



**AB** | **Alistair Bean & Associates**  
FINANCIAL ADVISERS

INVESTMENTS AND KIWISAVER

**MAKING DECISIONS FOR YOU  
SO YOU DON'T HAVE TO**

**Alistair Bean** | 03 288-0404 | [www.abafs.co.nz](http://www.abafs.co.nz)

Personal Disclosure documents are available free on demand

10 YEARS IN BUSINESS

**Alistair Bean**

Managing Director

t. +64 3 288 0404 (Ext. 1404) m. +64 021 552 587 e. [alistair.bean@abafs.co.nz](mailto:alistair.bean@abafs.co.nz) w. [abafs.co.nz](http://abafs.co.nz)



**Alistair Bean & Associates**  
FINANCIAL ADVISERS

Level 1, The Awly Building, 293 Durham St, Christchurch 8013

## **Alistair Bean & Associates - Financial Advisers**

*"making decisions for you, so you don't have to!"*

### **Quarterly Newsletter – to 31 December 2023**

*This newsletter is created specifically for existing clients of*

*"Alistair Bean & Assoc's Financial Services Limited"*

*Please feel free to share this newsletter with any prospective clients you believe may benefit from our services.*

PROUD MEMBER OF



**Hello**

and welcome to the latest newsletter of

**Alistair Bean & Associates – Financial Advisers**

**In this issue:**

- Market/Portfolio Commentary
- KiwiSaver and Annual Tax Reports
- Estate Planning
- KiwiSaver - Additional and Regular Deposits
- ABAFS10 Limited Index
- Conclusion
- The Technical

***“Guaranteed No Fee Increases FOR LIFE!” \****

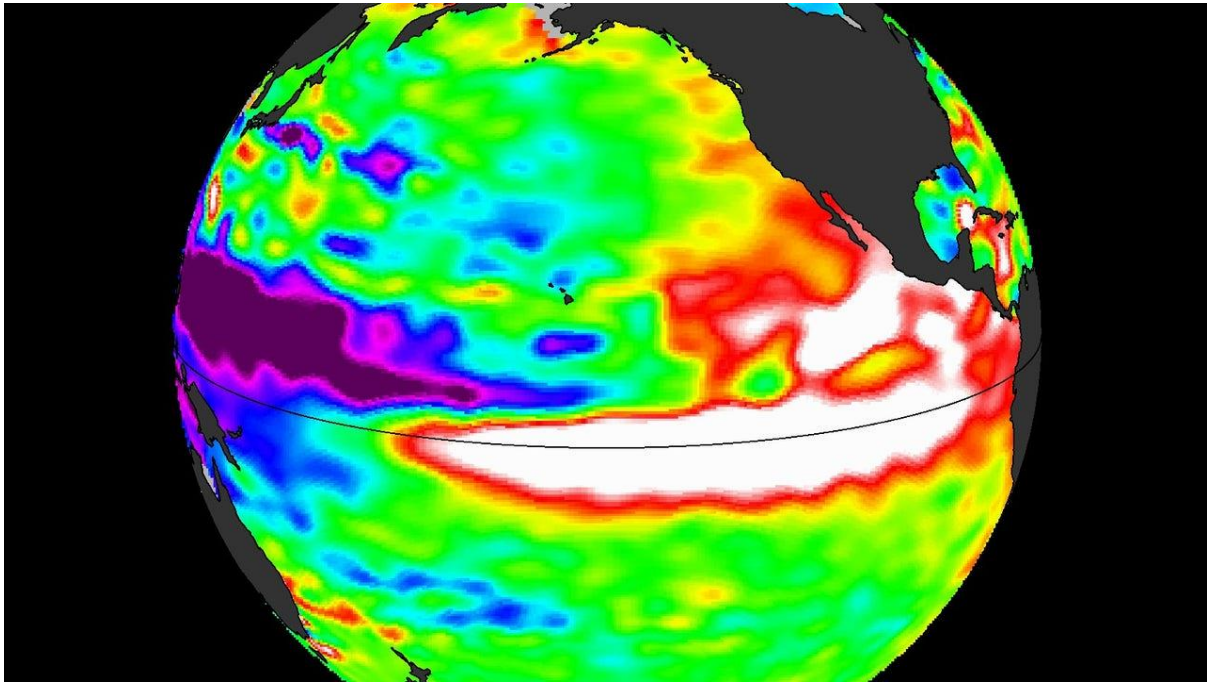
***for investment portfolio clients of  
ABAFS Limited, fees’.***

*\*conditions apply, please enquire.*

**The Lay and the Technical**

*As always, my intention is that I will use as much of “the Lay” as possible. I’m required for legislative and compliance reasons to also use “the Technical.” Please feel you can come to me if you would like a definition of any technical term or phrase that I include in any report.*

## "The Positives of El Niño Economic Influences ..."



*source – public domain, internet.*

### **Market and Portfolio Commentary**

Welcome to 2024 and Happy New Year to all. I hope you had a wonderful holiday season with family and friends.

We had quite the family Christmas this year. We stayed at home with almost all family in NZ and Australia coming to Christchurch. So, with four generations being together at one time over several BBQ's and so on, it was great for my father to have almost all of his offspring in one place. The weather was truly wonderful. A relaxing time was had by all, and I, once again, had time to muse over markets.

#### **A brief commentary on El Niño**

As we enter the new year, leave the colder La Nina temperatures, and enter El Niño conditions (typically global warm weather originating from the Pacific Ocean), which I am quite the fan of, the following may occur.

As mentioned, weather is typically warmer, which may mean, almost immediately, less money paid for power bills, less energy used, less pressure on inflation, and, therefore, less pressure on interest rates. The risk in summertime, of course, is possible drought conditions. But, because we tend to be warmer in wintertime, we have less colds and sniffles, our health tends to improve, both of which mean lesser medical costs.

Other examples (according to the internet) include the reduction in demand for fuel lifted GDP in USA by 0.5% in previous El Niño years by keeping expenses down as well as by reducing supply and demand pressure, and, in turn, by reducing energy prices.

And, globally, fishing and aquaculture can improve: the survival of small and fast-growing species enhances as predatory birds have to travel further for cooler climes and stay away longer resulting in population booms of various creatures having a chance to grow and not being eaten as infants, then growing to maturity and having the opportunity to breed.

In other words, less costs and increased profits all round.

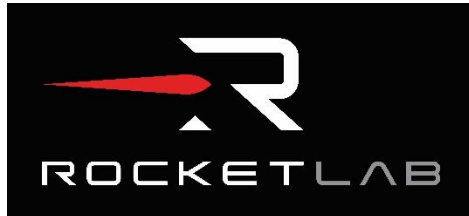
El Niño may last for a minimum of 9 to 12 months but can last for years. I remember from my earlier years as a child when El Niño in Canterbury seemed to be never ending summers, and then later on, particularly in the mid to late 1990's when I worked and lived in Southland and Queenstown and frequently drove to and from Christchurch to visit family over Christmas and long weekends.

During these road trips, I would observe many farms with their brown, dried fields, many filled with skinny lambs, until I neared Otago. There, the fields were greener and the lambs were fatter. Canterbury was dry. Otago and Southland seemed to get more rainfall no matter what time of year. Nowadays, the irrigation systems that have been installed all over the country appear to allow for dryer weather conditions. The investment has been made, particularly for farming.

Therefore, in my opinion, I think NZ is well placed to endure El Niño conditions to have a continuing positive effect for many industries. As we leave Covid behind (get your booster shots!), this all helps with the current, apparent, upward trend of improvement in economic conditions all going well...

## A few **Portfolio** moments

### **Rocket Lab**



Rocket Labs motto is “We open access to space to improve life on Earth”.

Rocket Lab, this year, have 22 launches planned, with the next being Thursday the 27<sup>th</sup> of January from their LC1 (launch complex 1) NZ, at the Mahia Peninsula between Napier and Gisborne, weather permitting.

This mission will contain four more satellites, increasing their already 1700+ satellites currently in space with Rocket Lab Technology. This means around one launch every 2.36 weeks in both NZ and USA during 2024.

Their next Full Year results announcement is 27<sup>th</sup> February (28<sup>th</sup> Feb. NZ Time).

For you space fans, here is a YouTube link, commenting on Rocket Lab showing its capabilities vs SpaceX and Blue Origin (*not an official Rocket Lab resource – but pretty accurate...*)

<https://www.youtube.com/watch?v=BKTO1feEGw8>

### **a2Milk**



I know many of you are asking how they are doing. We will find out once again in their first half results on Monday the 19<sup>th</sup> of February. In their full year results to June 2023, they reported approximately \$1.6bn revenue (their second largest ever). This is a 26.9% increase in net profit from the previous year. Sales in China increased by 38% from the previous year, and a record market share increase took them to third place in China against other Milk Companies. They have \$752m cash in the bank, no net debt, and continued growth expected in 2024 – so yes, my recommendation is to remain invested.

Briefly a few others. **AFT Pharmaceuticals'** revenue is up 27% on the previous year, and their sales outside of Australasia is up 94%, with 104 products in 104 countries' licence agreements in play. **Ebos** was in the news with the rumour they were to acquire another company, which saw their share price increase. But, this didn't happen. However, at the AGM, they mentioned they are actively looking. **Genesis Energy's** first half results are out on the 22<sup>nd</sup> of February 2024. **Capital Group New Perspective Fund** is currently holding 328 investments including Apple, Amazon, Caterpillar, Nestle, and Microsoft to name a few. Capital Group manages US\$2.2 Trillion. The New Perspective Funds performance was 24.2% for the 12 months to 31 December 2023. **Fiducian India Fund's** net performance over 15 years is now 15.61%pa to 30 November 2023.

***Past performance is no guarantee of future performance.***

Please feel free to come back to me for any other commentary of any investments currently held in your portfolio or if you wish to add additional funds relative to your own personal needs.

## **KiwiSaver and Tax reports**

*"Start planning now to ensure you receive the full Government Contribution if you have not already done so!"*

**KiwiSaver** – Government Contributions are paid in early July each year to all Clients who qualify. The first year you become a KiwiSaver member, for the Govt. grant, the amount you receive is pro-rata to the time invested. For each successive year you receive the full contribution, provided you add the minimum amount of \$1,042.86 annually.

A pre-reminder, try and ensure you, your family, your friends have deposited at least \$1,042.86 pa to get the free 50% net return of \$521.43 (approx. \$20/wk.) from the NZ Govt. Over 18 and under age 65 - Just do this !! (18-65 is ageist and the Govt should change the rules here!!)

- **Claim your \$521.43 before mid-June each year**
- **For additional lump sum or regular deposits, contact me and I will advise the procedure for your respective funds**
- **New KiwiSaver Option Announced - *KiwiWRAP***

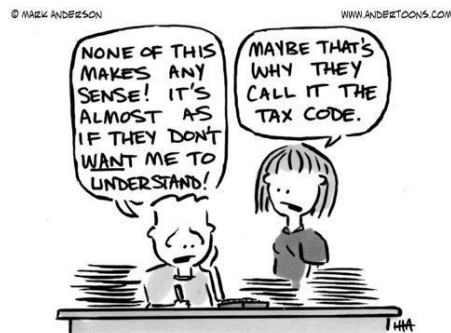


The KiwiSaver subsidy **cut-off date is 30 June each year.** Ensure those of you, and also any of your family members, (or anyone you know) who regularly contribute to KiwiSaver receives your eligible \$521.43 free money from the Government for the year – 50 cents in the dollar limited to \$1,042.86 (approx. \$20 per week) invested.

Remember: if you did not get it last year, simply start a \$20 per week direct credit to your fund, and you won't miss out next year.

Talk to me further if necessary. Tell friends, families, colleagues to do the same. One million KiwiSaver investors did not claim \$550,000,000 worth of Government contribution in 2018 and likely similar in successive years and this year as well.

Talk to me about **KiwiWRAP** – The KiwiSaver option that allows you to choose the investments you want in your own KiwiSaver Portfolio including direct shares worldwide and over 400 other options (switch or invest now, minimum \$50,000 deposit).



*source – public domain, internet.*

**Tax reports** will be with by around **25<sup>th</sup> May each year**, check with us after this date and we can send you another copy if you don't get one.

Also you may have found that you had tax to pay this year on overseas earnings in your portfolio, this may be because you did not have tax deducted from your overseas investments depending on which investments you hold in your individual portfolio, so you may already have received this gross amount of earnings into your portfolio without the deduction occurring. To pay any tax charged here, just contact me for a withdrawal if you would like to do this for payment. Your own tax professional will assist with an explanation of your own individual full tax circumstances.



## **Estate Planning**



It is crucial you and your family are aware of your estate planning wishes. Number one: you must have a will; so that, you do not die intestate, and nobody knows what to do for you.

You should review these plans at least every two years. Also, should a big life event occur, like building a new home, having children or grandchildren, buying or selling a company, or even having a major medical event etc., review your will.

### **Enduring Powers of Attorneys and Trusts**

A timely reminder to review these. I can assist with arranging new ones for you or assist with reviewing existing ones with the assistance of specialist referrals. Or use your own lawyers. But please feel you can discuss them further with me. This review is also essential to do at least every two years.

## **ABAFS10 Limited Index**

The ABAFS10 Limited Index represents the total of the individual current values of the top ten holdings of all investments I manage for clients (excluding cash) and represents their percentage asset allocations as charted below to the end of each calendar quarter.

*(The investment names held are commercially sensitive, but the information is available to all clients of **ABAFS Limited.**)*

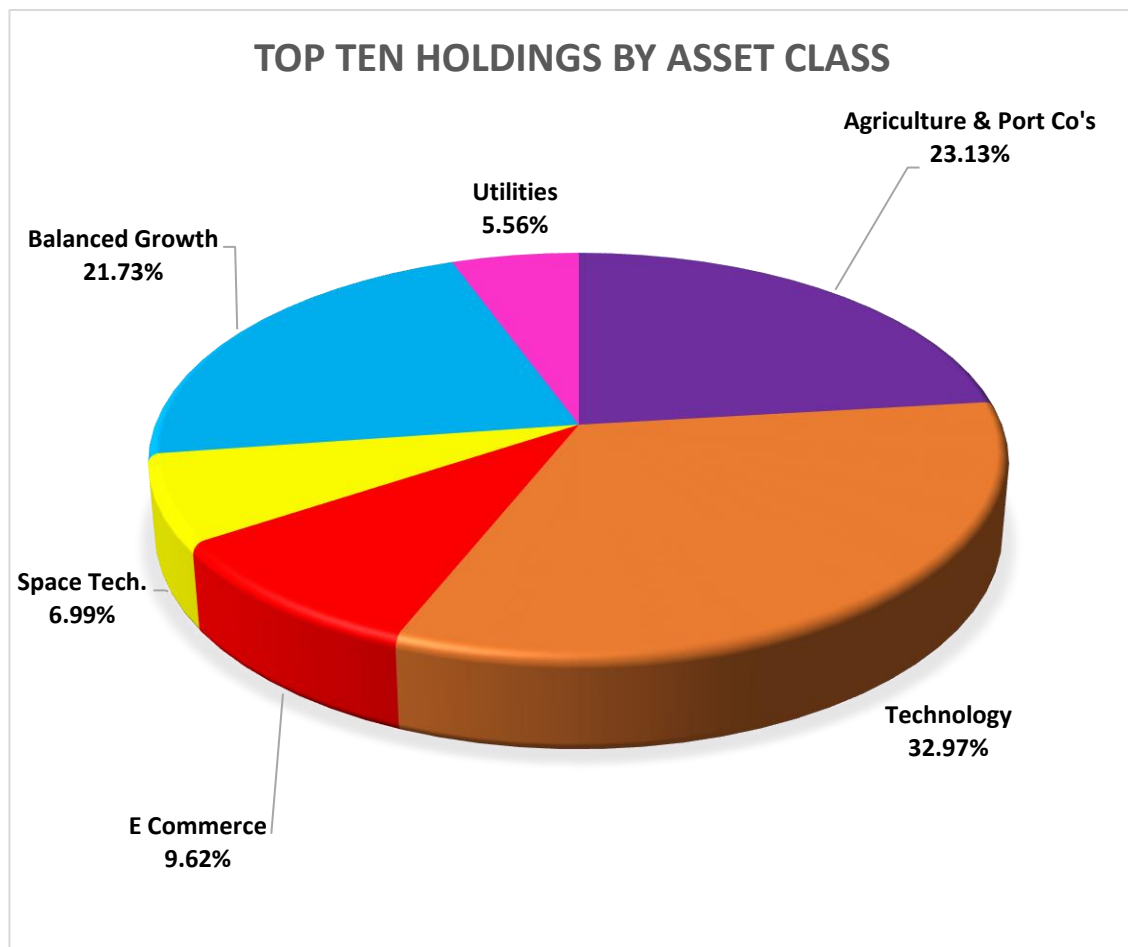
**The current cumulative net value as of 31 December 2023 increased by 11.77% for the quarter to**

**NZ\$607.01**

**ABAFS Ltd Index** 01 July 2023 – 30 September 2023 previous quarter was \$543.06

*(As a comparison, **NZX50 Index** saw an increase of 4.19% over the previous period.)*

*"Past performance is no guarantee of future performance!"*



## **Conclusion**

So, here we are in 2024. Covid still shows its ugly head, and, as a result, we are reminded to continue with booster shots. Also, don't forget your flu shots! However, we are seeing greater normality having returned to our day to day lives. Conspiracists say we have been injected with "Nanobots" – metal microrobots contained in the vaccines, and are now being completely controlled by Big Brother in everything we think, say, and do... So, we should probably look out whenever we pass a large magnet or microwave cooker!

This conspiracy now extends to AI (artificial Intelligence), which is here to stay. And, I am a big fan. In my opinion, the positives far outweigh suggested negatives (people don't like change) unless "The Terminator" movie is based on fact. The improvements in health alone can only be of benefit to us. Cures or assistance for disease, etc. are now rapidly being discovered: Covid vaccine within months instead of years and now developments in dementia, cancer, and the like being greatly improved and regularly reported in the media. Remote operations being performed by surgeons around the world have already occurred. Look below: with the help of Artificial Intelligence, this is me as a Viking! We have a historical family history of farming in Northern England in my family tree from years gone by; so perhaps, this is an actual true likeness. I know few of you have tried this one...



[source – public domain, internet.](#)

As always, I am positive about the months and years going forward. Very clearly, economic recovery has consolidated well over the last 12 months and my expectation is for this to continue.

Have a great 2024; and

Best Regards

**AL**

## *A copy of my Personal Disclosure Statement is available on Request*

**Disclaimer:** Important information: To the maximum extent permitted by law, Alistair Bean & Assoc's Financial Services Limited disclaim

any liability or responsibility to any person for any direct or indirect loss or damage that may result from any act or omission by any person in relation to, or in reliance on, the information supplied in this document ("Document"). Neither **Alistair Bean & Assoc's Financial Services Limited** nor any of their respective directors, or any other person guarantees, either partially or fully, the capital value or performance of any investments mentioned in the above document.

Inclusions are already available via public access and may be sourced or viewed using widespread media through the public domain.

This Document is not intended to constitute, does not constitute, and should not be construed as constituting, investment advice, nor is it a substitute for commercial judgment or other professional advice. Investors, or potential investors, in the funds should: (i) conduct independent due diligence on any of the funds; and (ii) obtain independent investment and professional advice prior to acting in reliance on this Document.

This Document has been provided for information purposes only and is subject to change. The content of this Document is intended to be of a general nature and does not take into account an investors, or potential investor's, financial situation, investment objectives, or risk tolerance.

Past performance is not indicative of future performance. The actual performance realised by any given investor: (i) will depend on many things; (ii) is not guaranteed; and (iii) may be negative as well as positive. Unless otherwise indicated, returns are shown after fund expenses and before tax. This is represented by the change in unit price plus any applicable tax credits.

No representation or warranty is given as to the accuracy or completeness of any of the information provided in this Document.

Investments in any of the funds referred to in this Document are subject to many investment risks including possible delays in repayment, loss of income, or total loss of the principal invested.

This Document is not intended as, and is not to be taken as, an offer or solicitation with respect to the purchase or sale of any interest in the funds.

This Document is intended for investors who understand the investment risks associated. Some, or all, of the investments mentioned in this Document may not be suitable for certain investors. Investors, or potential investors, should consider whether: (i) an investment is appropriate for their risk profile; and (ii) they will meet the suitability requirements relating to such investments.

The information contained in this Document is intended only for the person or entity to which it is addressed. If you have received this Document in error, please contact Alistair Bean & Assoc's Financial Services Limited. No part of this Document may be reproduced, provided, or distributed without the prior written consent of Alistair Bean & Assoc's Financial Services Limited.

---

**Alistair Bean**

Managing Director t. +64 3 288 0404 (Ext. 1404) m. +64 021 552 587 e. [alistair.bean@abafs.co.nz](mailto:alistair.bean@abafs.co.nz) w. [abafs.co.nz](http://abafs.co.nz)



**Alistair Bean  
& Associates**  
FINANCIAL ADVISERS

Level 1, The Awly Building, 293 Durham St, Christchurch 8013

**Proud Supporter of**



**Riccarton Players**

**The Technical...** *No technical this time...*