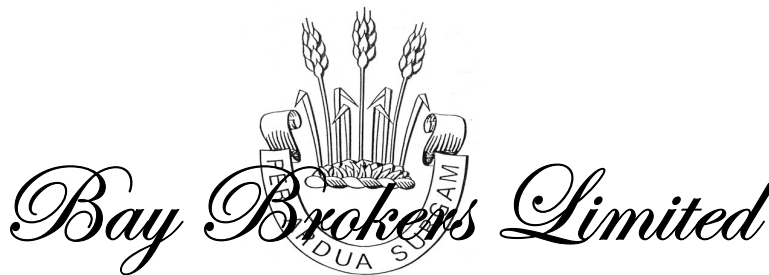




Andrew von Dadelszen

Volume 89



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INVESTMENT STRATEGIES

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

NZ HAS AN OBSTRUCTION ECONOMY

Minister Bishop is so right when he said *"It's too hard to get things done in New Zealand. Too hard to build new renewable energy, too hard to build roads and public transport, too hard to build houses and too hard to develop the sort of sensible economic development projects that provide jobs and growth. New Zealand has become an obstruction economy."*

The "Fast Track Approvals Bill" will help rebuild the economy by making it faster and simpler to get regional and national projects consented and permitted.

KEY QUESTION - WHAT IS LEAKING MORE?

1. Wellington's Water, or
2. Wellington's Public Service bureaucrats

The leaks coming out of Wellington are a national disgrace. I know our Wellington bureaucrats feel under threat, but that doesn't excuse the purposeful undermining of the current Government.

STAFF INCREASES IN LAST 6 MONTHS OF LABOUR GOVT

Govt Department	Increase	%
MBIE	368	5.9%
MSD	405	4.5%
MoH	77	10.5%
MPI	12	0.3%
Total across Central Govt	2,580	4.1%

Between 2017 and 2023 18,447 people were added to the public sector (including 2,580 net new employees (4.1% increase) in the last six months prior to the election – that was 430 more staff added per month. The public service workforce is now sitting at 65,699 - an increase of 39% under Labour. It is no wonder the rats (some of whom will lose their jobs) continually undermine the government ship – but hard-working taxpayers have to pay the price. **Labour – you have a lot to answer for.**

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STATISTICS NZ DATA

Estimated NZ population at 6-May-24 **5,354,022**
Population: 1950: 1,911,808 2000: 3,855,266 Growth 2.7% this year
Births / Deaths: Births: **56,955** Deaths: **37,884** Dec-23 year
Māori population Estimate Nov-23 (17.3% of NZ pop) **904,100**
Net Migration Feb-24yr (Non NZ: **178,600**; NZ Citiz: **-47,700**) ↑ **130,900**
Total Non-NZ Migration Arrivals Feb-24yr ↑ **253,200**
Net migration by country Feb-24yr India: 50,800; Philippines: 35,000
 China: 29,000; Fiji: 11,100; Sth Africa: 8,200; UK: 7,200; Sri Lanka: 7,100
Annual GDP Growth Dec-23 year (Qtlly Sep-23 -0.3% Dec -0.1%) **0.6%**
Inflation Rate (CPI) Mar-24 year (↓ from 4.7% to Mar-23) **4.0%**
Food Price Inflation Mar-24 year (↓ from 12.1% to Mar-23) **0.7%**
Household Cost of Living March-24year ↓ **6.2%**
NZ Gross Govt Debt at Jun-23 CEIC Data ↑ **\$141 bn**
Debt per person (public+private) Jun-23 ↑ **\$151,080**
Minimum Wage (up 45 cents from 1st April 2024) **\$23.15**
Living wage 1-April-23 **\$26.00**
NZ Median Wage from February 2024 **\$31.61**
Annual Wage Inflation (private sector) Dec-23 year **6.6%**
Annual Wage Inflation (public sector) Dec-23 year **7.4%**
Wages average per hour Jun-23 qtr (↑7.4% yoy) **\$39.60**
Labour force participation rate Sep-23 qtr (↓ from 72.4%) **71.8%**
Unemployment March-24 year ↑ **4.3%**
Youth Unemployment Dec-23year **12.4%**
Beneficiaries (Job seeker/Solo/Supported living) Dec-23 ↑ **351,759**
(10.2% of working-age population as at 31-Mar-23)
Jobseeker Support numbers 5.4% (Mar-18 118,753 4.0%) **168,498**
Size of Māori Economy 2023 (2013: \$43bn 2020: \$69bn) **\$91 bn**
Size of NZ Economy (NZ GDP) Sep-23 year **\$400 bn**

MAY 2024



VERSUS

WEBSITE:
vond.co.nz

Mice die in mousetraps because they don't understand why the cheese is free – just like socialism

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.

GOVERNMENT'S PLAN TO REDUCE GAS EMISSIONS

Central Government has announced its target to reduce gas emissions in order to meet its 2050 net zero climate change targets.

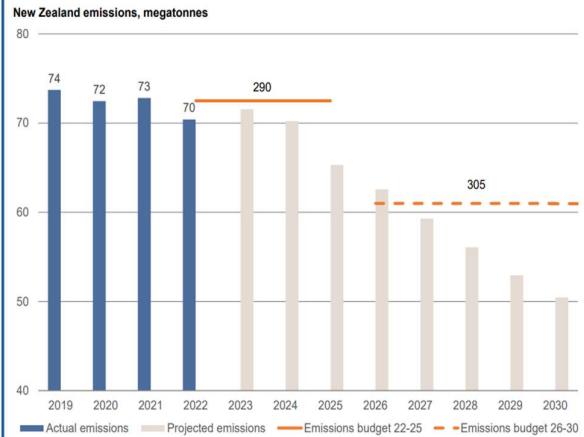
Reaching New Zealand's targets will help keep climate change in check and make New Zealand stronger and better able to withstand whatever challenges comes our way. Climate change is already increasing the severity and frequency of damaging natural events in Aotearoa New Zealand, such as flooding, fires and landslips.

Climate Change Minister Simon Watt has confirmed that "Central Government will take bold steps to reduce emissions, which will ensure New Zealanders can continue enjoying a way of life, and an economy, that protects what matters to us – our people, homes, communities, industries, and environment. New Zealand will achieve net zero greenhouse gas emissions by 2050. That means by 2050, our climate pollution is balanced by removing greenhouse gases from the atmosphere, for example, through growing trees. New Zealand's future can include clean energy to fuel transport, low-carbon

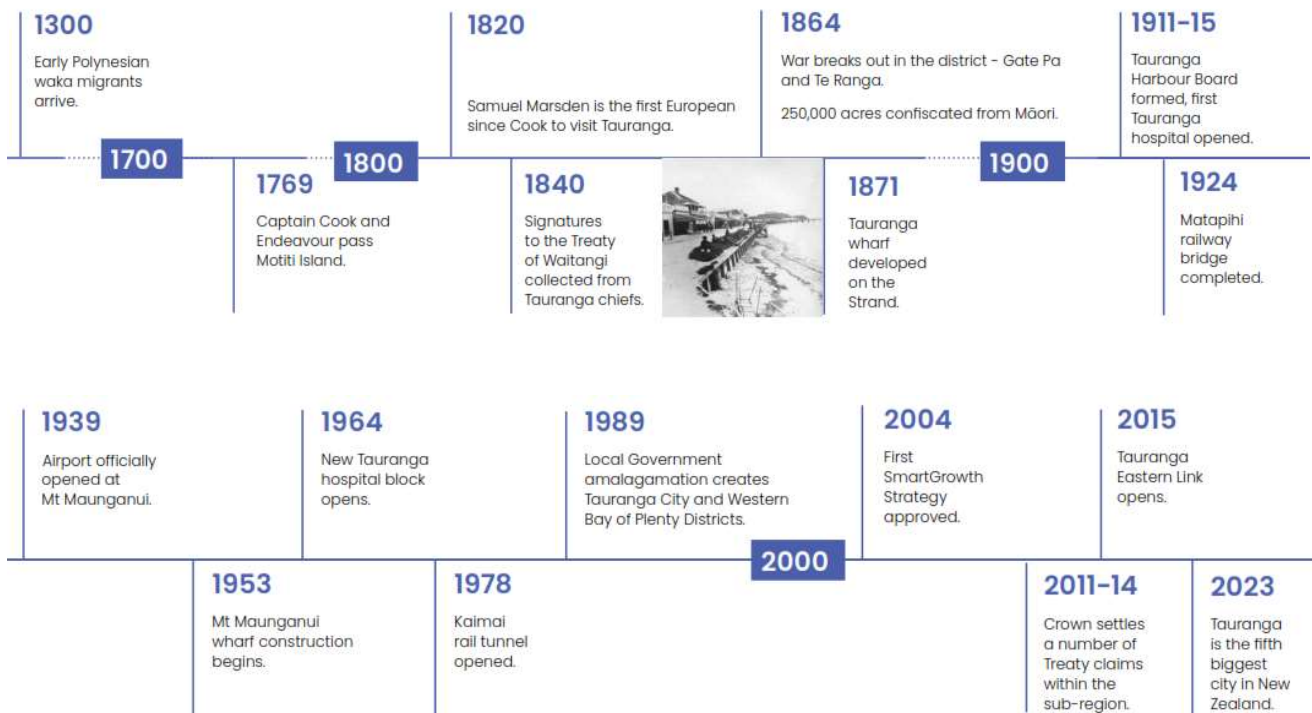
manufacturing providing high-paid jobs and low-emissions agriculture driven by technology. These improvements could not only cement our competitive advantage over time, but also support our efforts to protect and improve our environment."

WHAT IS THE TARGET?

On track to meet New Zealand's 2050 net zero climate change targets with total net emissions of no more than 290 megatonnes from 2022 to 2025 and 305 megatonnes from 2026 to 2030.



HISTORY OF TAURANGA



WESTERN BAY OF PLENTY SUB-REGION DEMOGRAPHICS

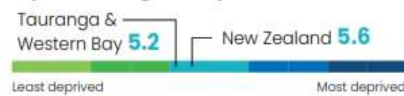
Population ^{estimate 2022*}



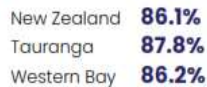
Social deprivation



Population weighted deprivation index 2018*

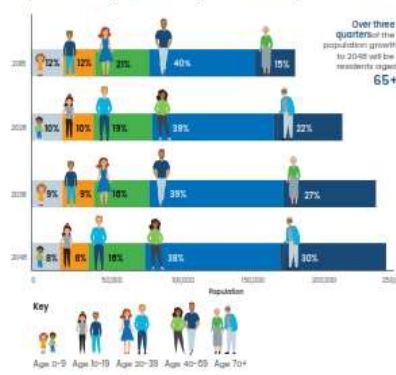


Households with internet access 2018*

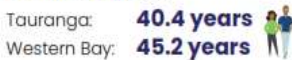


Demographic change

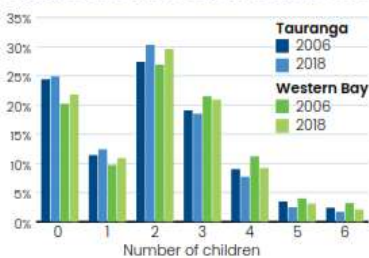
Projected demographic change in our sub-region 2018-2048*



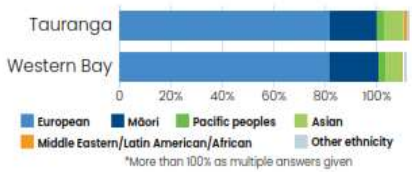
Median age 2018*



Children born to each female 2006 & 2018*



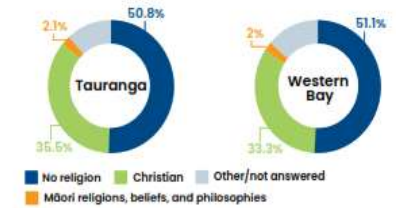
Ethnicity 2018*



Birthplace 2018*



Religion 2018*



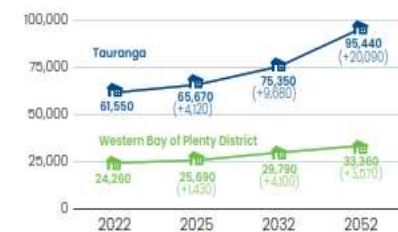
* Source: Regional economic activity report (mbie.govt.nz)

* Source: UFTI-Foundation-Report-V13

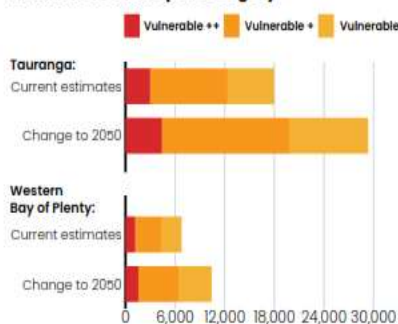
* Source - Stats NZ (Census 2018)

THE SUB-REGIONAL HOUSING CHALLENGE

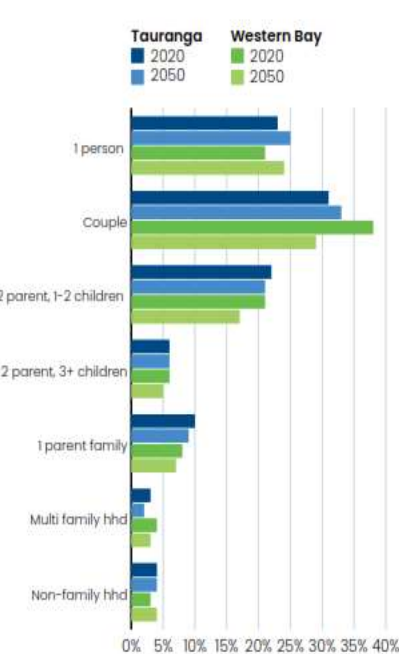
Housing demand



Vulnerable households



Household types



Housing stress



Home ownership



Source - Stats NZ (Census 2018)

Source: Update to SmartGrowth Housing and Business Capacity Assessment 2022

SOURCE: Stats NZ

KEY FACTS

In the December 2023 quarter, around 1,350 Māori authorities and related businesses were in the Tataurangi umanga Māori population.

In the December 2023 quarter compared with the December 2022 quarter:

- The total value of sales by Māori authorities was \$1,189m, up \$186m (19%).
- The total value of purchases by Māori authorities was \$865 million, up \$26m (3.1%).
- The total number of filled jobs for Māori authorities was 11,870, up 50 jobs (0.5%).
- The total value of earnings by employees of Māori authorities was \$220 million, up \$8.5m (4.0%).
- Māori authorities exported \$187m worth of goods, down \$5m (2.7%).

NOTE: All figures are actual values and are not adjusted for seasonal effects.

BUSINESS FINANCIAL DATA

Industry sales and purchases for Māori authorities and related businesses in the December 2023 quarter were:

- Primary industries: \$367m in sales, \$303m in purchases.
- Goods-producing industries: \$212m in sales, \$174m in purchases.
- Services industries: \$610m in sales, \$388m in purchases.

Due to the small number of Māori authorities in the Tataurangi umanga Māori population, some industries have been grouped together to allow more data to be released.

- Primary industries grouping includes businesses involved in farming, forestry, fishing, and mining.
- Goods-producing industries includes businesses involved in manufacturing; utilities such as electricity, gas, water, and waste services; and construction.
- Services industries includes businesses involved in health care and social assistance, real estate, travel agencies, and management services – for example, head offices.

For the December 2023 quarter compared with the December 2022 quarter, the total value of sales by Māori authorities and related businesses rose \$186m.

By industry, the largest movements were:

- primary industries, up \$68m (23%)

- health care and social assistance, up \$38m (26%)
- arts, recreation, and other services, up \$30m (81%)

NOTE: Sales reported here may include donations and government funding. These funding sources are more prevalent in services industries.

BUSINESS EMPLOYMENT DATA

For Māori authorities and related businesses in the December 2023 quarter compared with the December 2022 quarter:

- the number of filled jobs for women was 6,650, up 100 jobs (1.5%)
- the number of filled jobs for men was 5,220, down 40 jobs (0.8%)
- the value of total earnings for women was \$111m, up \$7.3m (7.0%)
- the value of total earnings for men was \$109m, up \$1.2m (1.1%)

The total number of filled jobs for Māori authorities and related businesses rose by 50 jobs in the December 2023 quarter compared with the December 2022 quarter. The movements by industry group were:

- primary industries, up 140 jobs (4.7%)
- goods-producing industries, down 370 jobs (30%)
- services industries, up 280 jobs (3.7%)

Total earnings for employees of Māori authorities and related businesses rose \$8 million to \$220 million in the December 2023 quarter compared with the December 2022 quarter. The movements in earnings by industry group were:

- Primary industries, up \$4.2m (7.7%).
- Goods-producing industries, down \$8.0m (33%).
- Services industries, up \$12m (9.3%).

GOODS EXPORTS

In the December 2023 quarter compared with the December 2022 quarter, the value of:

- Total goods exports by Māori authorities was \$187m, down \$5m (2.7%).
- Exports of milk powder, butter, and cheese was \$57m, up \$12m (27%).
- Exports of all other goods was \$130 million, down \$17m (12%); other goods exported by Māori authorities include kaimoana (seafood), meat, machinery, and wine.

NOTE: Goods may be exported by businesses in both the primary industries (for example, livestock or unprocessed seafood), and the goods-producing industries (for example, meat, dairy products, and wine).

The present New Zealand Government coalition will need six years to get the country's financial position back in reasonable shape.

Alexanders Accounting

LET'S BE HONEST ABOUT WHAT IS WORKING AROUND THE WORLD, WHAT IS NOT WORKING AROUND THE WORLD, AND WHERE IS ALL THIS LEADING FROM A NEW ZEALAND PERSPECTIVE.

Pāmu has passed its use-by date, and selling the state-owned company could boost government coffers by \$2 billion.

That's the view of Canterbury-based specialist agricultural chartered accountant Pita Alexander, who is suggesting the government sell Pāmu's assets to New Zealand farmers or local private investors.

Alexander said the sale of Pāmu could potentially boost government finances by \$2bn.

Just last month, Minister for State-Owned Enterprises Paul Goldsmith told Pāmu the company needed to lift its game, though he said selling the company was not on the government's agenda.

Pāmu runs 110 farms across NZ with a mix of dairy, sheep and beef, deer and forestry.

In its day Pāmu farms – what were then known as Landcorp farms – were fit for purpose; right now, they're not fit for purpose, Alexander said.

"They own 83 farms, manage another 27, totalling 358,866 hectares.

"If the private sector owned these farms, they would operate them more efficiently than Pāmu."

While the assets had been well-managed and in the past were useful for technology transfer and developing new ideas, Alexander said, the return on investment is now too low to make the company viable.

When it comes to running a for-profit business, it is hard to beat someone who has skin in the game, such as most family-run farms.

"It has often been suggested that it acts for a lot of industry good, and it has done in the past, and it maybe still will, but that's not a good enough answer for the government, which has \$2bn involved," Alexander said.

"When the government has got \$2bn involved, they need to think what's the return and the return here for many years now has been poor with the corporate

intent of Pāmu almost always exceeding their actual final result.

"They have tended to believe their own advertising and forward plans, which often didn't eventuate. "There is no question that their financial results for some years have been disappointing and considering that NZ taxpayers have just on \$1.85bn invested here, the return over the years has in the main been very poor.

"With a for-profit business, there is no structure that will compete with private enterprise that would operate the Pāmu farming assets much more soundly and efficiently."

"If the government ever needed \$2bn to spend in better areas, now would be the time.

"How have they lasted this long – their industry good talk has been good, but their very low debt servicing has been the real key.

"Pāmu has passed its use-by date and passed its original purpose." Alexander suggested a gradual sell-down on a piecemeal basis.

"There will be surveying involved and almost certainly some capital costs to achieve the splits referred to, but the units being sold will need to be soundly standalone units.

"Some units could be leased to young NZ couples. They would need to purchase the stock and plant, but lease the land for, say, a six- to nine-year period on a sensible market-related basis."

Sales should all go to individuals, rather than large corporates, with Alexander suggesting no sales to individuals based or living offshore but to NZ farmers and NZ investors.

The phased exit strategy could take up to 10 years, he said. *"The present structure has good intentions, good bones, but has not been fit for purpose really for many years. New Zealanders, as a rule, do not like selling public assets, but sometimes this action is a no-brainer, and this is one of them."*



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LATEST POLITICAL POLLS

ONE NEWS/VERIAN POLL - APRIL 2024				
Party	Vote	Change*	Seats	Change**
National	36%	(2%)	48	nc
Labour	30%	2.0%	40	6
Act	7%	(1%)	9	(2)
Green	14%	2.0%	18	3
Maori	3.7%	nc	6	nc
NZ First	4.2%	(1.8%)	0	(8)
TOP	1%	(0.7%)	-	-
* Change from Feb 2024 ** Change since election				
Polling Period: 20 th to 24 th April 2024				

CURIA/TAXPAYERS' UNION April-24 POLL				
	Vote	Change*	Seats	Change**
National	37.1%	(0.3%)	47	(2)
Labour	25.7%	0.4%	32	nc
ACT	7.2%	(2.8%)	8	(3)
Green	14.6%	3.3%	18	3
NZ First	6.3%	(1.1%)	9	1
Māori	4.6%	2.1%	6	nc
* Change from March-24 ** Change since election				
Polling Period: 2 nd to 4 th April 2024				

ROY MORGAN MARCH 2024 POLL				
Party	Vote	Change*	Seats	Change**
National	38.0%	2.5%	47	(2)
Labour	23.0%	1.5%	29	(5)
Act	11.5%	(0.5%)	14	3
Green	13.5%	(2.0%)	17	2
Māori	3.5%	(0.5%)	6	nc
NZ First	6.5%	(1.0%)	8	nc
Opportunity (TOP)	2.5%	nc	-	-
* Change from February ** Change since election				
Polling Period: 26 th Feb to 24 th March 2024				

MEN CLEARLY FAVOUR NATIONAL/ ACT/ NZ FIRST WHILE WOMEN NARROWLY FAVOUR LABOUR/ GREENS/ MAORI

The latest Roy Morgan Poll indicates that, on an overall basis men are heavily in favour of the new National/ ACT/ NZ First coalition government on 66%, more than double the opposition Labour/ Greens/ Māori Party on only 31%.

In contrast, women marginally favour the opposition Labour/ Greens/ Māori on 51.5% - only 6.5% points ahead of the governing National/ ACT/ NZ First on 45%.

Support for the governing coalition is almost equally strong for men of all ages. For men aged 50+

there are 67% supporting National/ ACT/ NZ First more than double the 31% supporting the Labour/ Greens/ Māori Party. Support for NZ First (9%) is stronger amongst this demographic than any other age or gender group analysed.

For younger men aged 18-49 there is also strong support for the governing coalition with 65% supporting National/ ACT/ NZ First compared to 31% that support Labour/ Greens/ Māori Party. This group also has the highest support for ACT on 14% - almost as much as the support for the Labour Party which registers only 14.5% in this demographic.

Women aged 50+ are clearly behind the new governing coalition with a majority of 53% supporting National/ ACT/ NZ First compared to 46% that support Labour/ Greens/ Māori Party. The Labour Party has its strongest support amongst this demographic attracting 32% support.

However, younger women aged 18-49 are the only major demographic group which favours the governing Labour/Greens on 57.5% well ahead of the governing National/ACT/ NZ First coalition on 36.5%.

This demographic is the core of support for the Greens at 20.5%, almost double the support the Greens attract from any other gender and age group analysed. More than half of the 15 Greens MPs elected in October 2023 were drawn from this gender and age group of women aged under 50.

NATIONAL'S NEXT 100 DAYS

Prime Minister Christopher Luxon announced a further 36 actions continue to get New Zealand back on track. In their first 100 days National promised, and delivered, 49 actions. They're



now focusing on what will be achieved for New Zealanders in the next three months, including:

- Delivering a budget that reduces wasteful spending while investing in frontline services.
- Delivering tax relief to hardworking New Zealanders struggling with the cost of living.
- Setting targets for improving public services, like education and health so to allow for faster access to healthcare when they need it.
- Launching an Attendance Action Plan to get kids back to school and ensuring they can reach their full potential.
- Restoring Three Strikes to hold serious, repeat offenders to account and keep Kiwis safer in their homes and communities.

- Establishing a Regional Infrastructure Fund to boost economic growth in our regions to help Kiwis get where they need to go faster and safely.
- Reforming the CCCFA regime to make it easier for home-buyers to access credit, and introduce legislation to improve the rental market.

MP REMUNERATIONS RATES ARE OUT

The Remuneration Authority has just released its determination, with a modest 2.8% increase for most roles when compared to 2020.

Job	Salary	Super	Perks	Allowance	Total Rem
PM	\$ 484,200	\$ 33,720	\$ 15,200	\$ 23,800	\$ 556,920
Deputy PM	\$ 344,100	\$ 33,720	\$ 15,200	\$ 17,900	\$ 410,920
Speaker	\$ 344,100	\$ 33,720	\$ 15,200	\$ 22,300	\$ 415,320
Cabinet Ministers (18)	\$ 304,300	\$ 33,720	\$ 15,200	\$ 22,300	\$ 375,520
Leader of the Opposition	\$ 298,000	\$ 33,720	\$ 15,200	\$ 22,300	\$ 369,220
Ministers outside Cabinet (8)	\$ 256,800	\$ 33,720	\$ 15,200	\$ 22,300	\$ 328,020
Government Senior Whip	\$ 227,900	\$ 33,720	\$ 6,300	\$ 22,300	\$ 290,220
Deputy Speaker	\$ 215,300	\$ 33,720	\$ 15,200	\$ 22,300	\$ 286,520
Labour Deputy Leader	\$ 219,800	\$ 33,720	\$ 6,300	\$ 22,300	\$ 282,120
Labour Whip	\$ 219,800	\$ 33,720	\$ 6,300	\$ 22,300	\$ 282,120
Green Party co-leaders (2)	\$ 210,800	\$ 33,720	\$ 6,300	\$ 22,300	\$ 273,120
Green/ACT Whips (2)	\$ 203,300	\$ 33,720	\$ 6,300	\$ 22,300	\$ 265,620
TPM co-leaders (2)	\$ 195,100	\$ 33,720	\$ 6,300	\$ 22,300	\$ 257,420
Parliamentary Under-Secretaries (2)	\$ 194,374	\$ 33,720	\$ 6,300	\$ 22,300	\$ 256,694
NZ/TPM Whips (2)	\$ 187,600	\$ 33,720	\$ 6,300	\$ 22,300	\$ 249,920
Assistant Speakers (3)	\$ 184,700	\$ 33,720	\$ 6,300	\$ 22,300	\$ 247,020
Junior Whips (3)	\$ 184,700	\$ 33,720	\$ 6,300	\$ 22,300	\$ 247,020
Select Committee Chairs (13)	\$ 184,700	\$ 33,720	\$ 6,300	\$ 22,300	\$ 247,020
Select Cmte Deputy Chairs (13)	\$ 173,700	\$ 33,720	\$ 6,300	\$ 22,300	\$ 236,020
Ordinary MPs (47)	\$ 168,600	\$ 33,720	\$ 6,300	\$ 22,300	\$ 230,920
Total	\$ 4,801,874	\$ 674,400	\$ 188,300	\$ 443,100	\$ 6,107,674

GREEN MP DARLEEN TANA CUT FROM GREENS WEBSITE

It is interesting that the Green MP who is facing disciplinary action (month's later) for serious worker exploitation, has been deleted from the Green's website, and yet she is still on full pay as a member of Parliament.

LABOUR PRODUCTIVITY OF REAL CONCERN

New Zealand has a serious productivity problem. Labour productivity fell 0.9% in the year ended March 2023, according to figures recently released by Stats NZ. This 0.9% fall in labour productivity was the largest fall since 2009. It follows a rise of 1.0% in the year ended March 2022.

Labour productivity measures the quantity of goods and services (output) produced per hour of labour. "A fall in labour productivity means that we are

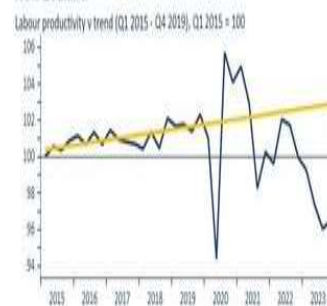
producing less output per hour of labour." A fall was also seen in multifactor productivity, down 2.2%. Multifactor productivity captures the effects of unobserved inputs such as technological progress, efficiency gains, and economies of scale.

Notable events affecting the economy in the year ended March 2023 included the closure of the Marsden point refinery, the removal of COVID-19 restrictions including border closures, and extreme weather events in the North Island.

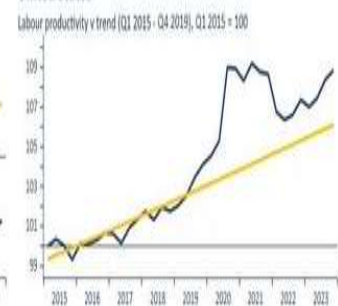
These statistics cover the measured sector, which is mainly market-sector industries, and covers

Labour productivity is well above pre Covid trend in the US, and reasonably close in some (although not all) small advanced economies

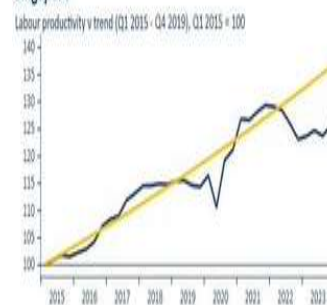
New Zealand



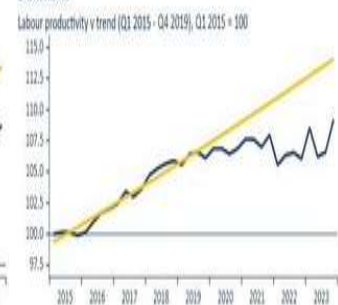
United States



Singapore



Denmark



approximately three-quarters of New Zealand's economy. Predominantly non-market service industries like education and healthcare are not included within the measured sector.

NZ has some of the lowest productivity per head in the OECD. We need people to work – and work more productively, if we are to maintain our standard of living. The impact of migration has hidden the true underperformance that GDP per Capita reflects. Yes, a growing population is actually good for NZ Inc, but only if we resolve our poor productivity per person – because this is the best indication of a country doing well.

WAITANGI TRIBUNAL IS NOT A JUDICIAL COURT

SOURCE: Newsroom, 19-April-24

The Waitangi Tribunal is currently investigating the Government's decision to repeal section 7AA of the Oranga Tamariki Act, which lays out the obligations of the children's ministry in relation to the Treaty of Waitangi. Last week, the Waitangi Tribunal issued a summons to Minister for Children Karen Chhour when she refused to provide evidence behind the decision to repeal.

While Crown lawyers have said they will seek judicial review of the summons in the High Court, Jones and Seymour have broken rank to openly criticise the tribunal. *"The Waitangi Tribunal has no business running its operations as some sort of star chamber delivering pre-emptory summons for ministers to rock up and be cross-examined or grilled in some kind of wannabe American star chamber pulp fiction gig,"* Shane Jones said, before saying he was looking forward to a review and potential reform of the tribunal as laid out in the National-New Zealand First coalition agreement.

In response, Te Hunga Rōia Māori / Māori Law Society wrote to Luxon and Attorney-General Judith Collins, saying Jones' comments are likely to have breached Cabinet Manual conventions against influencing or criticising the judiciary.

"These comments are inappropriate and unconstitutional. The Cabinet Manual provides that ministers must 'exercise judgement before commenting on matters before the courts or judicial decisions' (clause 4.12) and that 'Ministers should not express any views that are likely to be publicised if they could be regarded as reflecting adversely on the impartiality, personal views, or ability of any judge'," co-presidents Natalie Coates and Tai Ahu wrote in the letter.

"Minister Jones' comments directly bring into question the performance of the Waitangi Tribunal, an independent Commission of Inquiry established by legislation that serves a function akin to a Court and over which a Judge presides. The comments, which are paired with a threat of executive review of the function and purpose of the Tribunal could also have a chilling effect and reflect adversely on Waitangi Tribunal decisions going forward."

The Waitangi Tribunal is very far from a judicial body, with only 5 of the 20 members being actual lawyers. Members are appointed by the Minister of Māori Affairs, not the Attorney-General. Unlike judges who are appointed for life, members are appointed for three years terms – ie they are temporary appointees made by the Government of the day.

Criticising the Waitangi Tribunal is not the same as criticising the Māori Land Court. They are different creatures.

GOVT DEPARTMENT GROWTH 2017-2023

SOURCE: KiwiBlog, 5-April-24

There has been a 34% increase over six years in the size of the public service, in terms of EFTS. But not all agencies have grown by the same proportion.

Here are the 10 with the largest relative increases between 2017 and 2023:

1.	Pacific Peoples	269%
2.	Environment	189%
3.	Transport	101%
4.	MBIE	87%
5.	Statistics	85%
6.	Women	78%
7.	Public Service Com'n	74%
8.	Culture & Heritage	68%
9.	Defence	65%
10.	Education	64%

10 departments have had staff increases of greater than 64%. Amazing, by absolute growth we have:

1.	MBIE	2,917
2.	Social Development	2,277
3.	Education	1,679
4.	Oranga Tamariki	1,340
5.	Primary Industries	1,300
6.	Justice	1,122
7.	Corrections	1,073
8.	Statistics	779
9.	Environment	661
10.	Internal Affairs	597

It is ironic that both the Left (supported by the media) condemn the Coalition Government's drive to overturn the ridiculous increases in the public service, but the truth is that Labour's last six years has seen an incredible increase in debt, without any productivity gains to show for it. This country has to make some very hard decisions (and with urgency) if we are to reverse the socialist (perhaps communist) trends that Labour has led us into. If we don't want to follow the Argentina model into the third world, our National led Coalition Government has to act now – before it is too late.

RICHARD PREBBLE – ARE ADVOCACY MINISTRIES PAST THEIR USE BY DATE?

SOURCE: NZ Herald, 2-Mar-24

The Public Service Association (PSA) claims the staff of the Ministry for Pacific Peoples is to be cut by 40%. The union says: *"The Government is after these savings to finance \$3 billion worth of tax cuts"*.

Finance Minister Nicola Willis is determined to deliver tax cuts. Using the National Party's election tax calculator a Pacific Island couple earning the medium wage with three children will receive a tax cut worth around \$42 a week.

Carmel Sepuloni, Labour's deputy leader, has slammed the proposed staff cuts but few of her Pasifika constituents value the ministry enough to pay higher taxes. This is more than tax versus services or even as Christopher Luxon says *"right-sizing the civil*

service". It is whether the ministry is Government overreach.

The only effective way of reducing Government spending is for the state to stop doing things. Is the Ministry for Pacific Peoples something the Government should stop doing? Sepuloni is the former associate minister. Such a tiny ministry having two ministers indicates that under Labour the ministry's primary purpose was propaganda. In election year the ministry spent \$53,000 on several breakfasts to promote the budget. The ministry also spent \$42,000 in taxpayer dollars farewelling its chief executive.

I am a former and first Minister for Pacific Peoples. We had a staff of 10 in a surplus ministerial house. Now the ministry is in a high rise, 101-103 The Terrace, with a staff of 156.

The union says the ministry promotes housing, employment, and culture. There are already government departments promoting housing, employment, and culture.

A new report by Max Salmon for the New Zealand Initiative "*Cabinet Congestion: The growth of a Ministerial Maze*" says that there are 41 government departments and 27 Crown agencies reporting to 78 ministerial portfolios and 22 associate portfolios, held by 28 ministers. The result is duplication, waste and confusion. Advocacy ministries have contributed to this duplication and confusion.

There are now many New Zealand Pasifika university students, but it is likely that a secondary school pupil in the Islands is getting a better education than a Pasifika pupil in Otago. The New Zealand schools have better equipment and teachers but in New Zealand today around half of all Pasifika secondary school pupils will be absent. It is hard to get an education if you do not go to school.

A search of the Ministry for Pacific People's website, reports and briefing to the new minister did not reveal any concerns over this educational disaster.

The ministry is promoting victimhood with multiple references to the Dawn Raids of half a century ago. Police did make mistakes such as falsely arresting Māori. Police knocked on my door. But it is wrong to exaggerate what happened. Overstaying is illegal. As minister, no one asked me for an apology.

Have these advocacy ministries passed their use-by date? We now have Pasifika, ethnic and women MPs.

Advocacy ministries are one reason the civil service grew by 14,000.

In a Westminster democracy advocacy is the role of an MP. Parliament is not called the House of Representatives for no reason. It is also an MP's job to represent all their constituents. With 120 MPs there are many MPs keen to advocate and represent. It is going to require a huge effort from the Ministry of Education, schools, parents, and the community to get

pupils back to school. It is never going to be achieved by an advocacy ministry in Wellington. It requires leadership. Carmel Sepuloni, instead of championing jobs for civil servants, why not champion getting our children back to school?

I'M WITH WINSTON PETERS ON THIS



Former Australian Foreign Affairs Minister Bob Carr's intention to launch legal action against Winston Peters seems laughable to me. Winston can be reckless but he is once again proving to be an excellent Foreign Minister. His workload is high and his output is impressive.

OECD IMPORTS & EXPORTS AS A % OF GDP

How does New Zealand's experience compare to that of the other OECD countries (large and small)? The OECD database is complete from 1995, so here is the change in the average share of exports and imports from then to 2022.

Most OECD countries have seen quite a big increase in foreign trade shares over that period. Some of that will have been a rise in trade in intermediates. One could look at the OECD data on trade in value-added, but there is a multi-year lag in the availability of that data.

Can you spot New Zealand? That's us over on the very far right of the chart, one of just a handful of countries to have had no growth in foreign trade as a share of GDP over those decades (as it happens - and I'm not here arguing causation - each of that handful of countries have been long-term OECD productivity underperformers).

What about the level of trade as a share of GDP (which is what that Treasury chart is showing). Here is the 2022 data for all the OECD countries (in case you are worried that pandemic effects are still distorting the picture the 2019 chart is very little different).

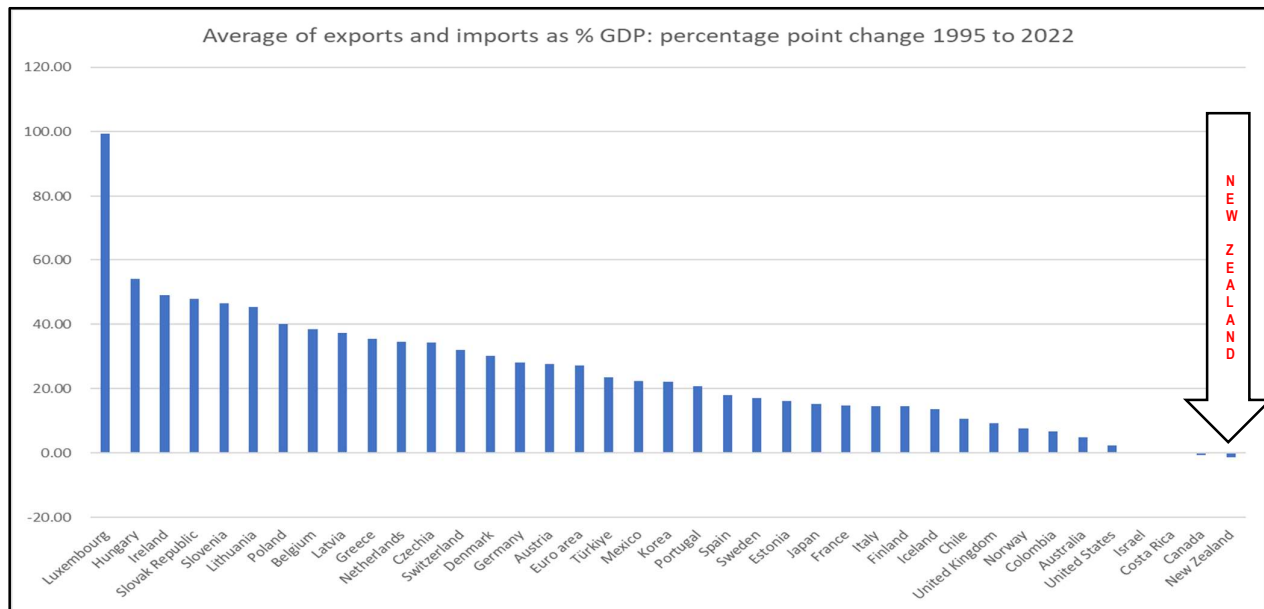
There are two regularities when looking at the extent of cross-country trade, neither very surprising: all else equal, big populous countries tend to do less foreign trade (share of GDP) than smaller ones, and

all else equal, remote countries tend to do less foreign trade (share of GDP) than ones close to lots of other (advanced) countries.

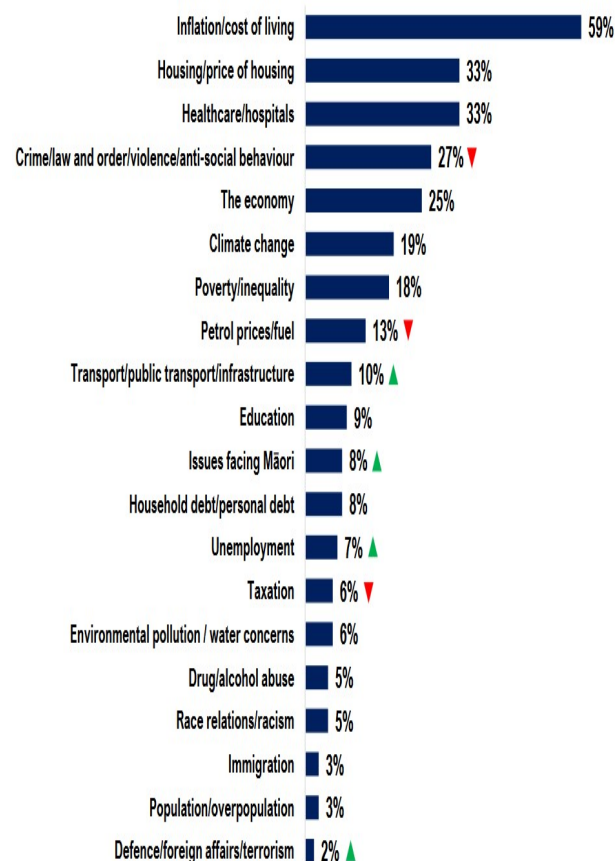
Most OECD countries aren't large (22 of 38 have populations of 12 million or less) and most of them are close to other centres of advanced economic activity.

What of New Zealand? We have the 5th lowest foreign trade share of any OECD countries. Of the four lower than us, three are large countries and the fourth (Australia) has a population five times our size. Every single other small country has trade shares higher

than New Zealand's. In all but Israel's case, materially higher, and Israel is another example of a country fairly geographically remote (surrounded by plenty of other countries but not wealthy advanced economies, and wealthy advanced economies tend to trade a lot with other countries like them).



IPSOS REPORT – KEY IMPORTANT ISSUES FACING NEW ZEALAND



This February Ipsos Report is an interesting analysis of New Zealanders concerns following the change of government in November 2023. Despite a slow downward trend, inflation/cost of living remains the most important issue facing New Zealand.

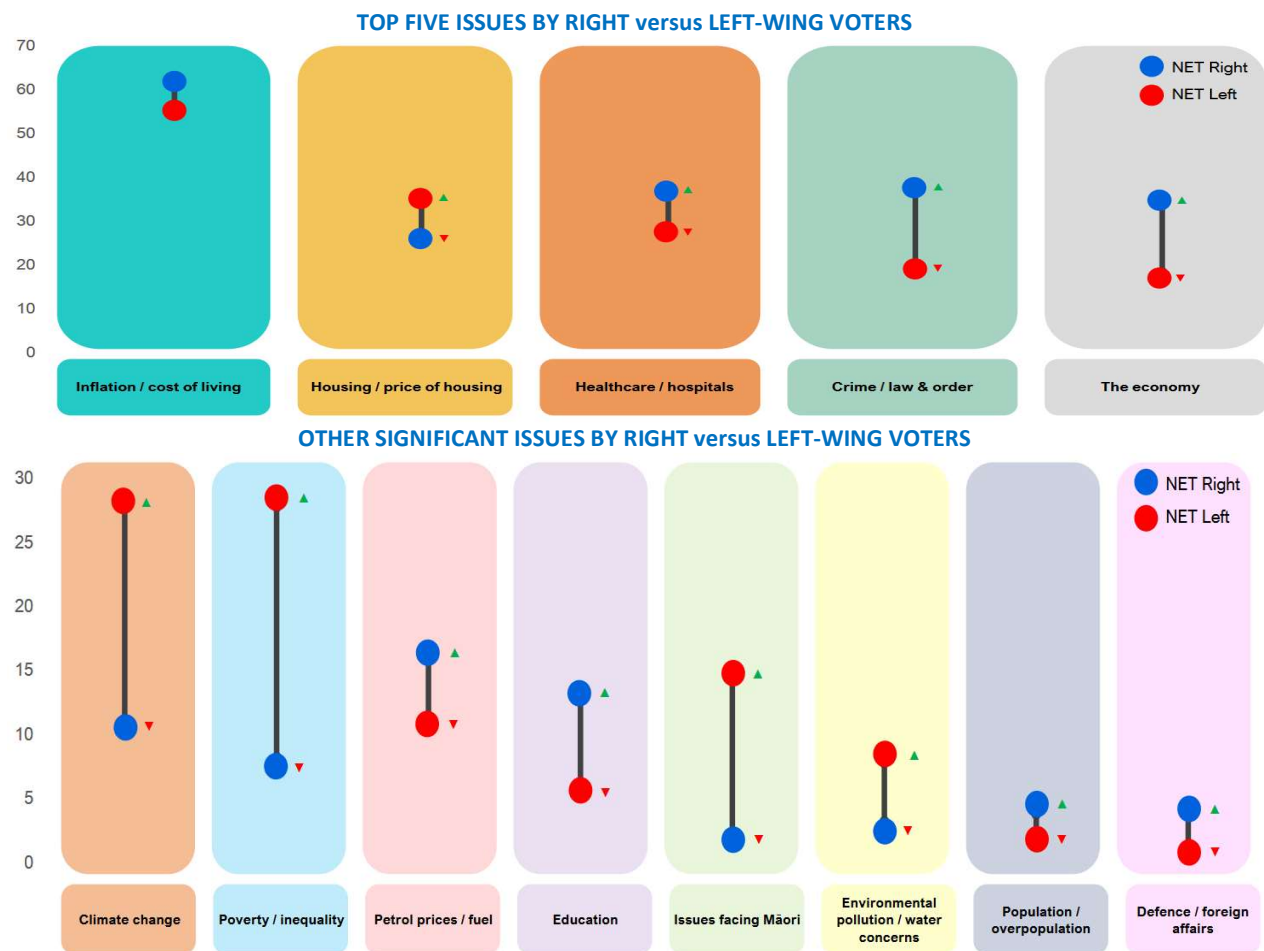
Concerns for crime/law & order has significantly dropped to the 4th most important issue. Housing/price of housing and healthcare/hospitals remain stable as the 2nd equal most important issues. The economy has remained consistent in 5th place.

Transport/public transport/infrastructure, issues facing Māori, unemployment and defence/foreign affairs/terrorism have all increased significantly this measure.

Those under the age of 50 are significantly more concerned about inflation/cost of living (67%) and housing/price of housing (39%); but are significantly less concerned about healthcare/hospitals (24%) and crime/law & order (21%).

Those self-employed (46%) and retired (44%) are significantly less concerned about inflation / cost of living. Those retired (23%) are also significantly less concerned about housing/price of housing but more concerned about healthcare/hospitals (48%).

Concern for crime/law & order is significantly lower amongst NZ Māori (14%).



SOURCE: © Ipsos | NZ Issues Monitor, Feb-2024

IPSOS REPORT: TOP TEN ISSUES – NEW ZEALAND versus AUSTRALIA



1	Inflation / cost of living	59%
2=	Housing / price of housing	33%
2=	Healthcare / hospitals	33%
4	Crime / law & order	27%
5	The economy	25%
6	Climate change	19%
7	Poverty / inequality	18%
8	Petrol prices / fuel	13%
9	Transport / public transport	10%
10	Education	9%



1	Cost of living	65%
2	Housing	45%
3	Healthcare	31%
4	The economy	26%
5	Crime	21%
6	Petrol prices	15%
7	Environment	13%
8	Poverty	12%
9	Personal debt	10%
10	Immigration	10%

GOVERNMENT TO SET “BETTER PUBLIC SERVICES TARGETS”

The National led Coalition Government has just announced their promised “Better Public Services targets”. Their rationale is that meeting these targets can improve life for so many New Zealanders.

The last National-led Government saw immunisations rates for Māori skyrocket to the same level as non-Māori, saw hundreds or thousands of lives saved due to faster service at emergency departments.

The “Better Public Services targets” are important for numerous reasons, including:

- They allow outcomes to be measured and Government to be held accountable for them.
- They incentivise agencies to work together to achieve actual measurable outcomes.
- They generally are focused on outcomes, not inputs or outputs.

The last one is especially important. The difference is:

- Inputs: Action (ie spend \$20 million to try and improve school attendance rates).
- Outputs: Result (50 new truancy officers are operating).
- Outcome: Impact (School attendance is up 10%).

SUMMARY OF THE NINE TARGETS

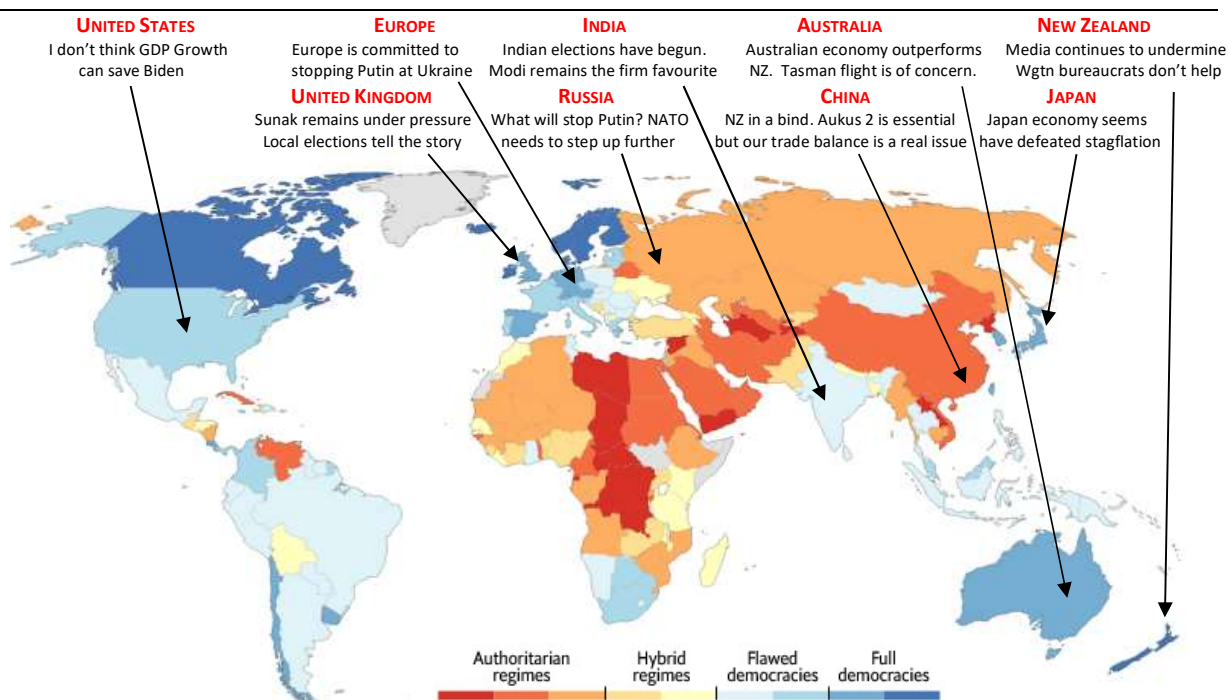
1. **SHORTER STAYS IN EMERGENCY DEPARTMENTS:** 95% of patients to be admitted, discharged, or transferred from an emergency department within six hours.

2. **SHORTER WAIT TIMES FOR (ELECTIVE) TREATMENT:** 95% of people wait less than four months for elective treatment.
3. **REDUCED CHILD AND YOUTH OFFENDING:** 15% reduction in the total number of children and young people with serious and persistent offending behaviour.
4. **REDUCED VIOLENT CRIME:** 20,000 fewer people who are victims of an assault, robbery, or sexual assault.
5. **FEWER PEOPLE ON THE JOBSEEKER SUPPORT BENEFIT:** 50,000 fewer people on Jobseeker Support Benefit.
6. **INCREASED STUDENT ATTENDANCE:** 80% of students are present for more than 90% of the term.
7. **MORE STUDENTS AT EXPECTED CURRICULUM LEVELS:** 80% of Year 8 students at or above the expected curriculum level for their age in reading, writing and maths by December 2030.
8. **FEWER PEOPLE IN EMERGENCY HOUSING:** 75% reduction of households in emergency housing.
9. **REDUCED NET GREENHOUSE GAS EMISSIONS:** On track to meet New Zealand’s 2050 net zero climate change targets, with total net emissions of no more than 290 megatonnes from 2022 to 2025 and 305 megatonnes from 2026 to 2030.

OUTCOMES

These targets are ambitious, but 20,000 fewer crime victims is a better outcome when compared to Labour’s aim of 25% fewer people in prison.

THE WORLD AT A GLANCE – GLOBAL DEMOCRACY INDEX





NEW ZEALAND'S GLOBAL RANKING

When we look at GDP per Capita, New Zealand ranks 18th in the world. In actual GDP in US Dollar terms we rank 52nd. It is noteworthy that, on a GDP per Capita basis, we outperform United Kingdom and many European countries.

We are often pretty hard on ourselves, but the Table below tell me that while we do feel that we have a bit of a debt crisis, we are in fact not as badly off as many of our peers around the world.

Country	Ranked by GDP /Capita	GDP per Capita	Ranked by GDP	GDP (US\$bn)	GDP Growth	Interest Rate	Inflation Rate	Jobless Rate	Gov. Budget	Debt/ GDP	Current Account	Population
Norway	1	105.46	27	579	1.5	4.5	3.9	3.6	25.6	44.3	17.5	5.49
Ireland	2	102.70	28	533	-3.4	4.5	2.9	4.3	1.7	44.4	9.9	5.19
Switzerland	3	92.85	21	818	0.3	1.5	1.0	2.4	1.2	41.4	9.9	8.81
Singapore	4	82.80	35	467	1.2	3.42	3.4	2	-0.3	167.8	19.8	5.64
United States	5	75.74	1	25,440	3.4	5.5	3.5	3.8	(5.8)	129.0	(3.0)	335.89
Denmark	6	67.45	42	400	2.6	3.6	0.9	2.5	3.3	29.8	10.9	5.93
Australia	7	64.45	13	1,693	0.2	4.4	4.1	3.7	(1.4)	22.3	1.8	26.27
Netherlands	8	56.65	19	1,009	0.4	4.5	3.1	3.7	(0.9)	46.8	11.1	17.81
Sweden	9	56.18	25	591	-0.06	4	4.5	8.5	1.1	32.9	6.8	10.52
Israel	10	54.92	29	525	-5.62	4.5	2.5	3.3	-4.2	60.7	5	9.56
United Arab Emirates	11	53.71	30	507	2	5.4	3.36	2.95	12.5	38.3	11.7	9.44
Canada	12	52.40	10	2,138	0.2	5.0	2.8	6.1	(1.3)	107.0	(0.4)	40.8
Austria	13	51.76	34	471	0	4.5	4.2	6.9	-2.7	77.8	2.7	9.1
Finland	14	50.90	49	283	-0.7	4.5	3	7.8	-0.8	73.3	-1.4	5.56
Belgium	15	49.66	26	583	0.3	4.5	3.18	5.5	-3.5	104.3	-1	11.74
Hong Kong	16	48.98	44	360	0.4	5.75	2.1	2.9	-5	38.4	7.1	7.35
Germany	17	48.36	5	4,082	(0.3)	4.5	2.2	5.9	(2.0)	66.1	5.9	84.4
New Zealand	18	46.70	52	248	(0.1)	5.5	4.7	4.0	(2.7)	35.9	(6.9)	5.31
United Kingdom	19	45.57	7	3,089	(0.3)	5.3	3.4	3.9	(4.2)	97.1	(3.3)	67.79
Euro Area	20	40.93	3	14,136	0.0	4.5	2.4	6.5	(3.6)	90.9	1.9	345.41
France	21	40.78	8	2,779	0.0	4.5	2.3	7.5	(5.6)	111.8	(0.7)	68.14
Italy	22	34.76	11	2,050	0.2	4.5	1.3	7.5	(7.2)	137.3	0.5	58.98
Saudi Arabia	23	34.46	18	1,109	(0.6)	6.0	1.8	4.4	2.5	30.0	5.9	32.18
Japan	24	34.13	4	4,232	0.1	0.0	2.8	2.6	(6.4)	263.9	1.8	123.99
Taiwan	25	33.32	22	775	2.3	2.0	2.1	3.4	(1.7)	28.2	11.8	23.26
South Korea	26	32.37	14	1,674	0.6	3.5	3.1	2.6	(7.0)	49.6	1.3	51.71
Spain	27	29.18	16	1,418	0.6	4.5	3.2	11.8	(3.7)	111.6	2.6	48.59
Poland	28	18.72	23	688	0.0	5.8	1.9	5.4	(3.7)	49.3	1.6	36.75
Russia	29	15.38	9	2,240	(0.8)	16.0	7.7	2.8	(1.9)	17.2	10.3	145.6
China	30	12.74	2	17,963	1.0	3.5	0.1	5.3	(7.4)	77.1	1.5	1409.67
Mexico	31	11.36	15	1,466	0.1	11.0	4.4	2.5	(3.4)	49.4	(1.5)	129
Turkey	32	10.62	20	907	1.0	50.0	68.5	9.1	(5.4)	31.7	(5.4)	85.37
Brazil	33	8.92	12	1,920	0.0	10.8	3.9	7.8	(4.6)	72.9	(2.9)	215.31
Indonesia	34	4.78	17	1,319	0.5	6.0	3.1	5.3	(1.7)	39.9	(0.3)	275.8
India	35	2.49	6	3,417	1.7	6.5	5.1	7.6	(5.8)	86.5	(2.0)	1373.76

SOURCE: Trading Economics

NEW ZEALAND'S ECONOMIC OUTLOOK

Population: 5.2 million

NZ ECONOMY

The economy is broadly following the path laid out for it by the Reserve Bank: not a path strewn with rose petals, but a hard and rocky path through dangerous lands from which not all will emerge unscathed. It was back in November 2022 that the RBNZ admitted that they were going to deliberately engineer a recession, and here we are.



But on the other side of this painful adjustment lies not only low and stable inflation, but also a more sustainable external balance with the rest of the world. We are reliant on not so much the kindness as the self-interest of strangers abroad to fund our lifestyles, and that does put some non-negotiable limits on for how long we can keep living beyond our means. And we most certainly did that during the COVID era, as demonstrated by both the current account deficit and the fiscal deficit. Carrying on in that vein was never an option. And the sectors experiencing the biggest busts now are those that had the biggest booms.

The good news is that the economy is making solid progress. The current account deficit is narrowing. And inflation is clearly on the way down. There are some concerning signs of stickiness in some of the inflation measures in this survey, and despite the marked slowing in the economy there is still a good deal of uncertainty about the inflation outlook. It's certainly too soon to declare victory. But eyes on the prize; we're getting there.

	Last 3 months	Next 3 months	Next year
Global economy	→	→	↗
NZ economy	→	→	↗
Inflation	↘	↘	↘
2 year swap	↗	→	↘
10 year swap	↗	→	↘
NZD/USD	↘	→	↗
NZD/AUD	↘	→	↘

SOURCE: Westpac

BUSINESS CONFIDENCE

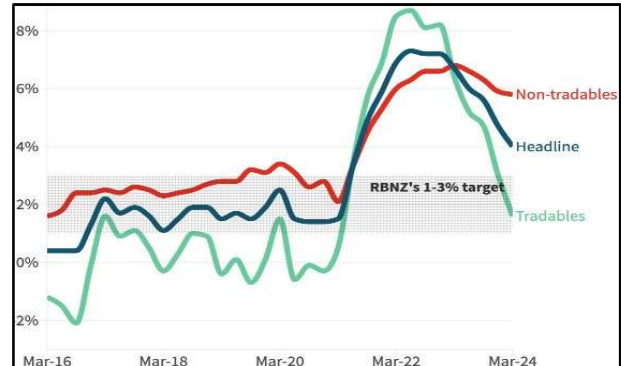
Most activity indicators slid in March, while inflation indicators eased a little. Like with consumer confidence, recession headlines seem to have had an impact.



INFLATION

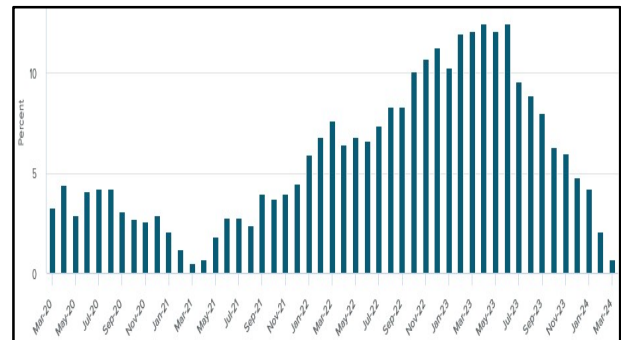
Headline inflation continues to fall at pace, helped by weakness on the tradables (largely imported) side of the basket. Broadly offsetting strength on the domestic side of the basket, tradable inflation has fallen much faster than the RBNZ have anticipated. Headline inflation remains on track to return to the 1-3% target band in Q3 this year, provided geopolitical risks are contained. The March Quarter Stats NZ Report states it is down to 4% - if we annualise the March quarter we would get a 2.4% annual rate.

CONSUMER PRICE INDEX – annual % change



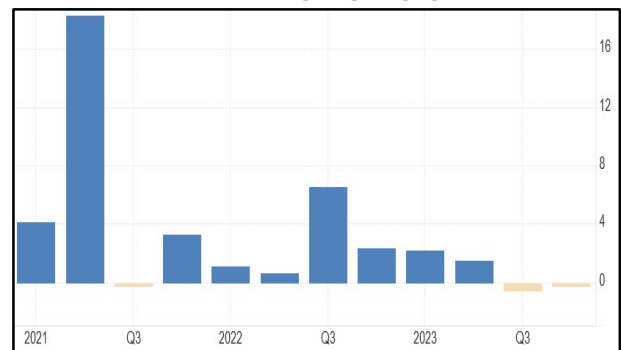
Food prices increased 0.7% in the 12 months to March 2024, the smallest increase since April 2021, according to figures recently released by Stats NZ. The 0.7% increase followed a 2.1% increase in the 12 months to February 2024, and is lower than the 12.1% increase recorded in the 12 months to March 2023.

FOOD PRICE INFLATION DRAMATICALLY WEAKENS



Food prices have fallen in 7 of the last 12 months. The biggest contributor to the monthly fall was the fruit and vegetables group, driven by cheaper prices for kūmara, apples, and grapes. The meat, poultry, and fish group also contributed to lower food prices, driven by cheaper prices for lamb, beef steaks, and bacon.

NEW ZEALAND – ANNUAL GDP GROWTH RATE

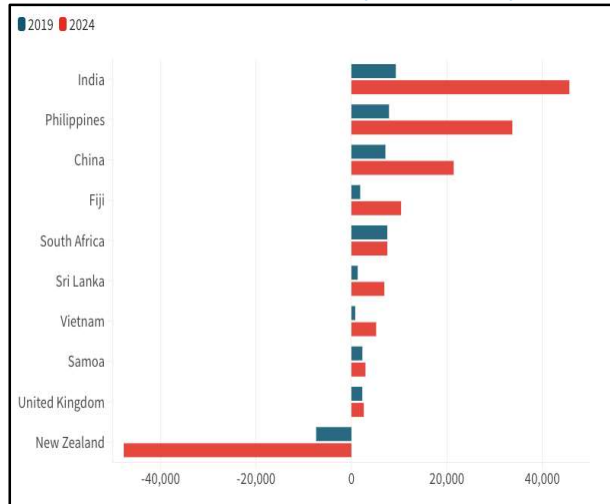


NET MIGRATION

With the Government recently tightening visa rules to tackle what Immigration Minister Erica Stanford describes as "unsustainable" levels of immigration, net migration rates continue to break records.

The 253,200 migrant arrivals in the year to February 2024 is (provisionally) the highest on record for any 12-month span. But there has also been a record exodus of NZers, with just under 75,000 leaving in the same period.

ESTIMATED NET MIGRATION (year to February)



AUSTRALIAN ECONOMIC OUTLOOK

Population: 26.4 million

AUSTRALIAN ECONOMY

Australian Insolvency specialists continue to see a pickup in insolvency activity but it is not dramatic outside of the construction sector. Importantly they noted that the published ASIC insolvency numbers don't tell the full story as many companies were dormant, so had little meaningful economic impact. However, they are now starting to see a rise in business stress for operational/trading companies, which could have a more meaningful impact on the economy.



	3-May	Jun-24	Dec-24	Dec-25
Australia				
Cash	4.35	4.35	4.10	3.10
90 Day BBSW	4.41	4.37	4.17	3.30
3 Year Swap	4.24	4.10	3.90	3.50
3 Year Bond	4.04	3.90	3.70	3.30
10 Year Bond	4.41	4.35	4.25	4.00
10 Year Spread to US (bps)	-17	-15	-5	0

SOURCE: Westpac

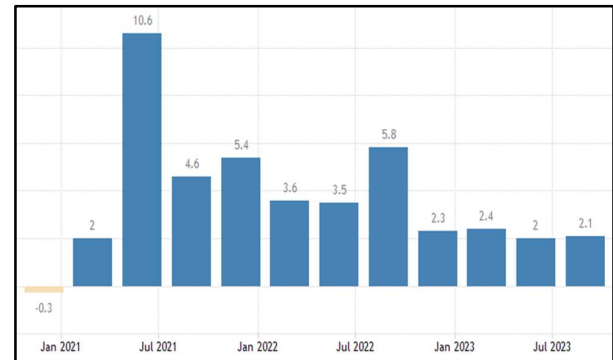
Looking forward, they expected a further rise in insolvencies and business stress, albeit nothing dramatic. A key driver of this was expected to be a softening in demand, particularly for the construction and retail sectors. Importantly, while business

conditions/stress are expected to remain challenging, they also noted that for banks, credit generally remains well secured (particularly in the smaller end) given the resilience in asset prices (both real estate as well as equipment).

GDP GROWTH

Economic growth in Australia is expected to remain subdued in the near term as inflation and higher interest rates continue to weigh on demand. The forecast for GDP growth is softer than three months ago, largely reflecting a weaker outlook for household consumption in the near term. From late 2024, growth is expected to pick up gradually as inflation declines and the pressures on household incomes ease.

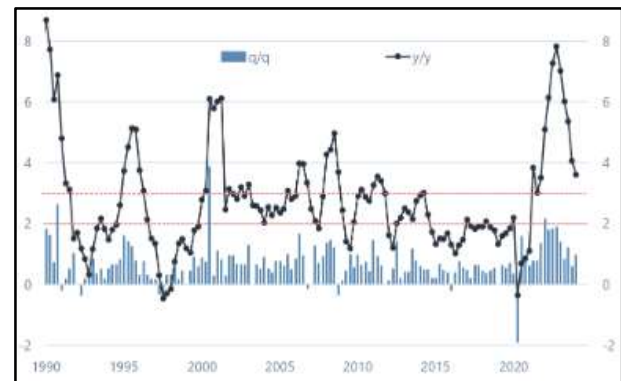
AUSTRALIA'S GDP ANNUAL GROWTH RATE



INFLATION

Headline CPI surprised on the upside, moderating to a year-on-year rate of 3.6%, ahead of market and RBA expectations.

HEADLINE COST PRICE INDEX



Services inflation remains stubbornly high. Overall inflationary pressures actually increased q/q, with 59% of the CPI basket seeing annualised price increases of >4%, the highest since Mar-23 (versus 42% in 4Q). Importantly for consumers, grocery price inflation moderated to 2.3% y/y, led by falling fresh food prices. More broadly, whilst discretionary goods inflation continues to moderate, other key essential items remain elevated. Indeed, services remain the key driver of inflation, lifting to >5% annualised but moderating to 4.3% y/y. Meanwhile, goods prices are around ~2% annualised (3.1% y/y).

UNITED STATES ECONOMIC OUTLOOK

Population: 340.9 million

It is predicted that there are at least a further 12m undocumented (illegal) migrants in the US currently.

US ELECTIONS – NOV 2024

The US economy is unlikely to help President Jo Biden in his bid to head off Donald Trump for the US Presidency. However, the US economy is remaining pretty resilient. This is on the back of robust productivity growth (something New Zealand sorely needs). US is outperforming mainly for one key reason – and this is Labour productivity growth. This is essentially how efficient workers are at producing goods and services, surged in 2023 after declining in the prior year.

US ECONOMY

	3-May	Jun-24	Dec-24	Dec-25
Fed Funds	5.375	5.375	4.875	3.875
US 10 Year Bond	4.58	4.50	4.30	4.00

SOURCE: Westpac

Economic growth in the US hit a 1.6% annualised rate in the last quarter, its slowest pace in two years, according to data from the Commerce Department's Bureau of Economic Analysis. Despite cooler GDP growth than economists had predicted, domestic demand was strong. The economy grew at 3.4% in the fourth quarter and continues to expand quicker than the 1.8% rate that US Central Bank officials regard as the non-inflationary growth rate.

The global economy is at risk of stagnating in the coming years - and America's robust economic strength may not be enough to save it. A lacklustre performance in Europe and lukewarm growth in China (despite solid first-quarter data) are partly to blame. The good news is that despite major economic hurdles in recent years such as geopolitical conflict and high interest rates, a global recession isn't in the cards. The bad news is that weak growth will leave many people feeling poorer.

UNITED STATES – ANNUALISED GDP GROWTH RATE



CHINESE ECONOMIC OUTLOOK

Population: 1.425 billion

NZ / CHINA RELATIONSHIP

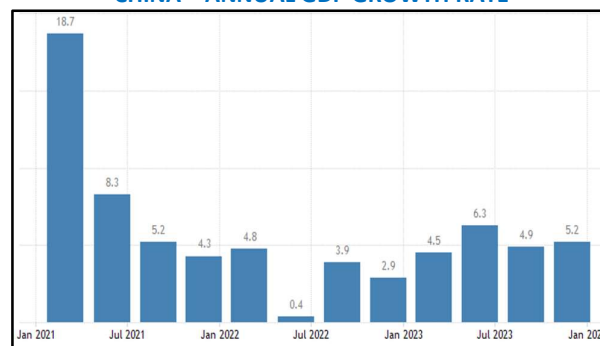


Prime Minister Chris Luxon says "The message is clear: we're open for business around the world" and said the country is "hustling" to build relationships with everybody, including deepening trade ties with China.

CHINESE ECONOMY

The Chinese economy advanced 5.3% yoy in Q1 of 2024, exceeding market forecasts of 5.0% and following a 5.2% growth in the prior period. It was the steepest yearly expansion since Q2 of 2023, lifted by continued support measures from Beijing and spending related to the Lunar New Year festival. During the first three months of 2024, fixed investment grew by 4.5%, the most in nearly a year and above the consensus of 4.3%. Meanwhile, the statistics agency said the economy had made a good start, delivering a strong foundation for achieving the GDP growth target of around 5% this year. However, March data showed that industrial output and retail sales rose less than estimated, underscoring that more policy easing remains necessary for the economy. At the same time, the surveyed jobless rate came at 5.2% in March, staying near February's 7-month high of 5.3%. Tuesday's release did not include China's youth unemployment rate, which hit a record high of 21.3% in June 2023.

CHINA – ANNUAL GDP GROWTH RATE



UNITED KINGDOM ECONOMIC OUTLOOK

Population: 67.7 million

UK ECONOMY

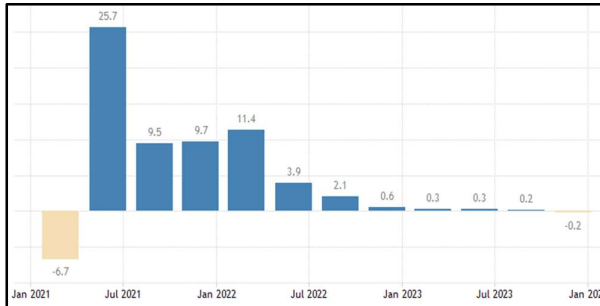
The British economy remains extremely sluggish, and is unlikely to help Prime Minister Sunak survive an election that must be held by January 2025.

Their economy contracted by 0.2% year-on-year in the fourth quarter of 2023,



marking its first period of shrinkage since the 2020-21 recession, primarily driven by high inflation, soaring borrowing costs, and sluggish external demand. Notably, net trade exerted downward pressure on GDP, with exports plunging by 7.6% for a second consecutive quarter of decline, while imports fell by 1.5%, marking the fourth consecutive quarter of decrease.

UNITED KINGDOM – ANNUAL GDP GROWTH RATE



INFLATION

Annual core inflation rate in the UK slowed to 4.2% in March 2024, the lowest since December 2021, compared to 4.5% in February and market forecasts of 4.1%.

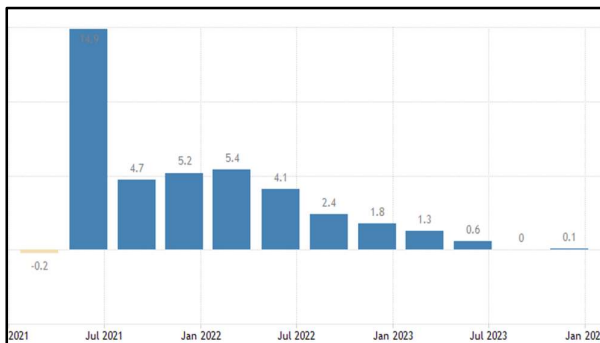
EUROZONE ECONOMIC OUTLOOK

POPULATION: 447.7 million

EU ECONOMY

The Eurozone's GDP expanded by 0.4% from the corresponding quarter of the previous year, well above market estimates of a 0.2% expansion, and gaining traction following two quarters of 0.1% growth. While nothing to write about it was definitely better than the subdued growth in 2023 at just 0.4%.

EUROZONE – ANNUAL GDP GROWTH RATE



INFLATION

Median expectations for inflation over the next 12 months in the Euro Area edged down to 3.0% in March 2024 from 3.1% in the previous month, marking their lowest level since December 2021, according to the latest ECB Consumer Expectations Survey. Additionally, expectations for inflation three years ahead remained unchanged at 2.5% for the fourth consecutive month, while uncertainty about inflation expectations over the next 12 months edged down

and is now at its lowest level since the start of Russia's war against Ukraine in February 2022.

JAPAN'S ECONOMIC OUTLOOK

Population: 122.9 million

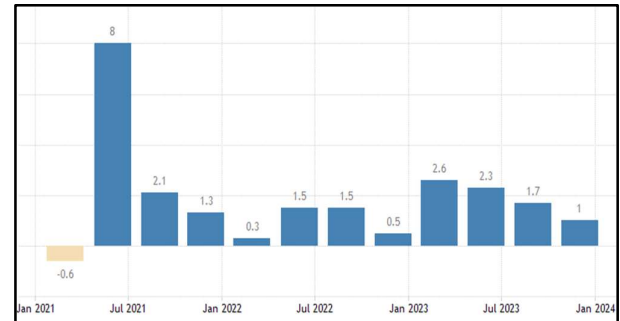
JAPANESE ECONOMY

While the rest of the world have been trying to knock inflation on the head these last few years, Japan has been trying to create some, and it's finally working. Japan saw its inflation rate rise to 4.3% last year, the highest since 1981, and it's now sitting comfortably around the 2-3% level.



The threat of deflation looks to be over, after Japan's largest union group announced stronger-than-expected annual wage deals of 5.3% in March, the biggest pay hikes in 33 years. That was enough for the Bank of Japan to raise interest rates for the first time since 2007, ending eight years of negative interest rates.

JAPAN – ANNUAL GDP GROWTH RATE



These more conventional monetary policy settings added to investor interest in Japan, after a stellar performance in 2023 saw the Nikkei 225 surge 28.2%, even outpacing the mighty S&P 500. Japanese shares rose another 20.6% in the first three months of this year, storming through those previous highs. Valuations also look reasonable, even after the gains of the past 18 months. The Japanese market is trading on a price/earnings ratio of 15.0, in line with its two-decade average and well below 20.4 for the US market (despite earnings growth expectations looking very similar).

INDIA'S ECONOMIC OUTLOOK

Population: 1.435 billion

India's population is '18% of the total world population, and now surpasses China as the country with the world's largest population.

INDIAN ECONOMY

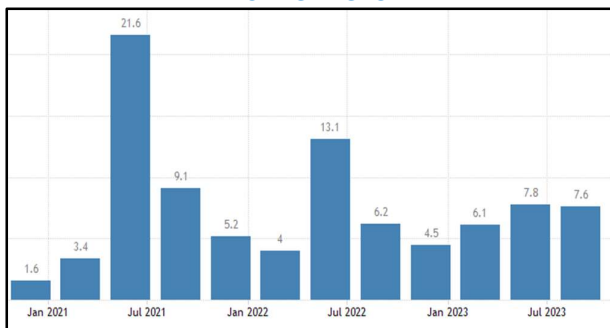
As the general election opens, current Prime Minister Narendra Modi is campaigning for another five-year term in power. "Modi has done an unbelievable job in India," JP Morgan Chase CE Jamie Dimon said. "I know



the liberal press here, they beat the hell out of him. He's taken 400 million people out of poverty."

Modi is opening more and more major infrastructure projects – including rapid rail, huge motorways and tunnel & bridge construction. All in, India has spent more than US\$100bn per year over the past three years on these major projects. The Indian economy has been a big winner in this massive infrastructure spend, and Mr. Modi looks set to be re-elected for a further term in power.

INDIA – ANNUAL GDP GROWTH RATE



CURRENCIES

FX recent developments

	Historical data				F'cast
	Spot	3mth range	5yr range	5yr avg	Dec-24
USD	0.601	0.586-0.619	0.555-0.743	0.649	0.61
AUD	0.908	0.907-0.944	0.873-0.992	0.932	0.91
EUR	0.559	0.552-0.572	0.517-0.637	0.583	0.55
GBP	0.479	0.471-0.490	0.464-0.544	0.506	0.48
JPY	91.9	89.8-94.8	61.3-94.8	78.8	93.9

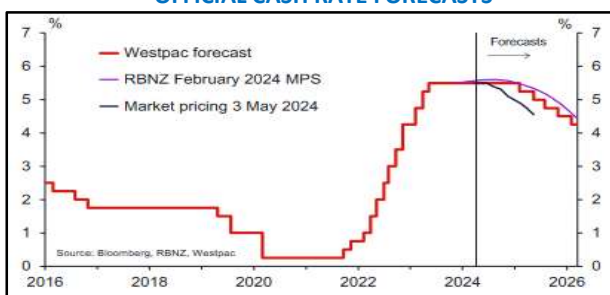
SOURCE: Westpac

INTEREST RATES

NZ swap rates reversed lower last week (end of April). The main catalysts were the US Fed Chair Powell's commentary which largely ruled out rate hikes, and slightly weaker than expected NZ labour data.

The 2yr swap now seems capped at 5.20% and should trade between there and 4.80% barring major data surprises in NZ and offshore. It is noteworthy that US labour data on Friday was weaker than expected, causing US rates to fall. Market pricing of OCR cuts, which was significantly pared over the past month, was last week leaning towards pricing slightly earlier cuts, the first plausible month now seen as October. Westpac economists continue to forecast no cut until February 2025, noting core inflation remains sticky.

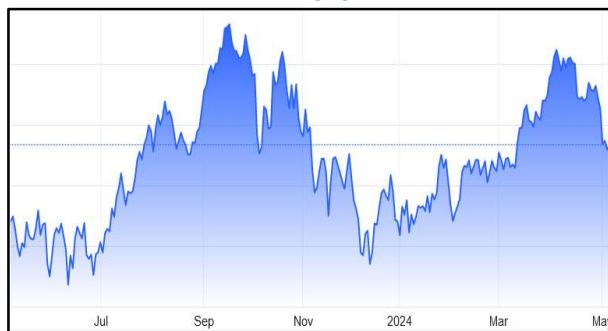
OFFICIAL CASH RATE FORECASTS



OIL – BRENT CRUDE

Brent crude futures steadied above \$83 per barrel on Monday 6th May, as the prospect of extended output cuts from OPEC+ provided some support to oil prices. The group of major oil producers said last week that they could extend voluntary output cuts of 2.2 million barrels per day beyond June if demand fails to rebound, although they have yet to start formal discussions on the matter. On the demand side, weaker-than-expected US jobs data revived hopes for Federal Reserve interest rate cuts this year, boosting the demand outlook. Meanwhile, Brent prices tumbled more than 7% last week as easing risks of supply disruptions in the Middle East and surging US crude inventories weighed on the market.

BRENT CRUDE



NOTE: New Zealand trades in Brent Crude Oil

BITCOIN

Bitcoin US Dollar traded at 64217 this Monday May 6th, increasing 150 or 0.23 percent since the previous trading session. Looking back, over the last four weeks, Bitcoin gained 7.36 percent. Over the last 12 months, its price rose by 121.81 percent. Looking ahead, we forecast Bitcoin US Dollar to be priced at 54782 by the end of this quarter and at 48452 in one year, according to Trading Economics global macro models projections and analysts expectations.

BITCOIN (5 YEARS)





GOVERNMENT REVIEWS FRESHWATER RULES

FRESHWATER FARM PLAN SYSTEM TO BE IMPROVED

The coalition Government intends to improve freshwater farm plans so that they are more cost-effective and practical for farmers, Associate Environment Minister Andrew Hoggard and Agriculture Minister Todd McClay have announced.

“A fit-for-purpose freshwater farm plan system will enable farmers and growers to find the right solutions for their farm and catchment,” Mr. Hoggard said. “Farmers faced an avalanche of regulation under the last Government, including its national Freshwater Farm Plans system. Using property and catchment specific farm plans makes sense because they can be used to identify environmental risks and plan practical on-farm actions to manage those risks. The current system is too costly and complex, and too broadly applied. We want to make sure that the cost of completing a farm plan, in both time and money, is matched with the level of risk.”

Several regions have already started implementing freshwater farm plans in specific areas, including Waikato, Southland, the West Coast, Otago, and Manawatū-Whanganui.

“We want an enduring system that builds on the good work of farmers in these regions while making sure that any improvements to the system don’t result in sudden changes to plans already being developed. We are exploring how to make any changes fair for all farmers.”

Agriculture Minister Todd McClay said decisions will be considered alongside the Government’s overall approach to freshwater management, including stock exclusion and winter grazing.

Freshwater Farm Plans (FW-FPs) were established under Part 9A of the Resource Management Act 1991 as a regulatory tool to help farmers and growers in identifying, managing, and reducing on-farm risks to freshwater.

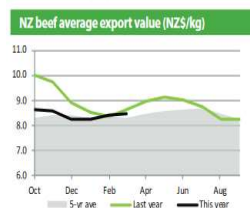
The FW-FP regulations started in August 2023 in Waikato and Southland, followed in February 2024 by Otago and the West Coast, and in April in Manawatū-Whanganui. Once the regulations have started in an area, farmers and growers have 18 months from the commencement date to submit a freshwater farm plan for certification.

Cattle

Beef		
Slaughter price (NZ\$/kgCW)	Last week	Last year
North Island P2 steer (300kg)	5.95	6.00
North Island M2 bull (300kg)	5.90	5.90
North Island M cow (190kg)	4.00	3.80
South Island P2 steer (300kg)	5.30	5.40
South Island M2 bull (300kg)	5.35	5.30
South Island M cow (190kg)	3.30	3.35

Export markets (NZ\$/kg)		
US imported 90CL bull	10.92	9.91
US domestic 90CL cow	12.74	10.21

NOTE: Slaughter values are weighted average gross operating prices including premiums but excluding breed premiums for cattle.

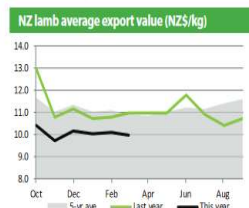
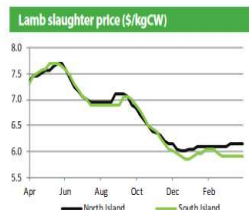


Sheep

Sheep Meat		
Slaughter price (NZ\$/kgCW)	Last week	Last year
North Island lamb (18kg)	6.20	7.35
North Island mutton (25kg)	2.75	4.25
South Island lamb (18kg)	5.95	7.30
South Island mutton (25kg)	2.55	4.25
Export markets (NZ\$/kg)		
China lamb flaps	8.76	11.56

Wool (NZ\$/kg clean)	24-Apr	Last year
Crossbred fleece	3.01	2.86
Crossbred second shear	2.80	2.59

Courtesy of www.fusca.co.nz

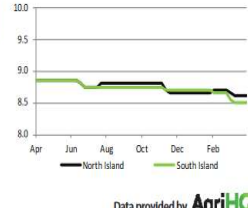


Deer

Venison		
Slaughter price (NZ\$/kgCW)	Last week	Last year
North Island AP stag (60kg)	8.60	8.85
South Island AP stag (60kg)	8.50	8.85
Fertiliser		
NZ average (NZ\$/tonne)	Last week	Last year
DAP	1187	1594
Super	474	442
Urea	897	985
Urea (Coated)	946	1034

Forestry		
Exports		
NZ Log Exports (tonnes)	March	Last year
China	2,010,124	1,312,509
Rest of world	124,150	202,010
Carbon price (NZ\$/tonne)	Last week	Last year
NZU	55.9	58.5

Forestry



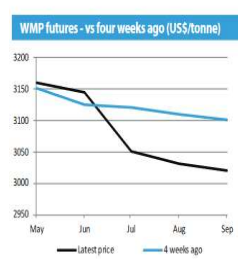
Dairy

Data provided by NZX

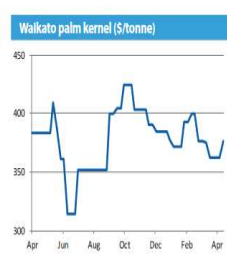
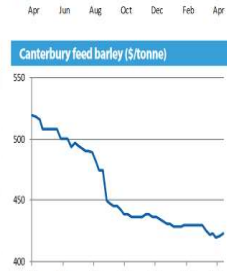
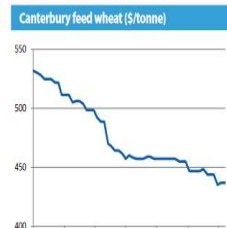


Dairy Futures (US\$/t)			
Nearest contract	Last price*	Prior week	4 weeks prior
WMP	3160	3195	3110
SMP	2550	2605	2600
AMF	6700	6700	6450
Butter	6500	6500	6150
Milk Price	7.84	7.84	7.81

* price as at close of business on Wednesday



Grain



JARDEN'S NZ INCOME REFERENCE PORTFOLIO

AS AT 15TH APRIL 2024

JARDEN'S NZ INCOME REFERENCE PORTFOLIO			Portfolio Weight	15-Apr-24	TARGET	TARGET	PE RATIO (x)		DIV YIELD %		GROSS RETURN %		
as at 15-April-2024	CODE	REC		Price (\$)	(\$)	+/-	Current	Next	Current	Next	1 Year	3 Yr pa	5 Yr pa
Contact Energy	CEN	B	9.7%	8.48	10.65	25.6%	32.5	29.2	6.0	5.0	17.4	12.1	10.0
Channel Infrastructure	CHI	O	6.4%	1.52	1.63	7.2%	19.0	14.3	8.7	7.3	9.6	55.0	-3.4
Chorus	CNU	U	10.7%	7.56	7.56	0.0%	167.2	167.2	7.2	6.2	-3.1	8.2	10.6
Freightways	FRW	O	8.0%	8.76	9.48	8.2%	20.6	18.2	7.5	5.8	-1.5	-3.8	5.4
Heartland Group	HGH	O	6.0%	1.12	1.92	71.4%	9.7	8.5	13.6	10.9	-11.3	-3.3	4.4
Infratil	IFT	O	7.3%	10.92	11.30	3.5%	64.1	43.7	2.8	2.7	21.0	18.1	25.2
Mercury Energy	MCY	O	10.4%	6.60	7.63	15.6%	35.5	38.1	6.0	4.7	14.5	6.2	16.5
Port of Tauranga	POT	N	5.8%	5.13	5.67	10.5%	35.3	31.0	4.6	4.0	-10.9	-8.7	2.6
SkyCity Entertainment	SKC	B	8.4%	1.90	2.90	52.6%	12.6	11.4	10.0	7.3	-7.0	-12.3	-8.4
Skellerup	SKL	O	6.6%	4.39	5.20	18.5%	17.1	16.3	8.0	7.1	-8.8	6.3	22.0
Stride Property Group	SPG	N	5.3%	1.31	1.40	6.9%	16.5	16.3	8.4	8.3	9.7	-11.1	-2.5
Tourism Holdings	THL	B	7.7%	3.00	4.97	65.7%	9.0	7.7	9.0	5.7	-15.3	10.7	-4.8
Vector	VCT	O	7.7%	3.75	4.16	10.9%	22.0	16.6	4.9	4.9	1.5	3.4	6.5

* The PE ratio and dividend yield (gross) forecasts above reflect Jarden estimates.

Source: Jarden

OBJECTIVE

To provide direct investment in lower risk, higher yielding New Zealand equity securities, maximising stock, and sector diversification. Performance is measured relative to the S&P/NZX50 Portfolio Index Gross with Imputation (prior to 1 July 2021 it was measured against the S&P/NZX50 Index Gross with Imputation).

SECURITY BRIEF DESCRIPTION

CHORUS (CNU)

UNDERWEIGHT

CNU is NZ's largest fixed line communications infrastructure services provider. The core of Chorus' business is the nationwide network of fibre optic cables and copper cables that connect homes, businesses, and mobile phone towers to each other.

CONTACT ENERGY (CEN)

BUY

CEN is NZ's second largest electricity generator and second largest energy (gas, LPG, and electricity) retailer. Electricity is generated through a diversified range of generation assets (hydro, geothermal, gas fired thermal plant) located throughout New Zealand. It also has options to build wind generation.

CHANNEL INFRASTRUCTURE (CHI)

OVERWEIGHT

CHI is NZ's leading fuel infrastructure company, based at Marsden Point, in Northland. Channel Infrastructure primarily acts as an import terminal and storage facility for the fuel needed to power New Zealand's economy. The company owns and operates a pipeline which transports fuels to the Auckland market.

FREIGHTWAYS (FRW)

OVERWEIGHT

FRW is a nationwide provider of express package services throughout New Zealand (approx. 40% share), with complementary business servicing the information management and business mail sectors.

Key brands include New Zealand Couriers, Post Haste, Sub 60 and Castle Parcels.

HEARTLAND GROUP (HGH)

OVERWEIGHT

On 8 April 2024, Heartland announced that it intended to raise \$210 million of equity to fund the balance of the consideration payable for the Challenger Bank acquisition, support the expected regulatory capital requirements of Challenger Bank and Heartland Bank, and cater for near-term projected asset growth post-completion of the Challenger Bank acquisition. The offer consisted of a \$105 million fully underwritten placement and a \$105 million underwritten 1 for 6.85 pro-rata entitlement offer. Both the placement and entitlement offer are at a share price of \$1.00 per share. Jarden's review Committee elected to take up its pro-rata amount in the entitlement offer. This reflects Heartland offering good value on a relative valuation multiple basis. It also offers very good value trading on a price/book value of 0.7x, against a forecast FY24 return on equity of 8.1%, which is not very high. Heartland trades on an attractive forecast FY24 gross dividend yield of 8.4%. The valuation metrics look even more attractive at the entitlement offer price of \$1.00. Furthermore, if the expected growth through FY25 and FY26 is achieved HGH looks even better value.

INFRATIL (IFT)

OVERWEIGHT

IFT is an NZX listed holding company specialising in long-lived, growth infrastructure assets. Currently, IFT is an owner and operator of businesses in the renewable energy, airport, public transport, social infrastructure, and telecommunication sectors.

MERCURY ENERGY (MCY)

OVERWEIGHT

As the portfolio does not have a cash allocation the Jarden Committee decided to reduce the exposure to Mercury by 0.8% in the New Zealand Income portfolio to fund the Heartland entitlement offer. Mercury was selected as its weighting had increased close to the

maximum per holding. Mercury currently offers a forecast gross dividend yield of 5.3% and currently appears to be fairly valued on a relative valuation multiple basis relative to the broader equity market when compared to history. Mercury has well located electricity generation assets which are close to Auckland. Electricity generation is split hydro 53%, wind 12%, and geothermal 34%. Electricity sales are split CFD 38%, residential 38%, commercial/industrial 21% and other 3%. The 1h24 EBITDA of \$434 million met expectations and guidance was increased to \$835-880 million. However, this is mainly due to one-offs, wet in the North Island and dry in the South Island and high electricity prices (retail +5% and commercial/industrial +9.5%). This increase is offset by higher operating costs, higher maintenance capital expenditure and a \$32 million jump in geothermal maintenance drilling costs. The outlook for earnings growth in the next couple of years is muted reflecting a muted outlook for electricity generation.

PORT OF TAURANGA (POT) NEUTRAL

POT is NZ's largest port by volume of cargo. It operates wharves at Tauranga, Mount Maunganui and Timaru, a rail-linked inland port in South Auckland, and an intermodal freight hub in Rolleston.

SKELLERUP (SKL) OVERWEIGHT

SKL manufactures, markets, and distributes engineered products for various specialist industrial and agricultural applications. The company provides

solutions for customers in a range of critical and high-performance applications including dairy, potable and wastewater, roofing, plumbing, sport, and leisure, electrical, health and medical, automotive, and mining.

SKYCITY ENTERTAINMENT (SKC) BUY

SKC is an entertainment and gaming business. It operates monopoly casinos in New Zealand (Auckland, Hamilton, and Queenstown) and Australia (Adelaide), alongside a variety of industry leading restaurants and bars, luxury hotels and convention centres.

STRIDE PROPERTY GROUP (SPG) NEUTRAL

SPG invests in NZ Property, specialising in commercial, industrial, and retail properties. Stride is currently in the process of transitioning from a direct ownership model to a capital-light, funds management model.

TOURISM HOLDINGS (THL) BUY

THL is the largest provider of holiday campervans for rent and sale in Australia, New Zealand & USA. The company also operates the Kiwi Experience and the Discover Waitomo experiences.

VECTOR (VCT) OVERWEIGHT

VCT is a NZ-based infrastructure company that operates in the electricity and gas sector, providing essential services such as power and natural gas distribution, as well as telecommunications infrastructure. It is focused on delivering sustainable energy solutions and innovative customer services.

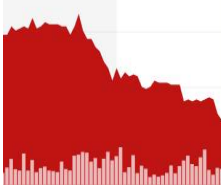
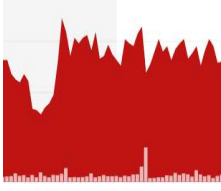
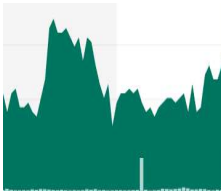
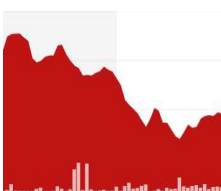


If you are looking for a sharebroker
I recommend

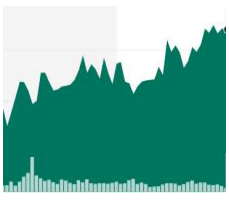
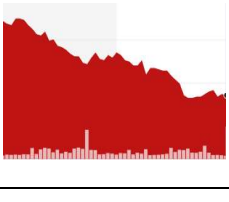
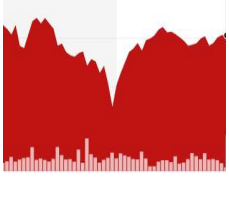
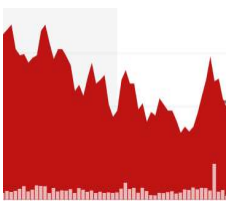
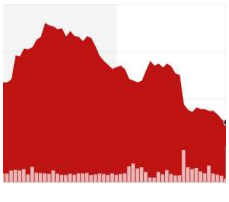
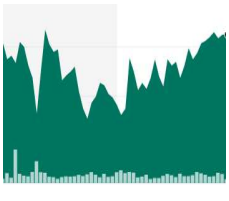
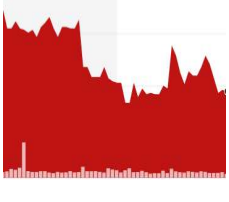


GRAHAM NELSON AFA
Director, Wealth Management Advisor
Graham works out of Jarden's Wellington office. With modern
communications you won't be disappointed...



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<p>ALL GRAPHS ARE ONE YEAR GREEN=POSITIVE RED=NEGATIVE</p> 	<p>AIR NEW ZEALAND Research: 21st April</p> <p>Updated PBT guidance AIR provided updated guidance for FY24, down \$40m on an underlying basis. This implies a significantly weaker operating result prior to the benefit of unredeemed credits created through COVID. AIR downgraded its FY24 PBT range by \$10m to \$190-230m but with updated guidance including a further \$30m benefit from unredeemed credits, implying a decline in underlying earnings of \$40m. The updated guidance implies a 2H24 PBT loss of ~\$25m at the midpoint and a significant decline from the elevated earnings seen through FY23, with half-on-half earnings momentum over 1H23 / 2H23 / 1H24 / 2H24E of \$299m / \$286m / \$140m / -\$25m (excl credits). AIR attributed the downgrade to softening revenue conditions over 4Q24, noting ongoing demand weakness in Domestic (challenging economic conditions, cost-of-living, government / corporate subdued) and intense competition on North American routes impacting load factors and pricing.</p> <p>2024 P/E: 20.7 2025 P/E: 20.7</p>	<p>NZX Code: AIR Share Price: \$0.54 12mth Target: ↓ \$0.60 Projected return (%) Capital gain 11.1% Dividend yield (Net) 5.3% Total return 16.4% Rating: NEUTRAL 52-week price range: 0.55-0.84</p>
	<p>BRISCOE GROUP Research: 13th March</p> <p>Another period of delivery consistent with expectations as BGP reports an FY24 result with limited surprises. Group revenue increased +0.8% on the prior period, with both segments reporting positive growth. However, sales progression through the year was mixed with a further slowing of activity through November/December. Looking forward, Jarden expects pressures to remain in place over the short term, with potential for improvement in the second half of the year. They forecast modest sales increases across both segments. BGP continues to take market share with revenue growth outpacing broader segment activity.</p> <p>2025 P/E: 12.5 2026 P/E: 12.3</p>	<p>NZX Code: BGP Share Price: \$4.44 12mth Target: \$5.15 Projected return (%) Capital gain 16.0% Dividend yield (Net) 6.3% Total return 22.3% Rating: OVERWEIGHT 52-week price range: 4.05-4.85</p>
	<p>CHANNEL INFRASTRUCTURE NZ Research: 1st March</p> <p>CHI's FY23 result and dividends were modest beats, reporting \$87.2m EBITDA from continuing operations (above JARDe \$85.9m) and declared an unimputed 6.3cps final plus 1.5cps special dividends, for a robust 12cps FY23 total (beating consensus and JARDe 10.5cps). Net debt of ~\$315m had been pre-announced, benefitting from sale of 73k surplus NZUs (\$5.1m) plus receipt of US\$4.5m (NZ\$7.256m) option premiums from US-based Seadra Energy Inc to secure a call over CHI's retired hydrocracker and related refining assets.</p> <p>2024 P/E: 18.1 2025 P/E: 13.8</p>	<p>NZX Code: CHI Share Price: \$1.55 12mth Target: \$1.63 Projected return (%) Capital gain 5.2% Dividend yield (Net) 7.6% Total return 12.8% Rating: OVERWEIGHT 52-week price range: 1.39-1.66</p>
	<p>DELEGAT GROUP Research: 14th March</p> <p>Post-COVID, DGL has gone from being a reliable smaller cap grower to facing ongoing challenges through cost inflation and customer destocking. This has also coincided with management and board changes as well as opportunistic investment in future vineyard capacity. As a result, earnings expectations have rebased lower and the stock has significantly derated. Near-term pressures are priced in and Jarden sees strong valuation support as DGL returns to growth.</p> <p>2024 P/E: 10.2 2025 P/E: 9.6</p>	<p>NZX Code: DGL Share Price: \$6.20 12mth Target: \$7.75 Projected return (%) Capital gain 25.0% Dividend yield (Net) 3.3% Total return 28.3% Rating: OVERWEIGHT 52-week price range: 5.68-9.72</p>
	<p>FONTERRA SHAREHOLDERS' FUND UNITS Research: 22nd March</p> <p>Strong 1H result with EPS of 43c from continuing operations vs FY24F unchanged guidance at 50-65c, with FSF pointing to expectations that margins will contract in the 2H. Seasonality, a higher 2H milk price input and relativities are all reasons why 2H should be weaker. Jarden has upgraded their FY24F EPS slightly to 64.1c (prev 62.5c) and continue to factor in a normalisation of earnings. In the meantime, the impact of these strong results on the balance sheet is very positive. They remain constructive as long as FSF continues to demonstrate a focus on the core business.</p> <p>2024 P/E: 5.6 2025 P/E: 7.8</p>	<p>NZX Code: FSF Share Price: \$3.58 12mth Target: \$4.05 Projected return (%) Capital gain 13.1% Dividend yield (Net) 10.1% Total return 23.2% Rating: OVERWEIGHT 52-week price range: 2.94-3.88</p>
	<p>HALLENSTEIN GLASSON HOLDINGS Research: 22nd April</p> <p>Fashion forward company with over 100 years of brand history. HLG is a specialty fashion retailer, operating the Glassons and Hallenstein Brothers brands in New Zealand and Australia. Both brands have existed individually for over 100 years and as a merged entity since 1985. The company has a track record of delivering attractive return on capital and whilst the returns can be volatile, its efficient balance sheet has supported an ROIC consistently above WACC. Glassons Australia a source of potential growth; HLG's New Zealand business relatively mature.</p> <p>2024 P/E: 11.1 2025 P/E: 10.4</p>	<p>NZX Code: HLG Share Price: \$5.88 12mth Target: \$6.35 Projected return (%) Capital gain 8.0% Dividend yield (Net) 8.5% Total return 16.5% Rating: NEUTRAL 52-week price range: 5.10-6.94</p>

	INFRATIL Research: 15th March Portfolio uplift expected over the next 2 years. These include CDC (48% held) expects its current growth phase to continue at pace. Its current 268MW data centre capacity is already set to reach 650MW upon completion of previously announced 368MW build underway. Asian renewable startup platform Gurin (95% held) has seen its renewable energy goals occur at ~5x the pace originally expected. It is sensibly targeting its focus across six investment-grade markets with good contract structures and value-accretive greenfield opportunities. Gurin now has 6.6GW of projects in development. Longroad Energy maintained its previously guided 6GW renewables and battery growth target from 2024 to 2027. 2024 P/E: 78.1 2025 P/E: 61.8	NZX Code: IFT Share Price: \$11.08 12mth Target: \$11.30 Projected return (%) Capital gain 2.0% Dividend yield (Net) 1.9% Total return 3.9% Rating: OVERWEIGHT 52-week price range: 9.16-11.00
	KMD BRANDS Research: 21st March KMD Brands, with extensive retail stores in Australia and New Zealand, said its underlying earnings before EBITDA came to \$15.1m, down 66.8% year-on-year due to lower sales. Group CEO and MD Michael Daly said the company continued to experience the effects of weakness in consumer sentiment. Sales were 14.5% below last year's record result; and decreased for all three of its brands. 2024 P/E: 51.7 2025 P/E: 15.3	NZX Code: KMD Share Price: \$0.48 12mth Target: \$0.85 Projected return (%) Capital gain 77.1% Dividend yield (Net) 3.6% Total return 80.7% Rating: BUY 52-week price range: 0.47-1.14
	MAINFREIGHT Research: 3rd May Volumes remain soft but are returning to more typical seasonal patterns: In this note, Jarden reviewed recent results and commentary from MFT's global comps for insights into the dynamics impacting MFT's key markets. With previous commentary across the comps confirming their view that the inventory unwind dynamic has played out, freight volumes appear to have returned to more typical seasonal patterns with most operators showing YoY growth, albeit off a weak base. Looking forward, Jarden notes a highly uncertain macroeconomic outlook which could still see a further softening in demand, however, most operators are still picking volume growth in CY24 at this stage. 2024 P/E: 25.0 2025 P/E: 22.1	NZX Code: MFT Share Price: \$67.72 12mth Target: \$80.30 Projected return (%) Capital gain 18.6% Dividend yield (Net) 2.5% Total return 21.1% Rating: OVERWEIGHT 52-week price range: 55.37-73.80
	MANAWA ENERGY Research: 16th April MNW will be reporting FY24 earnings on the 20th May. FY24 guidance for EBITDA is between \$142m and \$147m and providing FY24 operating statistics, Jarden increases their FY24E EBITDA to \$146m. The final quarter hydro was off against pcp by 31% and 9% lower than long-run average. The poor hydro offset partially by PPA wind volumes being up 23% on pcp, leaving renewable generation down 113GWh. This resulted in final quarter EBITDA being down c. \$10m on the pcp, C&I pricing helping MNW from a more severe fall. FY24 total production volumes of 1,901GWh were in line with FY23 levels (1,917GWh) but down c 41GWh on long-run average expectation. Retail pricing (C&I and escalating PPA pricing received) more than offsetting build program capability costs. 2024 P/E: 15.0 2025 P/E: 19.3	NZX Code: MNW Share Price: \$4.12 12mth Target: \$5.55 ↑ Projected return (%) Capital gain 28.4% Dividend yield (Net) 3.5% Total return 31.9% Rating: BUY 52-week price range: 4.10-5.05
	RYMAN HEALTHCARE Research: 15th April RYM reports FY24 results 27 May. RYM has guided to pressures in the business in FY24 and expectations will be RYM is continuing to slowly work through the aftermath of ill-conceived developments and an aggressive approach to capital management. Jarden sees issues as broader and needing to be clearly addressed as a precursor to conviction in the investment case. Investors considering RYM are buying into a very long-dated proposition - the cash flow profile alone underscores it but so too does the positive demographic tailwind that could attract investors back in time. 2024 P/E: 11.4 2025 P/E: 10.2	NZX Code: RYM Share Price: \$4.05 12mth Target: \$5.29 Projected return (%) Capital gain 30.6% Dividend yield (Net) 0.0% Total return 30.6% Rating: UNDERWEIGHT 52-week price range: 4.18-4.26
	SEEKA Research: 24th February SEK delivered -\$21m FY23 NPBT, in line with guidance. There was little surprise in the result, with net debt lifting close to expectation (\$172m vs. \$166m expected), no dividends given intent to reduce debt, and no change to expectations for a much improved 2024 crop relative to the weather-impacted one in 2023 (cyclone Jan-23, hail May-23). Operating performance is set to improve as harvests normalise, but free cashflows and SEK's debt position remain an issue 2024 P/E: 14.1 2024 P/E: 10.1	NZX Code: SEK Share Price: \$2.89 12mth Target: \$2.30 Projected return (%) Capital gain -20.4% Dividend yield (Net) 0.0% Total return -20.4% Rating: UNDERWEIGHT 52-week price range: 2.18-3.00
	SKY CITY ENTERTAINMENT Research: 14th March NZ Government signals in-principle decision to regulate online casino gambling. "Currently, the only tax that applies to offshore online casinos is GST. This means that casinos physically present in New Zealand face significantly higher taxes than offshore online casinos. That's unfair." "From 1 July offshore operators will be required to pay gaming duty of 12 per cent on gross betting revenue." Simon Watts says Cabinet has also made an in-principle decision to regulate online casino gambling. 2024 P/E: 11.5 2025 P/E: 10.4	NZX Code: SKC Share Price: \$1.83 12mth Target: \$2.90 Projected return (%) Capital gain 45.0% Dividend yield (Net) 5.9% Total return 50.9% Rating: BUY 52-week price range: 1.66-2.41

JARDEN'S NZ LISTED COMPANIES GROSS DIVIDEND YIELD

AS AT 26TH APRIL 2024

COMPANY	RATING	PRICE (NZ\$)	GROSS DIVIDEND YIELD				DIVIDEND COVER				NET DEBT/ EQUITY ¹
			FY-1	FY0	FY1	FY2	FY-1	FY0	FY1	FY2	CURRENT
NZME	O	\$0.88	22.1%	14.2%	14.2%	15.8%	0.9x	0.8x	0.9x	1.1x	70.9%
Steel and Tube	O	\$1.03	10.8%	10.8%	12.9%	14.8%	1.3x	1.2x	1.4x	1.4x	31.9%
My Food Bag	B	\$0.14	22.2%	-	11.1%	14.8%	1.1x	-	1.5x	1.4x	38.2%
Kiwi Property Group	O	\$0.83	10.2%	10.2%	9.9%	9.9%	1.2x	1.0x	1.0x	1.1x	62.9%
Sky City	B	\$1.84	9.1%	8.3%	9.8%	11.3%	1.5x	1.5x	1.4x	1.2x	50.2%
Sky Network Television	O	\$2.85	7.3%	8.5%	9.7%	12.2%	2.4x	2.1x	1.7x	1.3x	2.9%
Michael Hill	O	\$0.74	12.9%	6.0%	9.5%	11.2%	1.2x	1.4x	1.4x	1.4x	87.0%
Stride	N	\$1.30	9.2%	9.2%	9.2%	9.2%	1.3x	1.3x	1.0x	1.0x	42.5%
Briscoe Group	O	\$4.49	8.7%	9.0%	9.0%	9.3%	1.4x	1.3x	1.3x	1.3x	36.0%
Investore Property	O	\$1.12	10.5%	9.6%	8.7%	9.0%	1.1x	1.1x	1.1x	1.2x	65.4%
Turners	O	\$4.46	7.2%	7.8%	8.6%	9.3%	1.6x	1.6x	1.6x	1.6x	152.7%
Argosy Property	N	\$1.11	8.3%	8.3%	8.3%	8.3%	1.1x	1.0x	1.1x	1.1x	61.1%
The Warehouse Group	N	\$1.41	19.7%	7.9%	7.9%	10.3%	1.3x	1.5x	1.4x	1.5x	259.3%
Precinct Properties	N	\$1.18	8.5%	8.6%	7.9%	7.9%	1.0x	1.1x	1.1x	1.1x	62.0%
Genesis Energy	O	\$2.36	9.6%	7.6%	7.9%	8.1%	1.1x	0.6x	0.8x	0.7x	54.7%
Tourism Holdings	B	\$2.95	6.1%	6.1%	7.7%	9.8%	1.8x	2.3x	2.2x	2.0x	87.9%
Fonterra	O	\$3.69	13.6%	10.2%	7.6%	8.6%	1.6x	1.7x	1.7x	1.4x	39.8%
Spark	N	\$4.74	7.9%	8.1%	7.5%	7.8%	0.9x	0.9x	0.9x	1.0x	127.3%
Skellerup	O	\$4.49	6.8%	7.1%	7.4%	8.0%	1.2x	1.1x	1.2x	1.2x	21.2%
NZX	O	\$1.16	7.3%	7.3%	7.3%	7.3%	0.8x	0.7x	0.7x	0.9x	39.2%
Channel Infrastructure	O	\$1.54	6.3%	7.8%	7.2%	8.6%	0.5x	0.5x	0.7x	0.8x	47.3%
Chorus	U	\$7.34	5.8%	6.5%	7.2%	7.5%	0.2x	0.0x	0.1x	0.2x	316.8%
Freightways	O	\$8.30	6.2%	6.2%	7.0%	7.9%	1.2x	1.2x	1.2x	1.2x	136.0%
Vital Healthcare	U	\$2.17	6.7%	6.7%	6.7%	6.7%	1.2x	1.1x	1.1x	1.1x	72.2%
Scales Corporation	O	\$3.20	8.2%	3.7%	6.5%	7.8%	1.0x	1.6x	1.5x	1.6x	5.0%
Vulcan Steel	N	\$8.00	8.9%	3.8%	6.4%	7.2%	1.2x	1.5x	1.3x	1.3x	261.3%
NZ Rural Land Co	N	\$0.91	3.1%	-	6.0%	6.9%	1.3x	-	1.7x	1.8x	45.5%
Contact Energy	B	\$8.65	4.6%	5.0%	5.9%	6.0%	0.8x	0.8x	0.7x	1.0x	69.7%
Mercury	O	\$6.45	4.7%	5.0%	5.8%	6.5%	(0.1x)	0.8x	0.7x	0.8x	36.6%
Vector	O	\$3.74	6.1%	5.6%	5.6%	5.6%	1.0x	0.8x	1.1x	1.2x	55.4%
Manawa Energy	B	\$4.39	5.1%	5.1%	5.2%	5.3%	2.0x	1.7x	1.3x	1.4x	38.7%
Sanford	N	\$4.05	3.4%	4.1%	4.8%	5.5%	2.3x	2.5x	2.8x	2.6x	27.4%
Comvita	N	\$2.09	3.7%	2.0%	4.7%	6.0%	2.5x	2.7x	2.6x	2.5x	34.1%
Kathmandu	B	\$0.55	10.9%	-	4.5%	7.3%	1.0x	-	1.5x	1.5x	42.9%
Port of Tauranga	N	\$4.89	4.4%	4.4%	4.4%	5.1%	1.1x	1.0x	1.1x	1.1x	22.9%
Delegat's Group	O	\$6.70	4.1%	4.1%	4.4%	4.8%	2.9x	3.0x	3.0x	2.9x	77.4%
Goodman Property	U	\$2.24	3.9%	4.1%	4.3%	4.5%	1.3x	1.4x	1.3x	1.3x	46.2%
Arvida	N	\$1.06	4.6%	3.2%	3.9%	4.4%	2.5x	3.4x	3.1x	3.3x	49.4%
Meridian Energy	N	\$5.93	3.0%	3.3%	3.6%	4.1%	0.7x	0.7x	0.8x	0.9x	21.5%
PGG Wrightson	U	\$1.98	15.4%	-	3.5%	5.6%	1.0x	-	1.7x	1.7x	42.9%
Mainfreight	O	\$69.90	3.4%	3.4%	3.4%	3.2%	2.5x	1.6x	1.8x	2.0x	48.5%
Ebos	N	\$35.45	2.8%	3.0%	3.2%	3.5%	1.5x	1.5x	1.2x	1.3x	52.1%
Air New Zealand	N	\$0.56	15.0%	7.5%	3.1%	5.2%	2.1x	0.9x	1.8x	1.7x	108.9%
Property For Industry	N	\$2.25	5.4%	5.5%	2.8%	5.6%	1.2x	1.1x	1.2x	1.2x	53.6%
Auckland Airport	N	\$7.87	0.7%	2.4%	2.5%	3.1%	2.6x	1.4x	1.4x	1.4x	31.6%
Infratil	O	\$10.89	2.3%	2.2%	2.5%	2.6%	1.9x	0.7x	0.8x	1.1x	85.3%
Summerset	O	\$11.17	2.0%	2.2%	2.4%	2.4%	3.3x	3.3x	3.4x	3.5x	56.3%
Fisher & Paykel Healthcare	U	\$27.87	2.0%	2.1%	2.1%	2.2%	1.1x	1.1x	1.3x	1.5x	9.3%
AFT Pharmaceuticals	U	\$3.07	0.4%	0.5%	0.7%	1.3%	9.9x	9.5x	7.4x	4.9x	36.2%
Asset Plus	N	\$0.23	-	-	-	8.0%	-	-	-	1.4x	20.7%
a2 Milk	O	\$6.52	-	-	-	-	-	-	-	-	-63.1%
Eroad	N	\$0.86	-	-	-	-	-	-	-	-	15.4%
Gentrack	U	\$8.24	-	-	-	-	-	-	-	-	-25.8%
New Zealand King Salmon	N	\$0.26	-	-	-	-	-	-	-	-	-11.3%
Oceania Healthcare	N	\$0.60	5.3%	-	-	6.3%	2.6x	-	-	3.1x	59.8%
Pacific Edge	N	\$0.08	-	-	-	-	-	-	-	-	-87.4%
Restaurant Brands	N	\$3.40	4.7%	-	-	-	1.6x	-	-	-	310.0%
Ryman Healthcare	U	\$4.26	2.1%	-	-	-	6.6x	-	-	-	51.0%
Seeka	U	\$2.90	-	-	-	-	-	-	-	-	88.9%
Serko	O	\$3.32	-	-	-	-	-	-	-	-	-74.9%
Vista Group	O	\$1.86	-	-	-	-	-	-	-	-	6.7%
MEDIAN			5.4%	4.1%	5.0%	6.2%	1.3x	1.2x	1.3x	1.3x	0.5%

NOTES: 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 EQUITY WATCH LIST		Jarden Rating	18-Apr-24 Price	Annual % Change	Target Price
AIA	Auckland International Airport	N	7.99	-5.85%	8.44
AIR	Air New Zealand	N	0.58	-14.87%	0.63
ATM	A2 Milk Company	O	6.23	-2.96%	6.50
CEN	Contact Energy	B	8.51	16.81%	10.65
CNU	Chorus	U	7.38	-10.07%	7.56
EBO	Ebos Group	N	34.00	-21.60%	38.96
FBU	Fletcher Building	B	3.92	-10.01%	4.61
FPH	Fisher & Paykel Healthcare	U	26.54	2.11%	23.20
FRW	Freightways	O	8.65	-1.21%	9.48
HGH	Heartland Group	O	1.06	-27.64%	1.92
IFT	Infratil	O	10.93	19.53%	11.30
KMD	Kathmandu	B	0.55	-47.11%	0.85
MCY	Mercury	O	6.49	9.38%	7.63
MEL	Meridian Energy	N	5.84	15.69%	5.67
MFT	Mainfreight	O	69.00	0.38%	80.30
OCA	Oceania Healthcare	N	0.64	-8.34%	0.69
PEB	Pacific Edge	N	0.09	-81.52%	0.16
POT	Port of Tauranga	N	4.95	-19.36%	5.67
RYM	Ryman Healthcare	U	4.42	-16.76%	5.29
SCL	Scales Corporation	O	3.20	6.79%	4.00
SKC	Sky City Entertainment Group	B	1.85	-18.28%	2.90
SKL	Skellerup	O	4.32	-7.11%	5.20
SKO	Serko	O	3.48	67.31%	4.95
SPK	Spark	N	4.67	-1.97%	5.12
SUM	Summerset Group Holdings	O	11.15	40.89%	12.02

AUSTRALIAN EQUITY WATCH LIST		Jarden Rating	18-Apr-24 Price	Annual % Change	Target Price
ALD.AU	Ampol*	N	39.22	39.30%	38.92
ALL.AU	Aristocrat Leisure	B	40.03	7.83%	47.20
AMC.AU	Amcor	N	13.73	-12.33%	14.40
ANZ.AU	ANZ Banking Group	O	28.56	26.82%	28.80
BHP.AU	BHP Billiton*	N	45.09	2.06%	47.26
BXB.AU	Brambles	O	15.63	15.06%	15.70
CBA.AU	Commonwealth Bank of Australia	N	112.73	18.32%	102.00
CPU.AU	Computershare	N	27.95	26.23%	27.90
CSL.AU	CSL	O	271.40	-8.35%	296.02
CWY.AU	Cleanaway Waste Management	N	2.55	4.40%	2.85
JHX.AU	James Hardie Industries	O	54.00	59.67%	57.00
MFG.AU	Magellan Financial Group	N	8.99	25.24%	9.20
MQG.AU	Macquarie Group*	N	186.32	7.74%	189.11
NAB.AU	National Australia Bank	O	33.45	23.59%	33.80
ORG.AU	Origin Energy*	B	9.83	25.08%	9.35
QBE.AU	QBE Insurance Group	B	17.48	22.52%	20.75
RIO.AU	Rio Tinto*	N	130.88	13.56%	133.36
RMD.AU	Resmed	O	27.63	-16.32%	31.22
TCL.AU	Transurban Group	U	12.81	-9.35%	12.70
TLS.AU	Telstra Group*	O	3.67	-9.92%	4.40
WBC.AU	Westpac Banking Corp*	N	25.73	23.36%	23.53
WES.AU	Wesfarmers	N	65.74	30.98%	58.60
WOR.AU	Worley*	O	16.54	10.74%	18.45
WOW.AU	Woolworths	O	31.75	-15.18%	40.40
XRO.AU	Xero	N	119.14	30.28%	110.00

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

GLOBAL EQUITY WATCH LIST		18-Apr-24 Price	Annual % Change	Target Price	INVESTMENT TRUST WATCH LIST		18-Apr-24 Price	Annual % Change
AI.FP	Air Liquide	186.72	16.09%	199.00	ATR	Schroder Asian Total Return	4.29	3.13%
AAPL.US	Apple	168.00	0.92%	200.13	BGFD	Baillie Gifford Japan Trust	7.10	-5.84%
AMZN.US	Amazon	181.28	77.20%	209.33	BNKR	Bankers Inv. Trust	1.11	8.19%
ASML.NA	ASML	840.30	42.76%	924.11	BRWM	Blackrock World Mining	5.59	-19.68%
BABA.US	Alibaba Group	68.82	-27.93%	107.98	CTY	City of London Investment Trust	4.03	-5.40%
BP/.LN	BP	5.12	-5.90%	6.04	DGN	Asia Dragon Trust	3.56	-10.55%
BRK/B.US	Berkshire Hathaway	397.74	22.52%	477.00	ESCT	Euro Small Comp. Trust	1.69	3.56%
C.US	Citigroup	58.17	16.15%	64.97	FCIT	F&C Investment Trust	9.73	7.87%
DIS.US	Disney	112.94	11.90%	123.61	GSCT	Global Smaller Companies Trust	1.58	7.92%
GOOGL.US	Alphabet	155.47	48.78%	163.28	HVPE	HarbourVest Global Private Eq.	22.70	11.82%
HSY.US	Hershey Foods	182.45	-29.72%	210.62	JAM	JPM American	9.64	34.45%
JPM.US	JPMorgan	180.08	27.36%	204.00	JEDT	JPMorgan Eur Discovery Trust	4.56	5.68%
MA.US	MasterCard	460.16	23.59%	508.52	JEGI	JPM European Inv. Trust	1.03	6.33%
MC.FR	LVMH	796.80	-9.20%	884.52	JFJ	JPMorgan Japanese	5.11	8.96%
MRK.US	Merck & Co	125.37	9.18%	136.06	JGGI	JPM Global Growth	5.46	19.08%
MS.US	Morgan Stanley	90.08	0.26%	96.05	MIDW	Mid Wynd International	7.62	9.17%
MSFT.US	Microsoft	411.84	42.82%	460.92	MNKS	Monks ITC	11.28	15.81%
NFLX.US	Netflix	613.69	83.90%	614.31	NAIT	Nth American Inc. Trust	2.79	-2.11%
NKE.US	Nike Inc	94.84	-24.86%	110.19	PCT	Polar Cap Tech	28.85	45.41%
NVDA.US	NVIDIA	840.35	203.74%	987.00	RCP	RIT Cap Partners	18.24	-6.17%
SU.FP	Schneider Electric	215.35	41.58%	203.38	SDP	Schroder Asia Pacific	4.96	-3.03%
TSLA.US	Tesla	155.45	-15.66%	189.83	SMT	Scottish Mortgage Trust	8.24	25.53%
UNH.US	United Health	478.99	-5.05%	588.94	TEM	Templeton Emerg.	1.51	1.07%
V.US	Visa	272.69	16.73%	303.54	WWH	Worldwide Health	3.30	2.96%
VOW3.GE	Volkswagen	121.95	-3.66%	143.19	Prices shown in local currency and do not incorporate distributions			
Source: Thomson Reuters, Jarden. Note: Change calculations incorporate dividends. Target Prices reflect consensus								

JARDEN'S FIXED INTEREST BONDS

AS AT 18TH APRIL 2024

Vanilla		Credit Rating	Yield
AIA240	Auckland Airport 3.29% 17/11/26	A-	5.30
ANB180	ANZ Bank New Zealand Limited 5.22% 16/02/2028	AA-	5.08
BNZ150	Bank of New Zealand 1.88% 08/06/2026	AA-	5.29
CCB1124	China Construction Bank (NZ) 2.39% 22/11/2024	A	6.50
CNU030	Chorus Limited 1.98% 02/12/2027	BBB	5.32
FBI190	Fletcher Building Industries 3.90% 15/03/2025	Not rated	8.60
FCG050	Fonterra Co-Operative Group 4.15% 14/11/2025	A-	5.61
HBL020	Heartland Bank Ltd 3.55% 12/04/2024	BBB	6.57
IFT310	Infratil 3.60% 15/12/2027	Not rated	6.63
KPG050	Kiwi Property Group 2.85% 19/07/2028	BBB+	6.33
MEL050	Meridian Energy 4.21% 27/06/2025	BBB+	5.68
SUM020	Summerset Group Holdings Ltd 4.20% 24/09/2025	Not rated	6.44
TRP070	Transpower New Zealand 1.735% 04/09/2025	AA	5.34
WPAC0724	Westpac 2.22% 29/07/2024	AA-	5.77
ZEL060	Z Energy 4.00% 03/09/2024	Not rated	6.42
Hybrid		Credit Rating	Price
ANB170	ANZ Bank Limited Unsecured, Subordinated Notes	A	91.71
MCY020	Mercury NZ Ltd 3.60% 11/07/2024	BB+	98.91
KWB010	Kiwibank 2.36 11/12/2025	BBB	92.51
IFTHA	Infratil Perpetual Infrastructure Bond	Not rated	64.50

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