FORSYTH BARR

WEALTH MANAGEMENT RESEARCH

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Wealth Weekly
Not all Plain Sailing for Auckland Airport

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Auckland Airport faces a long and bumpy road to recovery from COVID-19, which may provide opportunities for investors along the way. Reopening sentiment could be a short term positive catalyst, but reality will probably get in the way of more prolonged enthusiasm.

Uncertainty around timing and shape of travel recovery

Key variables in Auckland Airport's outlook include how the virus behaves globally in the face of vaccines, the government's pandemic and border reopening strategy, how keen travellers will be to fly post COVID-19, retail concession deal renewals, capex plans and returns on regulated assets. **The over-riding focus among investors is unsurprisingly on the recovery in passenger numbers**. This recovery is reliant on a shift in government strategy from elimination of COVID-19 to suppression, which is unlikely before herd immunity is reached, which in turn could be a while away given the high rate of vaccination required across the population. Consequently, border restrictions could remain in place for some time. Even after borders reopen, higher costs, inconvenience and rising environmental awareness mean **the rebuild in passenger numbers may take longer than it did after past demand shocks**.

Other drivers of profitability may help (investment property, aeronautical pricing, moving to a single duty free operator from two currently) or hinder (concession agreement retenders) Auckland Airport's recovery. In the meantime, **bond yields will likely remain a key driver of its valuation multiples**. We retain a NEUTRAL rating on Auckland Airport as uncertainty continues to reign.

Themes of the week

Our colleagues in Hong Kong recently visited 40 Mother & Baby stores in China to speak to staff and assess the positioning of The a2 Milk Company's infant formula. **It reinforced our view that there is a material opportunity for a2 Milk to grow in offline channels in China**. However, there are increasing headwinds evident in our channel checks (slowing industry growth and growing competition from local brands), which means execution is important and suggests a continued lift in marketing and investment in-store will be required by a2 Milk — as is reflected in our forecasts. Our rating on a2 Milk remains NEUTRAL.

In partnership with our Australian partner MST Financial **we have initiated coverage on Tower, the general insurer**.* After many tough years for shareholders, **we believe Tower is on the cusp of delivering increasing returns on equity through a combination of improving operational performance and improving capital management**.

Following a competitive sale process, **the board of Tilt Renewables has recommended a proposal to effectively sell Tilt's NZ wind farms** to Mercury NZ** and the rest of the company to an Australian renewables investment consortium between the Australian and Queensland government investment funds and AGL Energy. Infratil has agreed to vote its 65.5% stake in Tilt in favour of the deal.

The chorus of central bankers telling bond markets to settle down continued last week, with the European Central Bank chiming in that it will increase its bond purchases, joining the Australian and New Zealand central banks.

Looking ahead

The US Federal Reserve, Bank of England and the Bank of Japan are all meeting this week. The focus will be on the future path of interest rates from the Fed given the US$1,400 stimulus cheques that start arriving in US consumers' bank accounts this week.

***Forsyth Barr has been engaged and paid by Tower for ongoing research coverage.**

****Forsyth Barr is advising Mercury on the acquisition of Tilt's NZ assets and will receive fees on completion of the transaction.**

Auckland Airport (AIA.NZ)

Long Path Back to Normality

Last week we published a detailed review of Auckland Airport's prospects, in *Ready for Take-off but Uncertain Flight Path*. The recovery profile and longer term growth outlook for aviation remains highly uncertain.

When will borders reopen?

A shift in the public health approach to the pandemic and a reopening of the borders may only happen in 2022, given the time it will take to vaccinate enough of the New Zealand population to reach herd immunity (Figure 1).

Figure 1. Government vaccine programme timeline

Group	Timeline	Population group	Approximate size of group
1	Feb Onward		
1.a		Border/MIQ workers	15,000
1.b		Close contacts of 1.a	40,000
2	Feb-May		
2.a		Frontline healthworkers with a higher expousre to COVID-19	57,000
2.b		Frontline healthworkers not included in group 2.a	183,000
		High risk (residential villages, underlying health conditions, South Auckland)	234,000
3	May Onward		
3.a		Aged 75+ not included in group 2	317,000
3.b		Aged 65-74 not included in group 2	432,000
3.c		Relevant health conditions and/or disabled people nationwide	730,000
4	**July Onward**		
		Remainder of the population	2,000,000
Total			**4,200,000**

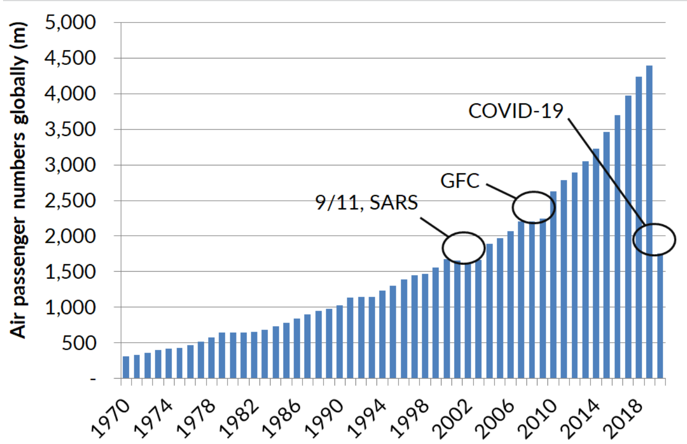
Source: MOH, Forsyth Barr analysis NOTE: The government has said that Group 3 totals ~1.7m people yet the breakdown by sub-group only totals ~1.5m

The global aviation industry quickly recovered from previous black swan events (e.g. September 11, SARS and Global Financial Crisis — Figure 2). This time may be different. Some pent-up demand for visiting friends and family may initially mask what we expect to be a weaker underlying demand backdrop after the pandemic, driven by:

1. Higher travel costs for vaccine passports and pre-departure testing
2. Reduced propensity to travel given added health risks (e.g. for those with compromised immunity) and inconveniences (e.g. pre-departure testing, mask wearing on long haul flights)
3. Growing environmental awareness, associated flight shaming and the cost of offsetting carbon emissions.

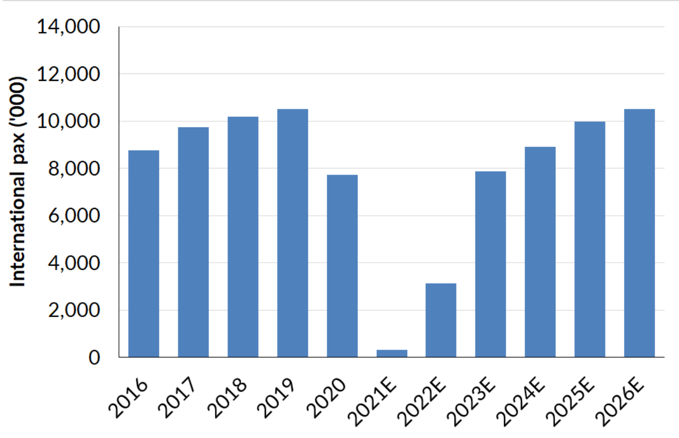
Historically we have assumed AIA's international passenger numbers will grow by +3.5%–4.0% pa in the long-term. In a post-COVID-19 world we believe a +2.5%–3.0% pa growth is a more appropriate assumption (Figure 3).

Figure 2. Passenger numbers recovered quickly after previous black swan events



Source: World Bank, Forsyth Barr analysis

Figure 3. Forsyth Barr forecasts for AIA's near term international passenger recovery



Source: Forsyth Barr analysis

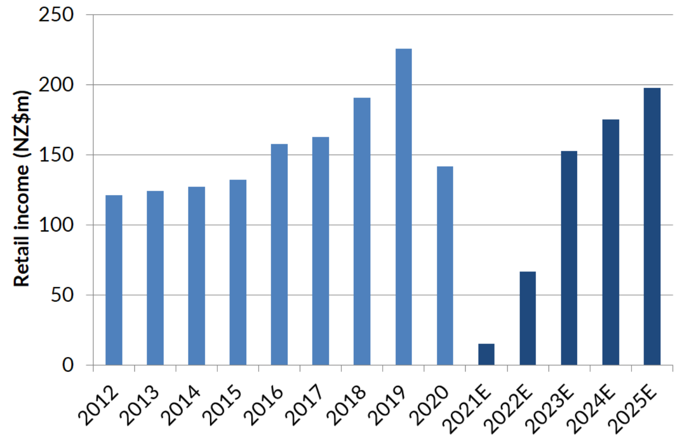
More cautious concessionaires; lower retail returns

AIA's commercial income has been severely impacted by COVID-19 given its leverage to international passenger numbers. As passenger numbers recover, so should the contribution from retail concessions. We expect the retail income that AIA is able to generate will be lower over the medium term than pre COVID-19 (Figure 4). This largely reflects the nature of AIA's pax recovery, though we also expect retail income per international passenger will be lower than it was tracking pre COVID-19 (Figure 5).

The nature of retail concession arrangements may be less favourable for AIA in future than pre COVID-19, because:

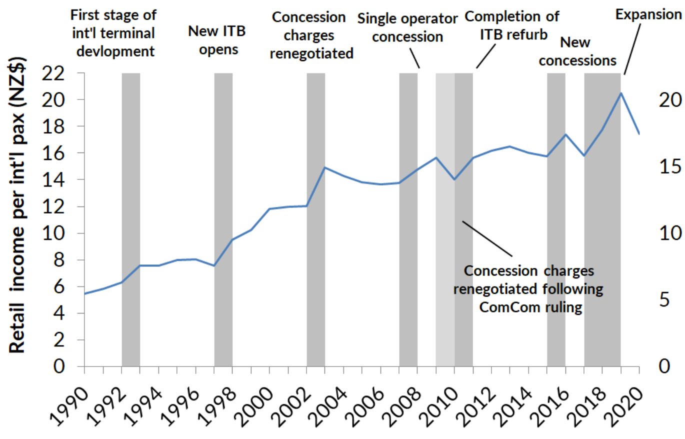
1. Most contracts are up for tender/renewal over the next two years
2. The experience with COVID-19 will drive concessionaires to demand force majeure clauses and reject passenger-linked ratchet mechanisms that drive minimum annual guaranteed rents
3. Concession yields may be adversely impacted by increasing competition for Chinese travel dollars (China's Government has liberalised arrivals duty free), online retail eroding consumer perceptions of price advantages from duty free, ongoing travel retailer consolidation, and potential for regulatory changes.

Figure 4. AIA's retail income may not return to FY19 levels until FY25



Source: AIA, Forsyth Barr analysis

Figure 5. AIA's historical retail income per passenger; we expect it will be unable to return to FY19 levels by FY25



Source: Forsyth Barr analysis

Technical factors to boost aeronautical prices, while rising bond yields suppress share valuations

The rate of return that AIA is likely to be allowed to generate on its regulated aeronautical assets is recovering due to technical valuation factors. This supports AIA's aeronautical earnings outlook (all other things being equal). AIA's next price reset is due on 1 July 2022, but is likely to be delayed given the uncertainty regarding its capital expenditure programme, as AIA won't start key development projects until various triggers have been reached (e.g. passenger numbers). Any delay in pricing will likely mean steeper aeronautical price increases when the reset eventually takes place. We assume new prices will be in place from the start of FY24.

Offsetting the benefit of a higher aeronautical rate of return, rising bond yields raise the discount rate investors use to value AIA's future cashflows, which puts downward pressure on the stock valuation. Before COVID-19, AIA stock was more sensitive to bond yield movements than any other stock in the NZX 50. Barring any further material bond rate moves, we expect AIA's share price to be range bound for the foreseeable future. We have retained our NEUTRAL rating.

Themes of the Week

NZ Equities — The a2 Milk Company (ATM.NZ)

Proprietary Channel Checking in China

Our colleagues at Forsyth Barr Asia visited 40 Mother & Baby stores across five cities in Guangdong province, China, earlier this month, focussing on observations and armed with a proprietary survey of questions which were asked of the in-store personnel. This follows a similar exercise in October 2020. For the detailed report, see *Proprietary Channel Checking in China*.

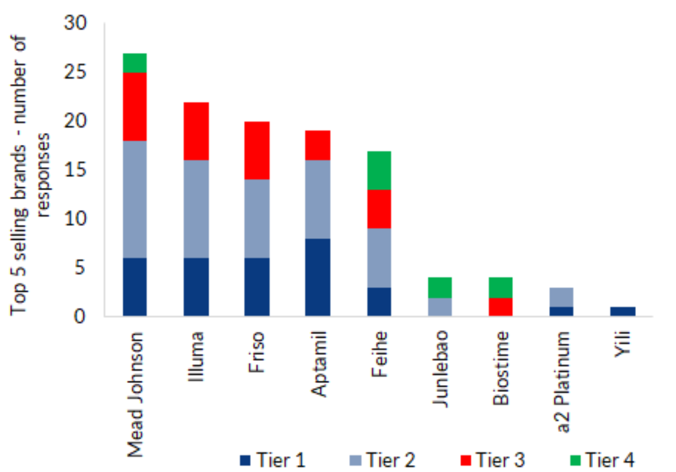
There were five key takeaways from our on-the-ground research in Mother & Baby stores in China:

- **a2 Platinum (infant formula) performance (Figure 7) was mixed across stores**, skewed towards higher tier cities: Performance was cited as "strong" by 43% of respondents in Tier 1 cities visited, 57% in Tier 2, 40% in Tier 3 and 0% in Tier 4.
- **a2 Platinum brand loyalty was high**: Sales reps from other brands said a2 Platinum customers were the hardest to convince to switch.
- **Consumers continue to prefer foreign brands**, but there was an observable shift towards domestic brands: 55% of stores cited foreign brand preference (vs. 5% for local). But there were multiple comments that consumers are increasingly seeking local brands (led by Feihe).
- **ATM's marketing was low compared to other brands** (Figure 8). We believe this is partly because the marketing is well targeted, but it may not be enough. Marketing is an important driver of brand awareness (particularly while the daigou sales channel is weak), and corresponded to higher sales performance in our sample. ATM intends to lift marketing spend in 2H21. Our forecasts also assume spend as a percentage of revenue meaningfully above historical levels.
- **Industry growth was solid**, albeit there was some caution around outlook: 81% said infant formula sales have been either flat (44%) or growing (37%).

Other notable points of interest included:

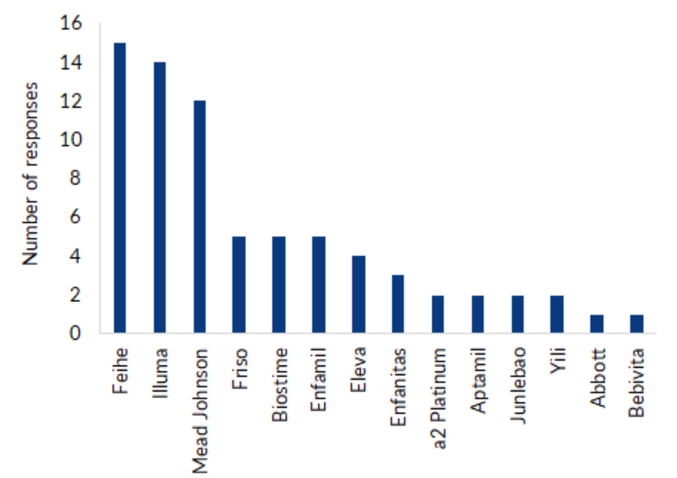
- a2 Platinum pricing was unchanged from our visits in 2020 and 2019, and fresh expiry dates suggested no inventory build-ups.
- a2 protein competition is still increasing. Enfamil a2 (launched late in 2020) was available across 65% of stores visited.

Figure 6. Top performing brands in our MBS store survey



Source: Forsyth Barr analysis

Figure 7. Notable in-store marketing observations (by brand)



Source: Forsyth Barr analysis

We estimate ATM's China infant formula market share at ~3.6% in FY21E, down from ~4.6% in FY20A, and its EBITDA margin at 24.7%, down from 31.8% in FY20A due to COVID-19-related headwinds. **Our long-term forecast equates to a ATM having ~6.3% share of the China infant formula market and an EBITDA margin of 29.5%.**

The recent downgrade cycle has materially dented our (and market) confidence in the near-term outlook for ATM, which will take time to rebuild. **We remain confident in ATM's longer-term brand positioning and growth potential**, particularly in large offline channels in China where ATM is under-represented. However, **at this juncture there is too much uncertainty to have conviction** in a directional call and FY21 guidance is not risk-free. Our rating remains NEUTRAL.

NZ Equities — Tower (TWR.NZ)

A Tower of Strength

In a report published on Monday, *A Tower of Strength*, **we have initiated coverage of Tower (TWR), a New Zealand based pure-play general insurer**, focussed predominately on personal lines insurance throughout New Zealand and the Pacific Islands. TWR has approximately 300k customers, NZ$385m gross written premiums (GWP) and a 9% share of New Zealand personal lines market.

After many tough years for shareholders, **we believe TWR is on the cusp of delivering increasing returns on equity through a combination of improving operational performance and improving capital management**. We estimate TWR has a 7.8% 12 month forward cash dividend yield and despite recent strength in the share price we see further upside based on our NZ$0.96 spot valuation.

Tower's settlement with the Earthquake Commission (EQC) late last year regarding an outstanding receivable resulting from the Canterbury Earthquakes resolved the last major outstanding legacy risk for the company, and paved the way for dividends to resume after a five year intermission.

Five years ago TWR embarked on a transformation to reposition itself as a digital challenger brand. Today, with 90% of customers migrated to a cloud-based platform and over 70% of workloads now cloud-based, TWR is starting to realise the resulting productivity and efficiency benefits. TWR is well positioned to accelerate its growth and leverage its existing cost base:

1. The products and processes are now such that **TWR can scale with ease**, as evident by three bolt-on acquisitions made recently.
2. A new CEO commenced in August 2020, with a **strong pedigree in large-scale digital and data innovation**.
3. TWR has a very **strong solvency position**, with excess cash ready and waiting to be deployed into further bolt-on acquisitions.

Since November 2020 TWR has announced a raft of good news which has driven a rally in TWR's share price, however, **TWR continues to trade at a discount relative to peers**. Given legacy risks are now resolved, **we believe the stage is set for TWR's valuation multiples to expand towards those of peers as the company delivers on its digital strategy and its return on equity improves**. For now, we assume TWR's discount to peers' multiples will halve, forming our base valuation of NZ$0.96 per share. Our forecast 12 month forward cash dividend yield of 7.8% is the second-highest forecast cash yield among NZ stocks under Forsyth Barr's coverage.

Forsyth Barr has been engaged and paid by Tower for ongoing research coverage. Please refer to the full disclaimers and disclosures in the report.

NZ Equities — Tilt Renewables (TLT.NZ), Mercury NZ (MCY.NZ), Infratil (IFT.NZ)

TLT sold for NZ$7.80/share

Tilt Renewables (TLT) has entered into a Scheme Implementation Arrangement with Powering Australian Renewables (PowAR) and Mercury NZ (MCY) to acquire the assets of TLT for NZ$7.80/share. PowAR is a consortium between QIC (the Queensland Government investment fund), FutureFund (Australia’s sovereign wealth fund) and AGL Energy (AGL.AX). **The effect of the agreement is that PowAR will buy TLT's Australian assets and MCY will buy the NZ assets.**

The deal is subject to regulatory approvals, including Overseas Investment Office approval in NZ and Foreign Investment Review Board approval in Australia (it is hard to see that being an issue), shareholder approval, and High Court approval in NZ. The estimated timetable is ~4 months for the shareholder vote and ~5 months to be completed. **Infratil (IFT) and MCY, which hold 65.5% and 19.92% stakes respectively in TLT, are voting for the deal.**

We have increased our target price for TLT to the transaction price of NZ$7.80/share and we retain our NEUTRAL rating. TLT closed at NZ$7.61 after the deal was announced on Monday.

Under the deal, MCY would effectively be acquiring TLT's NZ operating and development assets for a net outlay of NZ$183.5m; it would receive NZ$586.5m for the sale of its 19.92% TLT stake and would pay NZ$770m for the NZ assets. Whilst the NZ$770m price is full, these assets do not become available very often and our initial view is it is a good deal for MCY. By acquiring NZ's second largest wind energy business, MCY would overtake Contact Energy (CEN) as NZ's second largest generator/retailer. **We have raised our target price for MCY to $6.10/share and upgraded our rating from UNDERPERFORM to NEUTRAL.***

MCY on Monday also announced it is seeking to raise up to NZ$250m of 5.5 year unsecured, unsubordinated fixed rate green bonds. **

From Infratil's perspective, the announced sale of IFT's stake in TLT for NZ$7.80/share implies gross proceeds of NZ$1.926b, which would reduce IFT's debt to practically nil. Relative to the TLT price of $6.33 at the time of our last update on IFT (all else being equal), the proceeds imply an uplift to IFT's NAV of 32 cents per IFT share (after deduction of additional performance fees for IFT's manager). **We have raised our target price for IFT to $8.20/share. Our rating remains NEUTRAL.**

*** Forsyth Barr is advising Mercury on the acquisition of Tilt Renewables' New Zealand assets and will receive fees on completion of the transaction.**

**** Forsyth Barr has been appointed as a Joint Lead Manager to Mercury's bond offer and will receive fees for undertaking this role including a fee based on the amount of Green Bonds subscribed for by its clients.**

Fixed Interest

Central Bank watch

The trillion dollar question (quite literally trillions of dollars) surrounds the future direction of interest rates. This conversation/ debate has seen equities rise and fall over recent weeks and prompted the world's central banks to act in unison. **Central banks are doubling down on the global line that accommodative monetary stimulus shall be around for a long time yet**. Of course this messaging could change, but for the moment a cautious approach across the globe is being conveyed to financial markets.

Central Banks toe the line...

Last week we saw **the European Central Bank (ECB) state it would "significantly" ramp up bond purchases going forward** after bond yields rose recently. The ECB has €1.85 trillion at its disposal to try and keep interest rates low. The ECB, however, cannot be seen to be directly influencing bond yields as this is not part of its mandate, so ECB President Christine Lagarde helpfully clarified "We are not doing yield curve control". The ECB said that it does not believe that inflation will reach the magical 2% in the next couple of years.

The Reserve Bank of Australia (RBA) also delivered some hefty blows on market participants last week, leaving those betting against the RBA to think twice about doing so. The RBA basically removed the ability for market participants to short Australian Government bonds, meaning the RBA was able to go about its yield curve control unabated.

The Reserve Bank of New Zealand (RBNZ) also increased its bond buying for the week after spending the previous week reiterating its commitment to its current policy settings.

So we continue with the "central banks versus the market" theme for a while yet, making it difficult for fixed income investors to position portfolios accordingly.

This week is a key one, with the US Federal Reserve, Bank of England and the Bank of Japan all meeting. The focus will be on the future path of interest rates from the Fed given the US$1400 stimulus cheques that start arriving in US consumers' bank accounts this week.

A shorter bond portfolio duration appears to be the safer and preferred option at present.

Research Worth Reading

New Zealand

Goodman Property Trust (GMT) — Cap Rate Catch Up

GMT has announced strong 31 March 2021 valuations, with capitalisation rate compression of -50bps over the past six months (-70bp over FY21) lifting asset values by approximately NZ$415m (+12.5%) to NZ$3.8b. The revaluations lift GMT's net tangible assets (NTA) per share by +30cps (c.+16%) to 2.12cps and sees NTA largely catch-up to levels implied by its share price. While the revaluations are clearly a positive outcome, they lift GMT's external management fees, dampening already slow earnings growth. We retain our UNDERPERFORM, with GMT trading on the sector-low dividend yield and delivering modest growth. UNDERPERFORM. (Published by Forsyth Barr)

Infratil (IFT) — Great Exit, Now for the Hard Part

Under the Tilt Renewables (TLT) Scheme Implementation Agreement (SIA) with Powering Australian Renewables (PowAR) and Mercury (MCY), IFT will receive cash proceeds of c.NZ$1.9b for its 65% stake in TLT and pay a total incentive fee to IFT's manager H.R.L. Morrison & Co of just over NZ$200m. The sale price implies an unlevered internal rate of return of c.40% before fees and c. 35% after fees. This is a very strong exit even in light of interest rate tailwinds. The next question is — where to from here? We would expect the lion's share of the net NZ$1.9b proceeds to be re-deployed into new assets. However, we would not rule out some form of capital distribution. Our IFT target price has Increased to NZ$8.20 (from NZ$7.85) reflecting increased TLT sale proceeds. NEUTRAL. (Published by Forsyth Barr)

Kiwi Property Group (KPG) — Getting Back on Track

KPG has lifted its FY21 adjusted funds from operations (AFFO) guidance by +10.5% at the mid-point, following strong leasing outcomes and turnover rents in its retail portfolio. The revised guidance largely reverses the downgrades we made at KPG's 1H21 result and sees us lift our 2H21 DPS forecasts +0.45cps to 3.05cps, implying a 4.9% cash yield on an annualised basis. While it is encouraging that the buoyant retail backdrop has prevented a deterioration in operations, we remain cautious of the funding and earnings pathway for its transition away from retail. UNDERPERFORM. (Published by Forsyth Barr)

Mercury NZ (MCY) — Taking a Tilt at Wind

In one fell swoop, once it has acquired Tilt Renewables' (TLT) New Zealand assets, MCY will become one of New Zealand's largest wind farm owners. MCY is acquiring TLT's NZ assets for NZ$770m at an FY22 EV/EBITDAF multiple of 15.4x. We are positive on the deal as the price paid is reasonable (aided by the price it is receiving for its share of TLT's Australian assets) and the strategic benefits are significant. We estimate that the acquisition will lift MCY's dividends +3cps, ~+15%. We are lifting our target price +NZ$0.35 (+6%) to NZ$6.10/share and upgrade our rating from UNDERPERFORM to NEUTRAL.

Forsyth Barr is advising Mercury on the acquisition of Tilt Renewables' New Zealand assets and will receive fees on completion of the transaction.

Tilt Renewables (TLT) — Tilting Up, Up and Away

Infratil's strategic review has concluded with the expected sale of TLT for an eye-watering price of NZ$7.80/share. The sales price implies an FY22 EV/EBITDAF TLT multiple of 27.7x and highlights the current attractiveness of renewable assets such as TLT. The price is even more impressive in light of recent interest rate increases and ongoing softness in Australian wholesale electricity prices. We have increased our target price to the transaction price of NZ$7.80/share and we retain our NEUTRAL rating. (Published by Forsyth Barr)

Z Energy (ZEL) — Low Fuel Warning Light Comes On

We have reviewed our long-term Z Energy (ZEL) volume forecast following the draft Climate Change Commission report and the government's decision to implement a tough tail pipe emissions standard, the upshot being a material cut in long-term volumes. Whilst our revised volume forecast is consistent with the regulatory goals, we view this as a worst case scenario as the hurdles to achieve the goals are high. Importantly, even under the worst case scenario, we still see value in ZEL and retain our OUTPERFORM rating. However, we do not see as much value as previously and cut our target price -20% to NZ$3.45.

Australia

CSL (CSL.AX) — Upgrade to Buy, expect stock to perform post pandemic

Citi has upgraded CSL to Buy, seeing +25% upside to the current share price. CSL has been the worst performing large cap healthcare company in the ASX 200 over the last 12 months. Citi expects the decline in plasma collections (which has been a drag on earnings estimates) will likely normalise after the COVID-19 vaccine rollout in the USA, and that FY23 EPS upgrades will follow. BUY. (Published by Citi)

Treasury Wine Estates (TWE.AX) — Exit Underway to Rebuild Americas Margins

TWE has announced the exit of low-priced brands like Beringer Main & Vine and Coastal Estates in the US through a licence arrangement. This will reduce Americas volumes by -35%, but group earnings by only -3%. The restructuring is ongoing, with more brand exits still likely. Citi expects that by exiting low-end product, the residual business will have EBITS margins nearer 25%. The real issue becomes clarity on future growth in its portfolio, with growth currently concentrated in 19 Crimes and Matua. Citi made modest EPS revisions and kept its target price unchanged at A$9.30. Sell/High Risk. (Published by Citi)

International

Apple (AAPL.O) — Apple Car = The Road to $3 Trillion Market Cap

Citi believes AAPL will likely make an Apple Car via outsourced production and that this will be part of the road for Apple to travel from a US$2t market cap to US$3t. While Apple Car would achieve lower-than-corporate-average margins, Citi expects the Return on Invested Capital would be higher than the Weighted Average Cost of Capital, and thus, expects the product to create value for shareholders. By 2025, the electric vehicle hardware market is estimated to exceed the combined smartphone, PC, tablet and wearable hardware markets. BUY. (Published by Citi

General Motors Company (GM.N) — Exclusive Price/Mix Data on GM's All-Important Large SUVs

Citi launched its AutoTech price/mix data on the GM T1 Large SUVs (Tahoe, Suburban, Yukon, Escalade), providing exclusive data on monthly wholesale pricing, trim-mix and pricing on individual trims. Citi estimates these Large SUVs account for ~35% of GM's normalised EBIT, and with last year's redesign, they have also become an even more important contributor to the 2021 price/mix bridge. Net-net, Citi believes the data for the 1Q so far suggests a potential ~US$1b y/y tailwind for gross price/mix, and perhaps a US$0.6b net after considering content costs. BUY. (Published by Citi)

LVMH (LVMH.PA) — Steady as she goes — Resuming coverage with Buy, €620 Target

Citi has now consolidated the recently acquired Tiffany into its LVMH accounts and has published its FY22-24E estimates for the first time. Citi forecasts 3-year (FY21E-24E) sales, EBIT and EPS growth of +8%, +12% and +13% respectively, broadly in line with historical averages. The Tiffany acquisition considerably enhances LVMH's footprint in branded jewellery, an attractive category with strong secular growth prospects and high profitability. But Tiffany has lagged, so execution will be key. Brand heat analysis shows Louis Vuitton and Dior are still the top brands. LVMH has few opportunities to redeploy capital organically. The group is known to buy assets opportunistically, particularly heritage brands where there is potential for a turnaround. While LVMH is now focused on integrating Tiffany and reducing leverage, Citi does not rule out acquisitions in high-end vineyards, premium spirits or skincare. Citi's target price of €620, implies an FY22E target P/E of ~34x, while the sector is on ~27-28x. BUY. (Published by Citi)

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Calendar

Figure 8. Calendar

Date	New Zealand	Australia	International
15-Mar	External Migration & Visitors (Jan)	RBA Governor Lowe Speaks HIA New Home Sales	CN: Industrial Production
16-Mar	Westpac Consumer Sentiment Credit Card Spending Briscoe Group FY21	House Price Index (4Q) RBA Meeting Minutes	EU: German ZEW Economic Sentiment (Mar) Volkswagen FY20
17-Mar	GlobalDairyTradePrice Index Current Account (4Q) Fonterra 1H21	Melbourne Institute Leading Index RBA Assistant Governor Kent Speaks	US: Retail Sales (Feb) EU: CPI (Feb)
18-Mar	GDP (4Q) The Warehouse Group 1H21	Employment & Participation (Feb) RBA Bulletin	US: Building Permits (Feb) US: Crude Oil Inventories US: FOMC Press Conference
19-Mar		Retail Sales	US: Initial Jobless Claims US: Philadelphia Fed Manufacturing Index (Mar) UK: BoE Interest Rate Decision (Mar) JP: BoJ Press Conference FedEx 3Q21
20-Mar	CFTC NZD Speculative Net Positions	CFTC AUD Speculative Net Positions	

Source: Forsyth Barr analysis

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