4	BBB(NR)	Senior	5,000	6.140	97.91
Kiwi Property Group Limited	KPG030	4.330	19/12/2024	2	BBB+	Senior	5,000	-	-
Vector Limited	VCT090	3.450	27/05/2025	2	BBB	Senior	5,000	5.650	96.37
Wellington Intl Airport	WIA050	5.000	16/08/2025	2	BBB	Senior	10,000	-	-
Meridian Energy	MEL050	4.210	27/08/2025	2	BBB+	Senior	5,000	5.550	98.28
Summerset	SUM020	4.200	24/09/2025	4	BBB-(NR)	Senior	5,000	6.080	95.57
Property for Industry	PFI020	4.250	1/10/2025	4	BBB(NR)	Senior	5,000	-	-
Kiwi Property Group Limited	KPG040	4.080	12/11/2025	2	BBB+	Senior	5,000	-	-
Argosy Property	ARG010	4.000	27/03/2026	4	BBB+(NR)	Senior	5,000	6.404	93.18
Manawa Energy	MNW180	3.350	29/07/2026	4	BBB-(NR)	Senior	5,000	-	-
Wellington Intl Airport	WIA070	2.500	14/08/2026	2	BBB	Senior	10,000	-	-
Mercury NZ	MCY040	2.180	29/09/2026	2	BBB+	Senior	5,000	-	-
Metlifecare	MET010	3.000	30/09/2026	4	BBB-(NR)	Senior	5,000	6.478	88.42
Argosy Property	ARG020	2.900	29/10/2026	4	BBB+(NR)	Senior	5,000	6.378	87.94
Ryman Healthcare	RYM010	2.550	18/12/2026	4	BBB-(NR)	Senior	5,000	-	-
Investore Property	IPL030	4.000	25/02/2027	4	BBB(NR)	Senior	5,000	6.407	91.82
SBS Bank	SBS010	4.320	18/03/2027	2	BBB+	Senior	5,000	5.980	94.30
GMT Bond Issuer	GMB060	4.740	14/04/2027	2	BBB+	Senior	5,000	6.043	95.31
Channel Infrastructure	CHI020	5.800	20/05/2027	2	BBB-(NR)	Senior	5,000	6.000	101.91
SkyCity Entertainment	SKC050	3.020	21/05/2027	4	BBB-	Senior	5,000	6.495	87.08
Precinct Properties	PCT030	2.850	28/05/2027	2	BBB+(NR)	Senior	5,000	6.577	86.79
Investore Property	IPL020	2.400	31/08/2027	4	BBB(NR)	Senior	5,000	6.454	83.78
Manawa Energy	MNW190	5.360	8/09/2027	4	BBB-(NR)	Senior	5,000	6.070	97.93
Mercury NZ	MCY030	1.560	14/09/2027	2	BBB+	Senior	5,000	5.700	82.90
Summerset	SUM030	2.300	21/09/2027	4	BBB-(NR)	Senior	5,000	6.449	83.07
Oceania Healthcare	OCA010	2.300	19/10/2027	4	BBB-(NR)	Senior	5,000	6.585	82.15
Argosy Property	ARG030	2.200	27/10/2027	4	BBB+(NR)	Senior	5,000	6.420	82.23
Vector Limited	VCT100	3.690	26/11/2027	4	BBB	Senior	5,000	5.800	91.55
Chorus	CNU030	1.980	2/12/2027	4	BBB	Senior	5,000	5.934	83.16
GMT Bond Issuer	GMB1227	3.656	20/12/2027	2	BBB+	Senior	50,000	6.214	90.33
Arvida Group	ARV010	2.870	22/02/2028	4	BBB-(NR)	Senior	5,000	6.828	83.15
Genesis Power	GNE060	4.170	14/03/2028	2	BBB+	Senior	5,000	-	-
Napier Port Holdings	NPH010	5.520	23/03/2028	4	BBB+(NR)	Senior	5,000	5.700	99.85
Contact Energy	CEN070	5.820	11/04/2028	4	BBB	Senior	5,000	-	-
Precinct Properties	PCT040	5.250	9/05/2028	2	BBB+(NR)	Senior	5,000	6.515	94.20
Christchurch International Airport	CHC020	5.180	19/05/2028	2	BBB+	Senior	5,000	-	-
Kiwi Property Group Limited	KPG050	2.850	19/07/2028	2	BBB+	Senior	5,000	-	-
GMT Bond Issuer	GMB0928	2.262	4/09/2028	2	BBB+	Senior	50,000	6.289	81.01
Oceania Healthcare	OCA020	3.300	13/09/2028	4	BBB-(NR)	Senior	5,000	-	-
Chorus	CNU020	4.350	6/12/2028	4	BBB	Senior	5,000	5.232	96.17
Manawa Energy	MNW170	3.970	22/02/2029	4	BBB-(NR)	Senior	5,000	5.975	90.38
Wellington Intl Airport	WIA060	4.000	1/04/2030	2	BBB	Senior	10,000	6.054	88.30
GMT Bond Issuer	GMB0930	2.559	4/09/2030	2	BBB+	Senior	50,000	6.414	77.02
Chorus	CNU040	2.510	2/12/2030	4	BBB	Senior	5,000	-	-
Wellington Intl Airport	WIA080	3.320	24/09/2031	2	BBB	Senior	10,000	6.261	80.60

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