Weekly Overview

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Mission Statement

To help Kiwi businesspeople and householders make informed financial decisions by discussing the economy and its implications in a language they can understand.

The Weekly Overview is written by Tony Alexander. The views expressed are my own and do not purport to represent the views of the BNZ. To receive the Weekly Overview each Thursday night please click here.
http://feedback.bnz.co.nz/forms/lFdYSs5FGEq4kAjP95uzTA

The Tapering Shock

A full blown shock is running through financial markets at the moment in the form of the Federal Reserve indicating it will this year begin the process of removing the extraordinarily loose monetary conditions it put in place to help handle the lingering effects of the global financial crisis. The Federal Reserve Chairman has indicated money printing will be eased off this year if the economy pans out as they expect and that come the middle of next year all money printing may cease.

But such is the nature of all markets that participants are not waiting to see the effects of the policy tightening, they are factoring the expected tapering process into asset prices right now. Specifically, anticipation of a reduced rate of growth in the supply of US dollars has caused a sharp jump in the price of the USD – its exchange rate. Reduced supply has also led to a very large jump in bond yields while equity prices have fallen firmly as well.

Partly the fall in share prices reflects a market view that perhaps the US economy is not really as strong as the Fed. thinks it is and that the policy stimulus risks being removed too soon.

A key point to note as we watch some large daily gyrations in the markets is that there remains considerable uncertainty about the current and prospective strength of the US economy, the pace at which money printing will be tapered, how markets will react, and how capital flows will be disturbed around the planet.

This unwinding of a huge monetary policy experiment comes at the same time as a new money printing experiment is underway in Japan, as Australia faces a change in government and ending of a resources boom, as China struggles with balancing a need for strong growth against a need to avoid bubbles and financial collapse, and Europe looks frankly bad with a capital F.

The upshot is that we should all expect continued high volatility in asset prices as we have seen recently for gold, shares, currencies etc. But through it all it pays to remember that NZ growth has a solid underpinning from the construction sector plus hefty demand for our primary exports and the investment which that is spurring in the primary sector. Watch for fixed interest rates oscillating upward from now on and be careful in assuming that the NZD has peaked this cycle. The NZD rises when monetary policy gets tightened and that uncertain process has not even started.

Interest Rates

Fixed Borrowing Costs Rising – US Induced

Unless the US economy tanks in the near future because perhaps all that was boosting it was a liquidity boom engineered by the Federal Reserve, then one can fairly confidently speak in terms of the interest rate cycle in the US and NZ now being upward. The US ten year bond yield has risen to 2.55% this week from 2.41% last Thursday, 2% a month ago and a low of 1.7% at the start of May. The NZ three year swap rate has risen to near 3.55% from 3.43% last week, 3.3% a month ago, and 3% at the start of the year.

We have to be careful not to fall into the trap of thinking that just because tapering will start soon that the path for fixed rates will be a straight line upward. In recent days the exiting Bank of England Governor and one of the hawks on the Fed.'s board along with other senior central bankers have warned that the markets night be getting ahead of themselves.

The yield on 90-day bank bills in NZ remains at 2.66% or so as it reflects short-term expectations for the official cash rate and although the falling NZD boosts the chances of the cash rate being increased it is unlikely that the RBNZ will touch the OCR until next year.

When exactly they raise it is of course hugely dependent upon such uncertain factors as where the US economy goes, how the US tapering exercise proceeds, where US interest rates therefore go, how our economy and housing market go, how quickly the NZ unemployment rate falls, how quickly that feeds through into wage rises, how quickly construction costs rise and so on.

FINANCIAL MARKETS DATA	This week	Week ago	4 wks ago	3 months ago	Yr ago	10 yr average
Official Cash Rate	2.50%	2.50	2.50	2.50	2.50	5.4
90-day bank bill	2.66%	2.66	2.66	2.67	2.76	5.7
1 year swap	2.88%	2.88	2.80	2.79	2.58	5.8
3 year swap	3.55%	3.43	3.29	3.18	2.83	6.1
5 year swap	3.96%	3.79	3.64	3.53	3.18	6.3
7 year swap	4.30%	4.06	3.92	3.83	3.52	

Housing Market Update

Chinese Are Interested

So you think you're interested in the issue of Chinese house buying in Auckland? That's nothing. On Wednesday night I received a detailed email from a journalist at a Chinese newspaper and after introducing himself the journalist listed these questions.

"1. What's the current status of New Zealand real estate market? According to the recent news, real estate price in NZ has been risen consistently, so what drove this? Do you think that a part of reason is by Chinese people?

2. What are the major occupations of the Chinese people who come to NZ to purchase houses? Or, in another way, what class do they belong to?

3. It is reported the local people are not so happy about the fact that a lot of Chinese people come to purchase a lot of houses. So, is it true? Could you please tell me an exact example of the local people's view?

4. It is reported that the government will issue a new law of housing restriction policy. So, as you see, what will the housing restriction policy be like? Please answer this question in detail.

5. The housing restriction policy will be applied on Chinese only?

6. According to the report of BNZ-REINZ, Chinese accounts for 20% in foreigners who purchase real estate in NZ, but Aussie accounts for 22%. So, why not apply a restriction policy on Aussies?

7. According to the survey, the housing restriction is to restrict buying the second house. So does this policy draw experience from the policy in China? In China now, people who buy the second house will be charged the added tax.

8. What's the government's attitude towards it?

9. The news mentioned that the local rich are not happy with Chinese people because they always win in auctions. Can you talk about it in detail?"

Given that I have a history of placing emails regarding the housing market in this section I see little wrong with including this particular email. For your guide my reply ran like this.

"Hello xxxx Many thanks for your enquiry. My position on the housing market in New Zealand is that the Government should adopt the Australian foreign purchase rules whereby foreigners may only purchase a newly built house and not an existing one and foreigners may only purchase up to 50% of the units in a multi-unit development. I have no other policy position. My comments regarding banning foreign purchases were in the context of listing changes which could be implemented if New Zealand society decided that highest priority should be given to housing affordability and all legal measures should be taken to improve affordability. I consider none of the eight suggestions I listed to have much chance of ever being implemented and gave no indication as to which I support or oppose. As noted, I support only adoption of the Australian system.

My survey of real estate agents indicates about 20% of dwelling sales go to people located in China. There is no information on foreign purchasing of houses in NZ beyond that survey and much more work needs to be done before one can say definitively what the actual proportion is. More than a simple survey is needed for that. There is no information on the proportion of the housing stock currently owned by foreigners and certainly zero information on any of the characteristics of any of the foreign groups buying houses in new Zealand.

The government has made no policy pronouncement regarding foreign house purchasing and I am not aware of any work being undertaken on development of any particular policy. There is zero chance that if a policy were developed regarding foreign house buying in New Zealand that it would be targeted toward Chinese. It would apply equally to all groups though may exclude Australians just as New Zealanders may freely purchase property in Australia (to the best of my knowledge).

With regard to Chinese buying of houses – I have yet to find a single person in New Zealand who agrees with the survey results. Everyone believes that the true level of Chinese house buying in Auckland in particular is much higher than my survey suggests. The issue is rarely mentioned with regard to any other part of New Zealand.

The website www.interest.co.nz ran a poll asking readers to show which of my eight policy proposals for addressing the affordability problem they most favoured. Banning sales to foreigners ranked top – though try as I may I have been unable to again find the page on which they reported their results. Sorry.

My concern is that although I believe the level of Chinese house buying in New Zealand is not as high as the anecdotes suggest, the issue is causing societal discord and has potential to worsen in coming years and threaten the very good trade relationship between New Zealand and China. I advocate that the NZ government move quickly to introduce legislation influencing foreign house buying in New Zealand with that legislation applying equally to all foreigners.

I hope these comments help clarify my position and make it clear that although there is high concern in Auckland about buying of property by Chinese, there is little if any support for a foreign purchase policy which targets only Chinese buyers.

For your guide, average house prices in New Zealand's biggest city Auckland have risen by 14.8% over the past year and are 39.1% above levels at the end of 2008."

Then he sent more questions!

"1. Why so many Chinese people choose New Zealand over other countries, such as Australia? Could you please illustrate reasons as below?

2. Since the survey suggested Chinese accounts for 20% which ranks 1st (Australia is excluded). Do you think the saying that the policy will be targeted not only to Chinese is not so fair because Chinese purchasers are an important reason to drive the real estate price of New Zealand up? (I asked this question without any bad intentions and I just wanna know about the truth.)

3. What do majorly the Chinese buyers buy houses for? Just for living in or buying then selling in higher price?

4. As you are one of the most influential economist in New Zealand. When will the New Zealand government have a conference to discuss your proposals? Could you please tell me about the legal procedures that the government will take in detail?

5.Since real estate price is high in New Zealand and doesn't go with a trend of declining, besides foreign purchasers, what other reasons do you think about this?"

Me =

- There is no evidence regarding the proportion of Chinese offshore residential property purchases which are made in New Zealand.
- Property prices in Auckland are rising mainly because of a simple shortage of supply caused by weak construction from 2007 – now. Offshore buying is small alongside purchasing by Kiwis my surveys show.
- I do not know why Chinese buy houses. In fact throughout the Western world there is very little information on what Chinese think about anything and getting Chinese people to make public statements is near impossible. I have struggled to get any Chinese input into my monthly publication "Growing With China", and note this lack of Chinese face in my paper 'Sources of Western Apprehension About China"
- http://tonyalexander.co.nz/wp-content/uploads/2013/06/GWC-June-2013.pdf
- http://tonyalexander.co.nz/wp-content/uploads/2013/02/Sources-of-Western-Apprehension.pdf
- Legislation in NZ is not developed through conferences but informal engagement with interested parties with input largely from government departments, then a Bill is read in Parliament before going off to a Select Committee for examination and hearing of submissions.
- I expect house prices to keep rising in NZ for another three years as there are many first home buyers and investors who put off buying between 2008 and 2012 who are now trying to catch-up on their purchase, plus although construction is rising there is a large shortage and we will soon run out of builders. In addition population growth is accelerating as net migration inflows are rising very strongly.

Migration Soaring

The most important development for the housing market this week was the set of migration numbers released on Monday which showed a strong seasonally adjusted net migration gain in May of 1,740 from 1,600 in April and 1, 310 in March. Annualised net gains are now running at 21,000 compared with an actual year-ended total of 6,242 compared with a loss of 3,653 a year ago.

This is a sharp turnaround in net flows which has obvious implications for the housing market already well explained here so no need to go deeper. Note that of the turnaround in flows over the past year of 9,895 the change in flows with Australia (from -39,622 to -32,862) accounts for 6,760 or 68% of the change. The net flow into NZ from China including Hong Kong has risen just 483, from the UK 801, from Korea 512, and from Germany 334.

Comments On The Data

The social media has been ablaze over the issue of perceived massive house buying by Asians in Auckland. No-one has professed an ability to distinguish Kiwi-Asians from true foreigners let alone one Asian-type from another so that clearly clouds the issue. But nonetheless there is growing societal discord at the perception that mainland Chinese in particular are outbidding hard-working Kiwis in the Auckland housing market.

The BNZ-REINZ Residential Market Surveys which I conducted in March and May asked agents to indicate the proportion of their sales going to people they believed to be located offshore. The answers from 355 respondents in March (161 in Auckland) and 549 in May (212 in Auckland) added up to 9.2% and 7.8%. Let’s say 9%.

Agents were then asked to estimate where their offshore buyers were located. It looks like about 20% are thought to be located in China. So one could say that about 1.8% of NZ house sales are to buyers from China, or somewhere close to 1% if we count only the proportion which agents indicated plan shifting to NZ and half those who said they did not know.

The data do not support the anecdotes which of course raises the issue – which does one believe? The data or what one sees in the auction rooms? One must always take anecdotes with a grain of salt, especially as there will be an upward bias to the proportion of sales attributed to Chinese caused by inability to distinguish foreign from Kiwi Chinese, and inability to classify all the non-Asians in the room into any other group than non-Asian.

Nevertheless, the weight of disbelief about the data for Auckland raises the issue of whether the survey is not truly capturing sales to Chinese – especially as in our February survey we asked agents (572 responded) “Where are foreign buyers mainly coming from?” 24% said China. But then 27% said the UK and 21% Australia. Therefore the view of real estate agents regarding sales to Chinese, 24%, is not much different from their response when asked to identify the proportion of **their** sales to Chinese.

People have noted that for one real estate agency Asians make up about 75% of their top ranked agents.

Where do we go from here? Clearly the issue needs to be more deeply investigated given the societal concern in play and the clear risk that as this concern deepens in coming years yet our trade dependence upon China grows, we risk either kowtowing to keep exports up, or installing foreign property purchase controls and suffering a backlash from China.

One avenue for investigation would be someone funding a study into all Auckland dwelling sales over a six month period (about 16,000) to see exactly who the end buyers are.

Seminar/Schmeminar

And now for a laugh. We are into the part of the housing cycle where low brow white smile people will be looking to flog off property or their property investment "secrets" at seminars around the country. Here is an example of some of the unintelligent speaking they do sent in by an emailer this week.

"… was told by the speaker the other evening that interest rates will not increase in the next two years. His reason being that there is still $35 billion of Chch insurance money to use up and there is no way the banks will hike up interest rates whilst that amount of money is still around."

What rot. Bank lending rates are driven by marginal funding costs and they are rising. Already fixed rates are going up. Plus there is no big pool of insurance money just sitting on our books waiting to be doled out.

If I Were A Borrower What Would I Do?

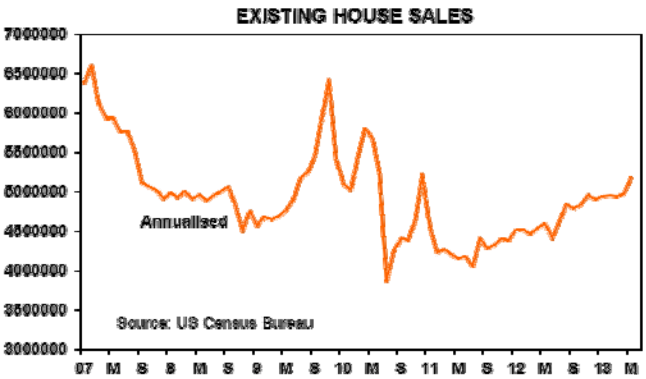
Banks are starting to raise fixed housing interest rates in response to borrowing costs rising on the back of hikes in US medium to long term interest rates caused by expectations of the Federal Reserve soon tapering its money printing operations. While there will be fluctuations along the way it seems reasonably safe to conclude that we have seen the lows for fixed rates in this post-GFC environment

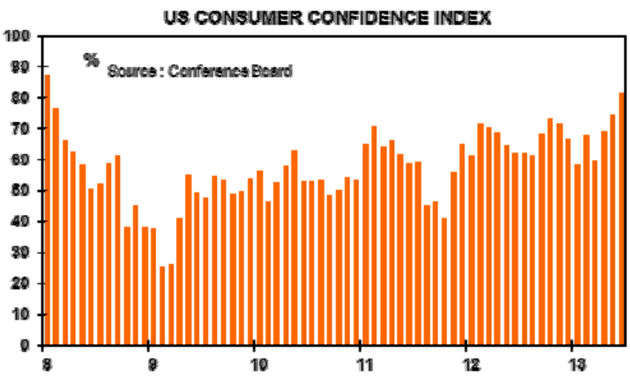
Offshore

Attention Focussed On US Tapering

The way to understand what is happening in the **United States** currently is this. The Fed. have become fearful of the inflationary impact which continuation of money printing may have and with signs that growth in the US economy is improving they have signalled that they plan to start easing back on money printing later this year and cease it altogether in the middle of 2014. Less money growth means lower USD supply than previously thought and that explains the rise in the USD and falls in bond and share prices.

The markets are of the view that money printing will end but are not yet convinced that growth in the US economy is so strong that there might not be a decent growth dip once the printing ends. Hence some extra selling of equities but also why we see strength in equities when good economic numbers appear. This week the data released in the United States have fallen largely on the better than expected side. First, orders placed for durable goods rose by 3.6% in May following a 3.6% rise in April. Second, sales of single-family homes rose 2.1% in May to sit 29% higher than a year earlier and the median sales price of existing homes in May came in 15.4% ahead of a year ago at $208,000 – hence perhaps some of the Fed. worries about inflation, or perhaps simply a liquidity-sugar bubble.





Consumer confidence in the United States also rose to a five year high in June according to the Conference Board measure. It lifted to 81.4 in June from 74.3 in May and 62 a year earlier. However last night we learnt that the annualised pace of growth in the US economy was revised down to 1.8% from the earlier estimate of 2.4%.

In the **United Kingdom** retail sales in May put in a better performance than expected with growth of 2.1% in the month. A small gain of 0.8% had been commonly forecast.

In the **Eurozone** there was a less bad than expected piece of data in the form of the composite PMI rising to 48.9 from 47.7 in May. One of the factors which we have highlighted as likely to cause woe in the Eurozone to extend a lot longer than the Europeans think likely is rising budget deficits caused by rising debt servicing costs caused by rising global interest rates caused by accelerating US economic growth and tightening US monetary policy. Some of that risk is manifesting itself at the moment with borrowing costs for European governments starting to creep up as debt levels get greater following the Fed.'s signal that it will probably soon start tapering its money printing operations.

The main point of interest with regard to **China's** economy at the moment is a credit crunch in the interbank lending market which the PBOC is not moving to address. Interest rates for banks lending to each other have soared and it is theorised currently that there are three motivations behind the lack of action by the central bank to inject extra cash as would normally happen. The first is that the authorities wish to provide extra downward pressure on the still rising housing market. The second is that credit supply in China has averaged growth of 20% per annum in the past five years and this has led to some dangerous debt levels being built up in various sectors outside housing which risk toppling the Chinese economy into a financial and therefore economic crisis should confidence about the banking sector grow. The third is that they wish to reinforce a new nationwide propaganda campaign aimed at better connecting CCP members with the people through stamping out extravagance, bureaucracy and corruption. Reduced credit flows may be a signal to bankers to curb their wielding of lending power and excessive spending.

The tightening of credit conditions is leading to fresh cuts in predictions of China's growth rate this year with a growing view that the CCP are prepared to let growth slide a tad in order to better integrate the party into the lives of people – especially as China moves more and more from a rural-based society (the source of the CCP's original strength) to an urban one.

For those interested in **China** there are some events coming up.

Asia Dialogue: The Chinese economy: Is it capitalism?
Speaker: Professor Marshall Meyer of the Wharton School
Time: 6pm-8pm, Wednesday 24 July 2013
Venue: The University of Auckland, Fisher & Paykel Appliances Auditorium, Owen G Glenn Building, 12 Grafton Road, Auckland
Host: New Zealand Asia Institute

Details and registration are at
http://www.business.auckland.ac.nz/uoa/home/about/seminars-and-events/events/template/event_item.jsp?cid=571148

3rd China Business Symposium - 25th July 2013
"Successful Market Entry Strategies in China"
Academic research matched by practical business experience
If you haven't done so already, register you attendance at this very focused China Symposium which will be held at the University of Auckland Business School. There are limited spaces available due to the venue size. So don't miss out in hearing from the superb range of international speakers, both from a business and academic perspective, who will provide you with leading marketing strategies in this diverse and exciting and potentially high growth market. The cost for attending this whole day seminar is very attractive and where else will you hear world leading business experts on China such as Professor Marshall Meyer & Patrick Chovanec. These are just a couple of the high level speakers coming to the symposium.

For further details on the programme, speakers and to register click here. http://www.chinasymposium.co.nz/

Wellington City Council, Victoria Business School and New Zealand Contemporary China Research Centre present:

Wellington China Business Symposium 2013: Improving China Business Strategy
Venue: Icon, Level 2, Te Papa

Date: 30 July 2013, 2.00pm-5.30pm
Early bird registration: $59 + gst (by 5.00pm, 16 July)
Register at the event website: http://www.victoria.ac.nz/china-symposium-2013

In **Australia** this week the state of the economy received scant attention with the focus instead on political developments. Former Prime Minister Kevin Rudd got his revenge after being dumped by Julia Gillard three years ago with a coup of 57 against 45 votes dumping her and getting himself back as leader. The polls show that the ALP will do better under Mr Rudd than the increasingly fumbling Ms Gillard and her decreasingly useful Treasurer Wayne Swan. But those polls also show a rout on August 24 which will see the Liberals come to power, undoubtedly in coalition as usual with the National Party which hails from the countryside.

Exchange Rates

Exchange Rates	This Week	Week ago	4 wks ago	3 Mths ago	Yr ago	10 yr average
NZD/USD	0.779	0.789	0.809	0.839	0.791	0.67
NZD/AUD	0.839	0.847	0.837	0.8	0.786	0.85
NZD/JPY	76.1	76.1	81.8	79.2	62.8	69.6
NZD/GBP	0.508	0.51	0.535	0.553	0.505	0.388
NZD/EUR	0.599	0.594	0.625	0.652	0.633	0.52
NZDCNY	4.79	4.83	4.96	5.21	5.03	4.99
USD/JPY	97.69	96.45	101.11	94.40	79.39	105.7
GBP/USD	1.53	1.55	1.51	1.52	1.57	1.72
EUR/USD	1.30	1.33	1.29	1.29	1.25	1.28
AUD/USD	0.93	0.93	0.97	1.05	1.01	0.788
USD/RMB	6.1476	6.1273	6.1328	6.2118	6.365	7.56

NZD Down A Bit Further

The NZD has dropped another cent against the greenback this week in response to the markets continuing to factor in tapering. This factoring in is manifesting itself mainly as the USD rising, hence the NZD’s lack of change against the Japanese Yen from a week ago, minor movement against the British Pound, but small rise against a Euro depressed by the European central Bank which last night said that it will keep monetary policy easy for as long as necessary.

Movement in the NZD from here will depend mainly on fluctuations in expectations for Fed. tapering. If you can forecast those fluctuations then you will be able to forecast the NZD’s movements against the greenback but may not gain much insight into movements on the cross rates where frankly appreciation of the NZD is most likely. That is because the NZ data we are receiving continue to show an economy gathering steam and a central bank which is both downplaying the eventual inflationary consequences of the growth we are seeing and willing to experiment for a while with the use of changes in loan to value rules. They will eventually be forced to play catch-up with OCR rises when the rule changes don’t achieve what they want because the problem in our housing market is not rampant lending but a lack of housing supply.

Key Forecasts

Dec. year		2011	2012	2013	2014
GDP	annual average chg	1.4	2.5%	2.5 – 3.0	3.5 – 4.0
CPI	on year ago	1.8	0.9	0.5 – 1.5	2.0 – 2.5
Official Cash rate	end year	2.5	2.5	2.5 – 2.75	2.75 – 4.25
Employment	on year ago	1.6	n/a	2.0 – 3.0	2.0 – 2.5
Unemployment Rate	end year	6.3	6.8	5.0 – 6.0	5.0 – 5.5

The Weekly Overview is written by Tony Alexander, Chief Economist at the Bank of New Zealand. The publication is sent to 28,000 subscribers each week and is one of a stable of regular releases which include the

- monthly Growing With China publication, http://tonyalexander.co.nz/topics/china/
- monthly Brain Gain NZ publication http://tonyalexander.co.nz/topics/brain-gain-nz/
- monthly BNZ Confidence Survey, http://tonyalexander.co.nz/topics/surveys/bnz-confidence-survey/
- monthly BNZ-REINZ Residential Market Survey. http://tonyalexander.co.nz/topics/surveys/bnz-reinz-survey/
- monthly BNZ-Nine Rewards Consumer Trends Survey http://tonyalexander.co.nz/topics/surveys/bnz-nine-rewards-consumer-trends-survey/
- Monthly column for the NZ Property Investor magazine, http://www.propertyinvestor.co.nz/
- Most of these publications plus research into impediments to NZ's economic growth are available on his website. www.tonyalexander.co.nz

Tony Alexander has been Chief Economist at the BNZ since 1994 and apart from publications and advising management spends considerable time on the road around New Zealand making presentations and speaking with the media. He travels to the UK and Europe twice a year to assess economic conditions and present at numerous functions, has five children, tramps, and his partner Dr Sarah Farquhar runs the early childhood education network www.childforum.com

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http://www.youtube.com/channel/UCG6YsWMK3gCDFbG_upZA9Pw?view_as=public

It's a Hard Life

When you've got no electricity. That was the situation for ourselves and thousands of other people in and around Wellington this past week following the biggest storm to hit the area since that which sunk the Wahine in 1968. Roofs were ripped off, fences collapsed, trampolines got lifted into power lines and trees and branches fell in their thousands around the region. We lost power for five days but held our breath for a few days after it was turned back on as others reported being reconnected then losing power again for hours at a stretch as the linesmen made lines safe again for working on connected stretches. Full marks to the people who got out in appalling conditions to clear roads and restore some lines, though it made sense that proper recovery efforts did not start until the storm passed.

We were in a more fortunate position than many others who lost power. We have a wetback for hot water and I can connect a water tank at the top of the property to give a gravity feed in place of the house pump. We've also got a huge stack of firewood and will have even more for the next few years with downed trees to be processed into bite-sized bits over the next few weeks. Thank goodness we don't have any heat pumps. They're simply boring wall ornaments (bring back the flying ducks) when there's no power. Thankfully also our local café, GroundUp, got up and running fairly quickly and could keep the good coffee fix up.

At the peak of the storm when checking the property I saw the covering I'd built for the cars starting to move about so quickly rearranged the vehicles into other areas. But apart from losing some guttering the buildings got through in good shape. So too did the kids and courtesy of the wonderful lack of TV D2 has become addicted to the Footrot Flats books and is working her way through my entire collection. D1 craftily arranged to be billeted at a friend's place for a couple of nights citing the need for internet access to complete homework assignments. D3 has taken up making things with wool and bits of cardboard and B2 has got some great reading practice in. The aged mother-in-law is in a home for a few days respite.

When the power came back on we switched the idiot-box back on, watched a recorded Bones episode, and since then have hardly watched it at all – apart from the State of Origin game last night which yielded a not unsurprising result. Breaking TV addiction takes a massive storm I guess. It's great just to sit and look out the window watching the moon rise (a Super Moon at that apparently!). I haven't done that since a great trip to the Lake Angelus Hut some years back. Time for a man to get in the bush again I think.

For your guide its Thursday night now and the power is off again so I've hopped in the car and gone to the local suburb to get cellphone reception for sending the Overview out.

Some things are best kept private

Private Bank exists to help our clients effectively manage their financial affairs to secure their future, making it easy for you and your family, so you can focus on what's important to you. We will take the time to understand your financial goals and objectives, whether you are seeking to grow or protect your wealth, or looking ahead to transfer your wealth efficiently to future generations, you can benefit from our experience and expertise. Our Private Bankers are all Authorised Financial Advisors who will work through a stepped approach to provide you with solutions that are tailored specifically to your needs.

If you would like to speak with one of our Private Bankers to review your personal situation, feel free to contact us for a discreet obligation free discussion on 0800 477 077 or email us at privatebank@bnz.co.nz. To find out more about BNZ Private Bank, please visit www.bnzprivatebank.co.nz