NZ Budget 2025

22 May 2025

Contact
Miles Workman, Matt Galt or David Croy for more details.

Confused by acronyms or jargon? See a glossary here.

Update subscription preferences at www.research.anz.com

Listen to our daily podcast

Much as advertised

Summary

- From a macroeconomic perspective, Budget 2025 contained few surprises. Tighter net discretionary fiscal policy changes have combined with a weaker economic and tax outlook, resulting in just a small downgrade to the overall fiscal outlook compared to December's Half-Year Update.

- The OBEGALx is forecast to reach surplus in the 2028/29 fiscal year, but it's wafer thin at just $0.2bn (vs $1.9bn at the Half-Year Update). The OBEGAL remains in deficit across the forecast horizon.

- Meanwhile, the Treasury is forecasting OBEGAL-based structural deficits to persist across the forecast horizon, unchanged from the Half-Year Update and implying it's not the state of the economy or adverse shocks driving persistent deficits; it's a fundamental mismatch between revenue and expenditure settings.

- Net core Crown debt as a share of GDP is forecast to peak at 46.0% in 2027/28, and dip to 45.5% in 2028/29. The forecast peak in the Half-Year Update was 46.5%, but one year earlier. The level of net core Crown debt is higher by the end of the forecast horizon ($238.5bn vs $234.1bn).

- Excluding this year's pre-funding of next year's programme, New Zealand Debt Management have lifted their bond issuance guidance by a cumulative $4bn, but it's all in the tail. Near-term issuance guidance has been downgraded.

Debt issuance guidance ($bn)

	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29	Total (26-29)
Bonds						
2025 Budget Update	**43**	**38**	**36**	**30**	**28**	**132**
2024 Half-Year Update	40	40	38	28	22	128
Short-term borrowings (T-bills and ECP)						
2025 Budget Update	**15**	**18**	**18**	**15**	**13**	**NA**
2024 Half-Year Update	20	20	18	13	13	NA

Source: NZ Treasury

- Lower discretionary operational spending net of tax changes compared to the Half-Year Update implies marginally lower aggregate demand than otherwise. That's nothing the RBNZ can't offset with a slightly lower OCR than otherwise, all else equal.

- A stronger near-term fiscal impulse might raise a few eyebrows in the RBNZ building, but it looks like a timing story (spending being pushed into the next fiscal year due to delays). There is no reason to think a similar dynamic won't take place this time next year (it's a common phenomenon with this indicator).

- All in all, Budget 2025 is unlikely to be the last "tight" Budget we'll see in pursuit of the long-overdue fiscal consolidation. Getting the books back into the black is important if we want to preserve the fiscal headroom to respond to future shocks and other long-term challenges. But spending restraint certainly isn't the only option: new taxes could be introduced or existing tax rates increased.

Budget 2025 contains growth in new spending…

As signalled by the Minister of Finance in advance, the operating allowance for Budget 2025 has been reduced from $2.4bn to $1.3bn, marking the smallest allowance for new operational spending and revenue initiatives since Budget 2015. At just 0.9% of 2024/25 core Crown expenses, that's certainly not enough to keep up with the cost of delivering public services, implying the overall 'real' (cost adjusted) level of spending is poised to shrink. However, $5.4bn in reprioritisations from within existing baselines and revenue initiatives have funded a sizable portion of the Budget 2025 operating package, meaning there's still plenty of new policy initiatives to digest.

Beyond Budget 2025, signalled operating allowances remain at $2.4bn per Budget. But the signal from the Minister of Finance has been that future operating allowances are more likely to represent a ceiling than a floor. In that context, it's worth noting that the Treasury continues to forecast the first OBEGALx surplus will arrive one year later than the Government's fiscal strategy objective. If that's still looking likely this time next year, the operating allowance for Budget 2026 and/or the signal for Budget 2027 could be reduced from that baked into today's outlook. The Government has pre-committed $1.5bn of the Budget 2026 operating allowance for health and defence initiatives, so if the allowance is reduced, savings and revenue initiatives would have to do the heavy lifting to make everything add up.

The capital allowance for Budget 2025 has been increased from $3.625bn to $4bn. Capital allowances for the next three Budgets have been reduced slightly from $3.625bn to $3.5bn, leaving the total for capital allowances over the forecast period the same as signalled in December's Budget Policy Statement. Unlike the operating allowance, this is a one-off injection (i.e. it doesn't get locked into baselines to the end of time). Given the relative size of capital outlays compared to operating expenses, there is less scope for reprioritisations to fund new demands and priorities. Therefore, we wouldn't be surprised to see the capital allowance lift again in coming budgets (provided it didn't compromise the Government's debt target).

Some of the key initiatives of Budget 2025 include:

- A total of $7.0bn in net new operating expenditure for health over the forecast period.
- A total of $6.6bn for additional tax deductions for capital expenditure, branded 'Investment Boost' by the government. This will allow businesses to deduct 20% of a new asset's value from that year's taxable income, on top of normal depreciation.
- A bunch of changes to KiwiSaver, including increasing the minimum default contribution rate to 4% by 1 April 2028, halving the government contribution from the current maximum of $521.43 per year to a maximum of $260.72, and removing the government contribution for those earning over $180,000. These save the government a total of $3.0bn over the forecast period.
- New operating spending in various areas, including $1.9bn for defence and foreign affairs, $1.5bn for education, $1.1bn for law and order, and $1.0bn for disability support services. The largest allocation of capital expenditure is $2.7bn to defence.

The mix of initiatives will have some slight impacts on the economy. For example, the Treasury assesses that the Investment Boost policy will result in marginally higher GDP by the end of the forecast period (a productivity story). Funding tax cuts with spending cuts implies a smaller public sector but a larger private sector than otherwise going forward. In our view, these compositional effects matter less for the economy in the near term than the fact that net new operational expenditure (net of tax changes) is smaller than previous years (and smaller than signalled at HYEFU).

…as the Government sticks to its fiscal strategy

The Government's fiscal strategy has not changed from that outlined in December's Budget Policy Statement. The plan is to:

- Put net core Crown debt on a downward trajectory towards 40% of GDP in the short term (i.e. over the Treasury's forecast horizon to June 2029) then maintain it between 20% and 40% of GDP in the long term (i.e. the next 15 years), subject to shocks.

- Return the OBEGALx to surplus by 2027/28 and ensure operating expenses are funded from revenues in the long term (as opposed to being funded from debt).
- Reduce core Crown expenses as a percentage of GDP in the short term, then control growth in government spending so that, over time, core Crown expenses reduce towards 30% of GDP.
- Ensure revenue is consistent with the short-term operating balance target and, in the long term, supports long-term productive economic growth.

In other words, the Government's near-term focus is to first stabilise the debt to GDP ratio and then set it on a downward trajectory. Part of that plan involves realigning operational spending with revenues by containing growth in new spending and waiting for growth in the nominal economy (and therefore tax revenue) to do the rest.

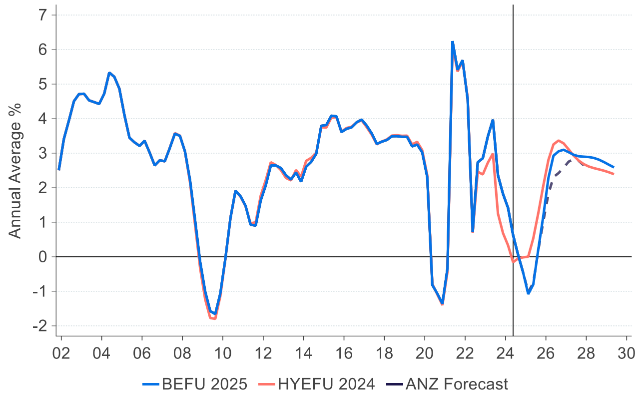
The line that "upside revenue surprises will contribute to reducing the deficit" has found its way back into the Government's Fiscal Strategy Report after disappearing in the Budget Policy Statement. Avoiding the temptation to spend positive revenue surprises reduces the risk of pro-cyclical government spending increases (likely requiring a higher-than-otherwise OCR to contain the additional inflation pressure). It would also promote a more symmetrical risk profile around debt issuance.

Treasury's economic outlook downgraded, as previously signalled…

As signalled by the Minister of Finance ahead of the Budget, the Treasury has downgraded its forecast for economic growth in 2025 and 2026.

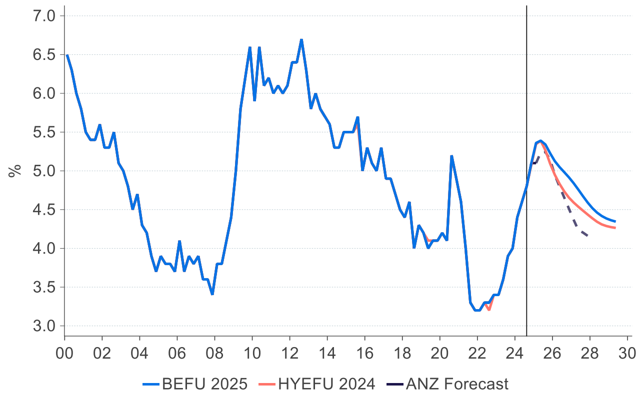
Figures 1 to 4 show the Treasury's forecasts compared to the Half-Year Update. Nominal GDP is what really matters for the fiscals and on that front the Treasury's outlook is $6.7bn higher, as upward revisions to history (nominal GDP was revised almost $8bn higher in the year to March 2024 since the Half-Year Update) have been more than offset by a weaker outlook for economic momentum.

Figure 1. Real GDP growth forecast



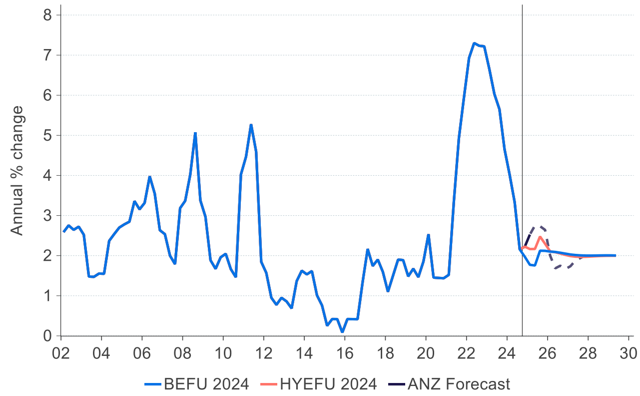
Source: NZ Treasury, Macrobond, ANZ Research

Figure 2. Unemployment rate forecast



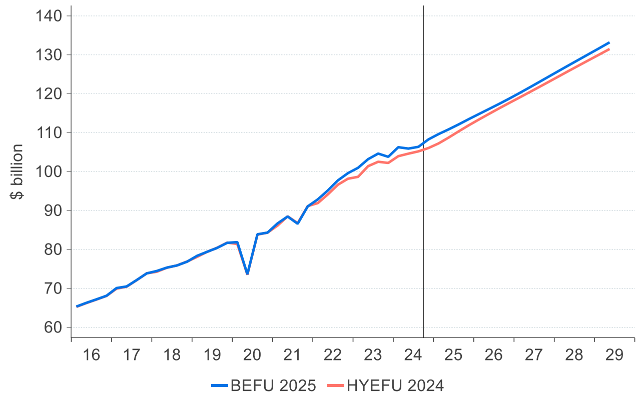
Source: NZ Treasury, Macrobond, ANZ Research

Figure 3. CPI inflation forecast



Source: NZ Treasury, Macrobond, ANZ Research

Figure 4. Nominal GDP forecast



Source: NZ Treasury, Macrobond, ANZ Research

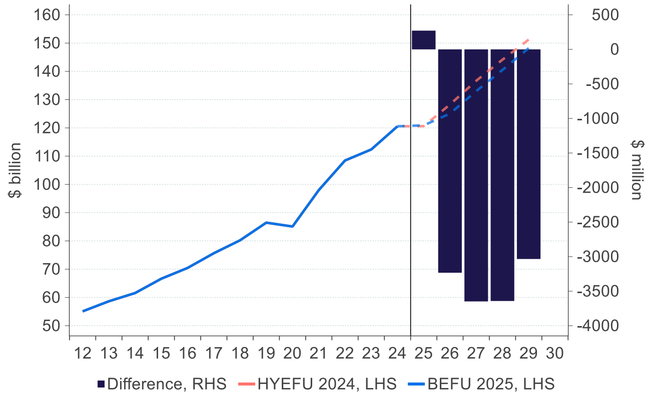
Overall, we'd characterise the risks around the Treasury's updated economic outlook as similar to those surrounding our forecast: mixed. The Treasury expects a little more GDP growth momentum than we do, but a slower fall in the unemployment rate (that likely reflects slightly different population and productivity assumptions). Like the Treasury, [we have recently incorporated] the shock to global trade and confidence stemming from US trade policy. And just as the Treasury notes in its outlook, the likely magnitude of these impacts remains highly uncertain, with Treasury viewing the risks as skewed towards weaker outcomes than forecast.

…with forecast revenues downgrades outweighing reduction in expenditure

A softer outlook for economic momentum, another downgrade to the Treasury's tax-to-GDP ratio assumption going forward, and the cost of Investment Boost has weighed on the forecast tax take. All up, the Treasury forecasts $13.3bn less tax will enter the Government's coffers over the forecast horizon compared to the Half-Year Update. Policy changes account for $4.8bn of this, leaving $8.5bn accounted for by changes to Treasury's tax forecasts – a touch larger than the $5-7bn we were expecting.

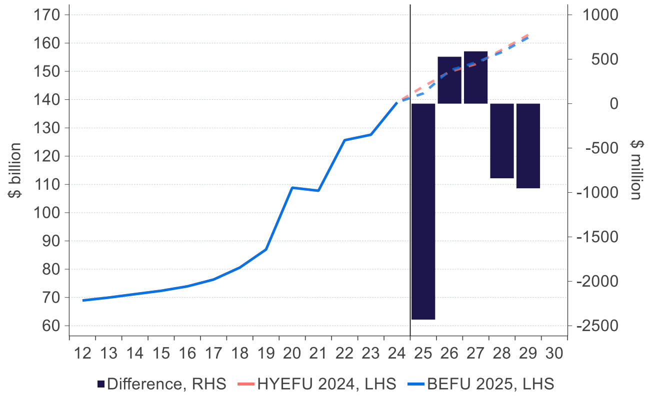
Core Crown expenses are expected to be lower on average over the forecast horizon (a cumulative $3.1bn lower compared to the Half-Year Update) as lower discretionary spending meets higher non-discretionary spending (such as higher benefit expenses). As a share of GDP, core crown expenses reduce from 33.0% in the year to June 2024 to 30.9% in 2028/29, still above the 30% level the Government is aiming for over the longer run, but certainly on that trajectory.

Figure 5. Core Crown tax revenue



Source: NZ Treasury, Macrobond, ANZ Research

Figure 6. Core Crown expenses



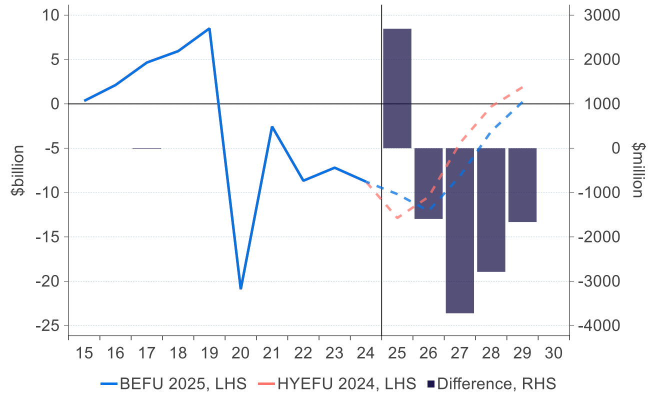
Source: NZ Treasury, Macrobond, ANZ Research

Forecast surplus in 2028/29 preserved, but it's slim…

Lower discretionary spending combined with a lower tax take has preserved a forecast OBEGALx surplus in 2028/29, but this has been downgraded from $1.9bn in the Half-Year Update to just $200m. That's still one year later than the Government's target, and the forecast deficit of $3.1bn in 2027/28 is big enough that the odds aren't great of it being revised into a surplus if the economy and tax take beats the Treasury's forecast. To be confident in delivering a surplus in the 2027/28 fiscal year the Government may need to make further adjustments to discretionary policy settings in Budget 2026.

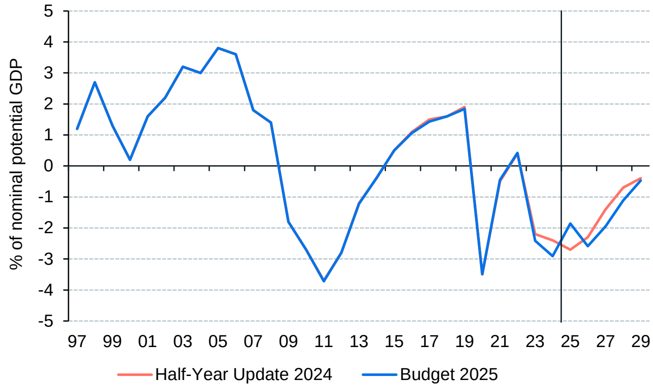
The structural balance is also a very useful indicator for assessing the overall fiscal stance, as it strips out the cyclical component of revenues and expenses as well as one-off shocks (such as natural disasters) to tell us what the underlying OBEGAL or OBEGALx would be regardless of where we are in the business cycle. Based on the OBEGAL version, the Treasury is forecasting structural deficits to persist until the end of the forecast period, unchanged from the Half-Year Update and implying it's not the state of the economy or adverse shocks driving persistent deficits; it's a fundamental mismatch between revenue and expenditure settings.

Figure 7. OBEGALx



Source: NZ Treasury, Macrobond, ANZ Research

Figure 8. Structural balance (OBEGAL version)

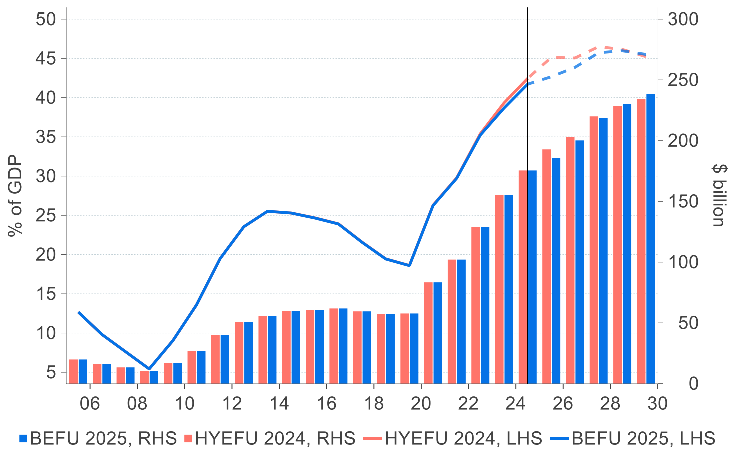


Source: NZ Treasury

…and debt is still rising

At $238.5bn, net core Crown debt is projected to be $4.4bn higher by the end of the forecast horizon compared to the Half-Year Update. However, upward revisions to the historical level of GDP by Stats NZ have helped improve it as a share of GDP in the near term, and it is projected to peak at 46.0% in the 2027/28 fiscal year (a touch below the Half-Year Update peak of 46.5% in the 2026/27 fiscal year). By the end of the forecast period, the debt ratio is expected to fall to 45.5%, still well above the Government's goal to reduce it below 40% of GDP.

Figure 9. Net core Crown debt



Source: NZ Treasury, Macrobond, ANZ Research

According to the Treasury's forecast, the net core Crown debt to GDP ratio will have lifted 27.4%pts of GDP between the onset of the pandemic and its peak (from 18.6% of GDP in 2019 to 46.0% in 2027/28). If we assume significant shocks happen around once per decade, then it's also fair to assume that the next big shock could have another ratcheting effect on the debt to GDP ratio, which could ultimately require even tougher choices around spending and taxes down the road.

Bond issuance guidance increased slightly, but it's all in the tail

Excluding this year's ~3bn pre-funding of next year's programme, New Zealand Debt Management have lifted its bond issuance by a cumulative $4bn compared to the Half-Year update, a little more than the $2bn increase we expected. However, the increase is all in the tail, with both next year's programme and that for 2026/27 downgraded by $2bn to $38bn and $36bn respectively. The bond market is likely to welcome that.

For the current fiscal year (which only has about a month to go) guidance has been signalled at $43bn – that's a smidgen higher than the 42.5bn we expected. However, for NZDM $0.5bn is rounding error, and we don't think there is any signal here for the June tender schedule. We expect the tender run rate to remain at the recently reduced pace of $450m/week in June and certainly don't expect linker issuance to fill the gap in June between the $42.5bn we've estimated and NZDM's $43bn guidance.

Short-term borrowings (Treasury bills and Euro-Commercial Paper - ECP) guidance has also been tweaked (likely to smooth bond issuance between fiscal years). Importantly, short-term borrowings are still signalled to approach $13bn by the end of the forecast.

In terms of syndications, NZDM note they expect to execute four syndications over the coming fiscal year (same number as 2024/25). One is expected to be a new 2050 inflation-indexed bond (linker), and the other three will be taps of existing-nominal bond lines. The first cab off the ranks will be a tap of the 2031 NZGB by the end of August, subject to market conditions.

NZDM note that gross linker issuance is expected to be between $1.5bn and $3bn in 2025/26 (subject to demand and market conditions). This range includes both the 2050 syndication and issuance via tender.

There are also plans to commence repurchase of the 2026 NZGB prior to maturity (subject to market conditions). Further details will be announced closer to the time.

NZDM reiterated that intra-year short-term borrowings are expected to vary between $10bn to $25bn, and that the composition will include a minimum of USD3bn of ECP and NZD3bn of T-bills.

Table 1. Issuance guidance ($bn)

	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29	Total (26-29)
Bonds						
2025 Budget Update	**43**	**38**	**36**	**30**	**28**	**132**
2024 Half-Year Update	40	40	38	28	22	128
Short-term borrowings (T-bills and ECP)						
2025 Budget Update	**15**	**18**	**18**	**15**	**13**	**NA**
2024 Half-Year Update	20	20	18	13	13	NA

Source: NZ Treasury

As expected, no material changes have been made to NZDM's liquidity strategy (to maintain a buffer of around $15bn) and the pace of LSAP repurchases is unchanged. As was the case in the Half-Year Update, Kāinga Ora bonds that mature within the Treasury's forecast horizon are captured in today's guidance**.**

Market reaction

Markets reacted positively to the Budget on account of the fact that projected bond issuance over the next two fiscal years was reduced by $2bn per annum. While total projected issuance was increased by $7bn over the forecast period, $3bn of that was for the current fiscal year, which is now almost over, and all of the remaining increases were flagged for 2027/28 and 2028/29. For markets it's all about the pace of issuance, and we think markets will be relieved by these new near-term issuance forecasts, which are consistent with the run rate of nominal bond issuance holding at $450m, or even falling in time. But for now, as noted earlier, we expect that pace to be maintained for the time being.

By the numbers, across the full 52 weeks of 2025/26, if we take out 3 weeks for the Christmas/New Year break and 4 weeks for syndications, that leaves 45 weeks for tenders. We think NZDM can be confident of issuing $16bn to $17bn of bonds each of the 3 slated syndicated nominal bond taps (this year's syndications raised at average of $5.1bn per event). If we further assume that NZDM will be able to sell at least $2bn of linkers (via the launch of the new 2050 bond and at tenders), that'll leave them with just $19bn to $20bn of bonds to issue to get to their $38bn projection, which can, in turn, be achieved by issuing $425m to $450m of nominal bonds per week.

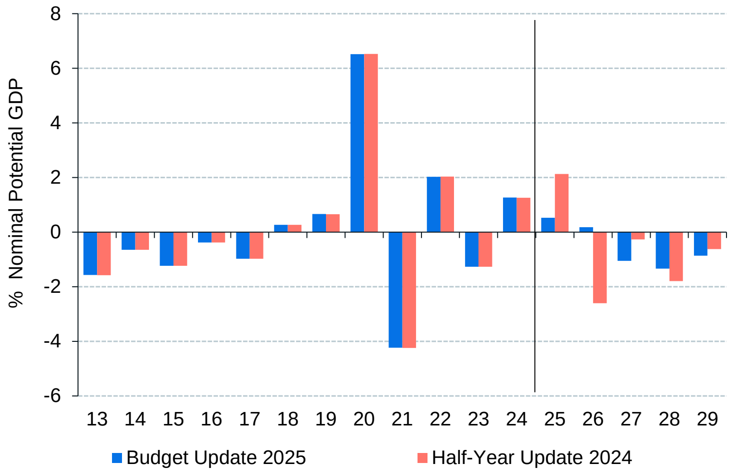
Implications for monetary policy appear limited

Overall, the stance of discretionary fiscal policy is looking a smidgen more contractionary than that presented at the Half-Year Update. The lower operating allowance represents around 0.25% of GDP, meaning it's worth only a few basis points on the OCR. Higher capex in the near term will provide some offset to that.

Lower taxes have been paid for with government spending cuts, meaning the net impact of tax cuts on aggregate demand is likely to be small – too small to move the dial on our expectation for aggregate demand and inflation pressures. But this will have small compositional effects on the economy going forward: a smaller public sector, but a larger private sector (all else equal).

The fiscal impulse provides an assessment of the impact of changes in fiscal settings on aggregate demand, but this indicator is far from perfect. It tells us if fiscal policy is adding more or less to demand compared to the year prior. Overall, the near-term fiscal impulse shows the current fiscal year (to June 2025) is less expansionary than estimated at the Half-Year Update (0.5% vs 2.1%), but the 2026 fiscal year has flipped from contractionary to expansionary (+0.2% vs -2.6%). This kind of rephasing is very common with this indicator, as spending delays gets pushed into the next fiscal year (i.e. we can expect a similar dynamic to occur this time next year). Therefore, it is also important to gauge the average impulse over the forecast horizon (2025-2029), and on that front we're looking at -0.5% of GDP vs -0.6% at the Half-Year Update.

Figure 10. Fiscal impulse



Source: NZ Treasury

All up, changes in discretionary fiscal policy since the Half-Year Update look set to have a relatively modest impact on monetary conditions: around 5-10 basis points less pressure on the OCR, all else equal. That's not enough to move the dial if the RBNZ is cutting in 25bp increments, but it will all go into the mix in next week's Monetary Policy Statement.

Summary

From a macroeconomic perspective, Budget 2025 contained few surprises (given most of the key information was revealed in advance, as has become typical). Some might focus on the stimulatory impacts of tax cuts, but given that's been paid for with lower government spending the net impact on aggregate demand is likely to be small. Indeed, compared to the Half-Year Update, operational spending net of tax changes has been decreased (as captured in the lower operating allowance). For the RBNZ, changes to fiscal settings are unlikely to be the most significant development when today's information is incorporated into the May MPS forecasts.

The broader fiscal backdrop is also little changed: the Government continues to pursue its fiscal strategy to gradually get the books back into the black by restraining growth in new spending and waiting for growth in the nominal economy (i.e. tax revenues) to catch up. Budget 2025 is unlikely to be the last "tight" Budget we'll see in pursuit of this goal.

For markets, the main focus today was on the bond programme, and on that front the news was mixed: fewer bonds for 2025/26 and 2026/27, but more thereafter. While the overall change has been an increase in bond issuance guidance ($4bn overall), the drop in the near term will be welcomed by markets.

Looking forward, while spending restraint can put more emphasis on public sector efficiency, there's only so much this approach can achieve in the longer run. Ongoing pressure on health and superannuation spending from an aging population, pressure on infrastructure from past underinvestment, and rising debt-servicing costs as higher Government bond yields meet the previous Government's pro-cyclical debt-funded spending increases are all major challenges waiting for us down the road – challenges that will be difficult to overcome in an equitable way without broadening the tax base. But in the short term at least, adjusting revenue (i.e. tax) policy to address such challenges and achieve surpluses more quickly does not appear to be on this Government's agenda.

Meet the team

We welcome your questions and feedback. Click here for more information about our team.

Sharon Zollner
Chief Economist

Follow Sharon on Twitter
@sharon_zollner

Telephone: +64 9 357 4094
Email: sharon.zollner@anz.com

General enquiries:
research@anz.com

Follow ANZ Research
@ANZ_Research (global)

David Croy
Senior Strategist

Market developments, interest rates, FX, unconventional monetary policy, liaison with market participants.

Telephone: +64 4 576 1022
Email: david.croy@anz.com

Miles Workman
Senior Economist

Macroeconomic forecast co-ordinator, economic developments, labour market dynamics, inflation, fiscal and monetary policy.

Telephone: +64 21 661 792
Email: miles.workman@anz.com

Matthew Galt
Senior Economist

Macroeconomic forecasting, economic developments, GDP, housing and credit dynamics.

Telephone: +64 21 633 469
Email: matthew.galt@anz.com

Kyle Uerata
Economic Statistician

Economic statistics, ANZ proprietary data (including ANZ Business Outlook), data capability and infrastructure.

Telephone: +64 21 633 894
Email: kyle.uerata@anz.com

Natalie Denne
PA / Desktop Publisher

Business management, general enquiries, mailing lists, publications, chief economist's diary.

Telephone: +64 21 221 7438
Email: natalie.denne@anz.com

Important Notice

Last updated: 19 November 2024

This document (in the form of text, image, video or audio) is intended for ANZ Group's Institutional, Markets, Private Bank and Premier Banking clients. It should not be forwarded, copied or distributed. The opinions and research contained in it are (a) not personal financial advice; (b) provided for information only; and (c) general in nature and do not take into account your financial situation or goals.

This document may be restricted by law in certain jurisdictions. Recipients must observe all relevant restrictions.

Disclaimer for all jurisdictions: This document is prepared and distributed in your country/region by Australia and New Zealand Banking Group Limited (ABN11 005 357 522) (**ANZ**), a company incorporated in Australia or (if otherwise stated), by its subsidiary or branch (herein collectively referred to as **ANZ Group**). The views expressed in it are those of ANZ Research, an independent research team of Australia and New Zealand Banking Group Limited.

This document is distributed on the basis that it is only for the information of the specified recipient or permitted user of the relevant website (**recipients**).

This document is solely for informational purposes and nothing in it is intended to be an invitation, solicitation or offer by ANZ Group to sell, or buy, receive or provide any product or service, or to participate in a particular trading strategy.

Distribution of this document to you is only as may be permissible by the laws of your jurisdiction, and is not directed to or intended for distribution or use by recipients resident or located in jurisdictions where its use or distribution would be contrary to those laws or regulations, or in jurisdictions where ANZ Group would be subject to additional licensing or registration requirements. Further, any products and services mentioned in this document may not be available in all countries.

ANZ Group in no way provides any personal financial, legal, taxation or investment advice to you in connection with any product or service discussed in this document. Before making any investment decision, recipients should seek independent financial, legal, tax and other relevant advice having regard to their particular circumstances.

Whilst care has been taken in the preparation of this document and the information contained within is believed to be accurate and made on reasonable grounds on the date it was published, ANZ Group does not represent or warrant the accuracy or completeness of the information. Further, ANZ Group does not accept any responsibility to inform you of any matter that subsequently comes to its notice which may affect the accuracy of the information in this document.

This document may contain forward looking statements or opinions including statements regarding our intent, belief or current expectations regarding economic and market conditions, financial instruments and credit markets. Such statements are usually predictive in character, may not be accurate once the future becomes known and should not be relied upon when making investment decisions. Past performance is not a reliable indicator of future performance. ANZ does not accept any responsibility to inform you of any revisions to these forward-looking statements to reflect events or circumstances occurring after the date of this document.

Preparation of this document and the opinions expressed in it may involve material elements of subjective judgement and analysis. Unless specifically stated otherwise: they are current on the date of this document and are subject to change without notice; and, all price information is indicative only. Any opinions expressed in this document are subject to change at any time without notice.

ANZ Group does not guarantee the performance of any product mentioned in this document. All investments entail a risk and may result in both profits and losses. Any products and services described in this document may not be suitable for all investors, and transacting in these products or services may be considered risky.

ANZ Group expressly disclaims any responsibility and shall not be liable for any loss, damage, claim, liability, proceedings, cost or expense (**Liability**) arising directly or indirectly and whether in tort (including negligence), contract, equity or otherwise (including infringement of any third party rights) out of or in connection with this document and your use of it to the extent permissible under relevant law. The contents of this document have not been reviewed by any regulatory body or authority in any jurisdiction.

ANZ Group may have an interest in the subject matter of this document. They may receive fees from customers for dealing in any products or services described in this document, and their staff and introducers of business may share in such fees or remuneration that may be influenced by total sales, at all times received and/or apportioned in accordance with local regulatory requirements. Further, they or their customers may have or have had interests or long or short positions in any products or services described in this document, and may at any time make purchases and/or sales in them as principal or agent, as well as act (or have acted) as a market maker in such products. This document is published in accordance with ANZ Group's policies on conflicts of interest and ANZ Group maintains appropriate information barriers to control the flow of information between businesses within the group.

Your ANZ Group point of contact can assist with any questions about this document including for further information on these disclosures of interest.

Australia. ANZ holds an Australian Financial Services licence no. 234527. For a copy of ANZ's Financial Services Guide please click here or request from your ANZ point of contact.

Brazil. This document is distributed on a cross border basis and only following request by the recipient. No securities are being offered or sold in Brazil under this document, and no securities have been and will not be registered with the Securities Commission - CVM.

Brunei, Japan, Kuwait, Malaysia, Switzerland, Taiwan. This document is distributed in each of these jurisdictions by ANZ on a cross-border basis.

Cambodia. The information contained in this document is confidential and is provided solely for your use upon your request. This does not constitute or form part of an offer or solicitation of any offer to engage services, nor should it or any part of it form the basis of, or be relied in any connection with, any contract or commitment whatsoever. ANZ does not have a licence to undertake banking operations or securities business or similar business, in Cambodia. By requesting financial services from ANZ, you agree, represent and warrant that you are engaging our services wholly outside of Cambodia and subject to the laws of the contract governing the terms of our engagement.

Canada. This document is general information only, is intended for institutional use only – not retail, and is not meant to be tailored to the needs and circumstances of any recipient. In addition, this document is not intended to be an offer or solicitation to purchase or sell any security or other financial instrument or to employ a specific investment strategy.

Chile. You understand and agree that ANZ is not regulated by Chilean Authorities and that the provision of this document is not subject to any Chilean supervision and is not guaranteed by any regulatory or governmental agency in Chile.

Fiji. For Fiji regulatory purposes, this document and any views and recommendations are not to be deemed as investment advice. Fiji investors must seek licensed professional advice should they wish to make any investment in relation to this document.

Hong Kong. This document is issued or distributed in Hong Kong by the Hong Kong branch of ANZ, which is registered at the Hong Kong Monetary Authority to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

India. If this document is received in India, only you (the specified recipient) may print it provided that before doing so, you specify on it your name and place of printing.

Israel. ANZ is not a holder of a licence granted in Israel pursuant to the Regulation of Investment Advising, Investment Marketing and Portfolio Management Law, 1995 ("Investment Advice Law") and does not hold the insurance coverage required of a licensee pursuant to the Investment Advice Law. This publication has been prepared exclusively for Qualified Clients as such term is defined in the First Schedule to the Investment Advice Law. As a prerequisite to the receipt of a copy of this publication a recipient will be required to provide confirmation and evidence that it is a Qualified Client. Nothing in this publication should be considered Investment Advice or Investment Marketing as defined in the Investment Advice Law. Recipients are encouraged to seek competent investment advice from a locally licensed investment adviser prior to making any investment.

Macau. Click here to read the disclaimer for all jurisdictions in Mandarin. 澳门. **点**击此处阅读所有司法管辖区的免责声明的中文版。

Myanmar. This document is intended to be general and part of ANZ's customer service and marketing activities when implementing its functions as a licensed bank. This document is not Securities Investment Advice (as that term is defined in the Myanmar Securities Transaction Law 2013).

New Zealand. This document is distributed in New Zealand by ANZ Bank New Zealand Limited. The material is for information purposes only and is not financial advice about any product or service. We recommend you seek advice about your financial situation and goals before acquiring or disposing of (or not acquiring or disposing of) a financial product.

Oman. ANZ neither has a registered business presence nor a representative office in Oman and does not undertake banking business or provide financial services in Oman. Consequently, ANZ is not regulated by either the Central Bank of Oman (CBO) or Oman's Capital Market Authority (CMA). The information contained in this document is for discussion purposes only and neither constitutes an offer of securities in Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Law of Oman (Royal Decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy non-Omani securities in Oman as contemplated by Article 139 of the Executive Regulations to the Capital Market Law (issued vide CMA Decision 1/2009). ANZ does not solicit business in Oman and the only circumstances in which ANZ sends information or material describing financial products or financial services to recipients in Oman, is where such information or material has been requested from ANZ and the recipient understands, acknowledges and agrees that this document has not been approved by the CBO, the CMA or any other regulatory body or authority in Oman. ANZ does not market, offer, sell or distribute any financial or investment products or services in Oman and no subscription to any securities, products or financial services may or will be consummated within Oman. Nothing contained in this document is intended to constitute Omani investment, legal, tax, accounting or other professional advice.

People's Republic of China (PRC). This document may be distributed by either ANZ or Australia and New Zealand Bank (China) Company Limited (**ANZ China**). Recipients must comply with all applicable laws and regulations of PRC, including any prohibitions on speculative transactions and CNY/CNH arbitrage trading. If this document is distributed by ANZ or an Affiliate (other than ANZ China), the following statement and the text below is applicable: No action has been taken by ANZ or any affiliate which would permit a public offering of any products or services of such an entity or distribution or re-distribution of this document in the PRC. So, the products and services of such entities are not being offered or sold within the PRC by means of this document or any other document. This document may not be distributed, re-distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations. If and when the material accompanying this document relates to the products and/or services of ANZ China, the following statement and the text below is applicable: This document is distributed by ANZ China in the Mainland of the PRC.

Peru. The information contained in this document has not been, and will not be, registered with or approved by the Peruvian Superintendency of the Securities Market (Superintendencia del Mercado de Valores, **SMV**) or the Lima Stock Exchange (Bolsa de Valores de Lima, **BVL**) or under the Peruvian Securities Market Law (Legislative Decree 6 861), and will not be subject to Peruvian laws applicable to public offerings in Peru. To the extent this information refers to any securities or interests, it should be noted the securities or interests may not be offered or sold in Peru, except if (i) such securities or interests were previously registered with the Peruvian Superintendency of the Securities Market, or (ii) such offering is considered a private offering in Peru under the securities laws and regulation of Peru.

Qatar. This document has not been, and will not be:

- lodged or registered with, or reviewed or approved by, the Qatar Central Bank (QCB), the Qatar Financial Centre (QFC) Authority, QFC Regulatory Authority or any other authority in the State of Qatar (Qatar); or
- authorised or licensed for distribution in Qatar, and the information contained in this document does not, and is not intended to, constitute a public offer or other invitation in respect of securities in Qatar or the QFC.

The financial products or services described in this document have not been, and will not be:

- registered with the QCB, QFC Authority, QFC Regulatory Authority or any other governmental authority in Qatar; or
- authorised or licensed for offering, marketing, issue or sale, directly or indirectly, in Qatar.