

# MacKay on Money



**MacKay**  
Financial Advice & Solutions

## THE USA IS STILL DOING OK

There is widespread belief that America is not just involved in a seething political turmoil (such as Donald Trump and Black Lives Matter) but is also going downhill economically. However, consider this:

Based on share market valuations (not the only measure) the US has 7 of the 10 most valuable companies in the world.

America has 12 of the top 20 technology companies, including giants like Apple, Microsoft, Google parent Alphabet, Facebook, Amazon etc. China has two—Tencent and Alibaba. Leading the US pack is Apple, with a valuation greater than US\$2 trillion, followed by Microsoft (just under US\$2 trillion), Amazon US\$1.7 trillion and Alphabet US\$1.5 trillion. They have strong earnings and huge cash reserves.

The Financial Times said (30.4.21):

*The combined revenue of Alphabet, Amazon, Apple, Facebook and Microsoft jumped 41% in the first three months of this year, to \$322 billion. That points to a rapid acceleration in growth that the leading tech companies have not seen in years, even as they have become some of the world's biggest companies.*

In the life sciences area, the US has 7 of the top 10 global companies and 11 out of the top 20.

The UK based Financial Times says that America also has 10 of the top 20 universities in the world.

The USA still has huge grunt.

— Article supplied by Global Newsletter—May 2021

**Apostrophobia:** The fear of incorrectly placed apostrophe's.

**"I tried to come up with a carpentry pun that would work. I think I nailed it but no one saw it."**

— Anon

## REDUCE SALT INTAKE

Most New Zealanders consume around double the maximum recommended daily intake of salt. Too much salt contributes to high blood pressure, which increases the risk of stroke and other cardiovascular diseases. Here are some easy tips to help reduce your intake of salt and your risk of stroke:

- **LIMIT INTAKE OF PROCESSED MEATS and increase consumption of fresh foods**
- **READ FOOD LABELS and select lower sodium options**
- **BE AWARE OF PORTION SIZES when eating foods high in salt**

— Article supplied by NZ Stroke Foundation

“Always do right. It will gratify some people and astonish the rest.”

— Mark Twain

## VAPING & HERBAL CIGARETTES

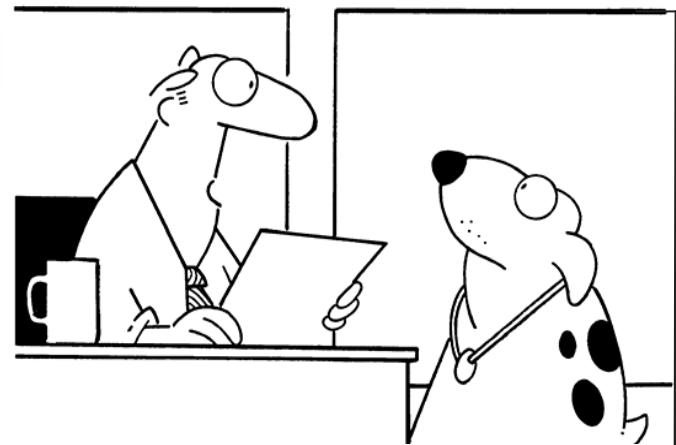
### Am I considered a Smoker if I Vape?

Vaping is viewed as a less harmful alternative to tobacco because the long-term effects still aren't fully known. In New Zealand for insurance purposes, you are still considered a smoker if you use electronic cigarettes and vaping devices even if you don't use traditional tobacco products at all.

### Herbal Cigarettes

These are often marketed as safer than traditional cigarettes as well, but they produce tar. Tar is one of the main cancer-causing agents of regular cigarettes. Studies have shown that herbal cigarettes have the same carcinogens found in regular cigarettes.

— nib newsletter—June 2021



**“A good retirement fund should include bones, rawhide, beefy treats, a few toys and an assortment of kitchen trash.”**

**“Far better is it to dare mighty things, to win glorious triumphs, even though chequered by failure, than to rank with those poor spirits who neither enjoy nor suffer much, because they live in the grey twilight that knows not victory nor defeat.”**

— Theodore Roosevelt

## TRAUMA COVER: THE WONDER PRODUCT

We at MFAS continue to assist clients who have been through a health crisis and who have Trauma / Critical Illness cover.

Recent claims or partial claims have been paid for heart attacks, cancer and stents being inserted.

“The Economist report on global democracy, which rates democracy across 167 countries based on five measures, has reported that just 8.4% of the world's population live in a full democracy while more than a third live under authoritarian rule.”

— Global Economic & Investment Newsletter, Feb 2021

# BILLIONAIRES, RECYCLING & COAL-FIRED POWER STATIONS

For the first time in seven years, New York City has lost its title as the world's billionaire capital.

Last year, the Big Apple was displaced by Beijing which recorded a net gain of 33 billionaires.

Beijing is now in top spot with 100 individuals worth a billion dollars or more, narrowly ahead of New York's 99.

The findings come from the 2021 Forbes World's Billionaires list which shows that a quarter of its 2,755 members live in just 10 cities with more than 10% resident in just four Chinese Metropolises.

Along with Beijing, Shanghai, Shenzhen and Hangzhou also make the list.

Hong Kong comes third with 80 billionaires.

Even though New York is in second place, the collective worth of its billionaire population amounts to US\$561bn, beating Beijing's collective \$484bn.

Zhang Yiming is the richest Beijing resident with a net worth of \$35.6n while Michael Bloomberg is New York's wealthiest inhabitant with \$59bn.



For those of us who diligently put our bottles and cans out for recycling, thinking we are making a worthwhile contribution towards a greener earth, it may be distressing to learn that China is in the process of building 92 more coal-fired power stations, joining the 1000 or so it already has.

That offsets a lot of good work being done elsewhere in the world. For example, China already emits more carbon dioxide in 16 days than Australia does in one year, according to new research published by a free-market think tank.

— Articles supplied by McEwen Investment Report—March & April 2021

## WINTER ENERGY PAYMENT

If you get NZ Super or Veteran's Pension, you will be entitled to get the Winter Energy Payment all winter, from 1 May until 1 October. Couples and people with dependent children will get \$31.82 a week. Single people will get \$20.46 a week.

Last year, it was temporarily doubled because of COVID-19. This year, it is reverting back to the standard rate.

[You can opt out of getting this payment. Our general advice is: Why would you?]

"Sometimes Prince Philip, The Duke of Edinburgh, did indeed fall into the trap of engaging in "downtopedalogy" — a word he coined himself, meaning the science of putting your foot in your mouth."

## Spotlight on investing—PLPF

### Investment Objective and Strategy

The Booster Private Land and Property Fund's (PLPF) investment objective is to provide investors with a complementary and enhanced risk / return outcome compared to traditional listed property investments. It aims to generate average annual long-term returns of about 6.5% (before tax and after all fees, charges and costs) over rolling 7 year periods from a combination of income distributions and capital growth. The fund aims to invest primarily in a diversified range of agricultural and horticultural land and property in New Zealand, which may be supplemented with investments in industrial, commercial and retail properties. The fund obtains its property exposure by buying units in the Private Land and Property Portfolio managed by Booster. The underlying fund, may borrow to invest in more land and properties or to develop land or properties already held. The level of gearing can vary between 0-65% of the fund's asset value.

#### Key Facts (as at 31 May 2021)

Fund Size	\$72.2 million
Inception Date	7/01/2019
Manager	Booster Investment Management Ltd
Supervisor	Public Trust
Fund Type	Portfolio Investment Entity (PIE)
Suggested Investment Timeframe	7 years +

*Ask your Adviser for a Product Disclosure Statement*

## THE MFAS TEAM OF FINANCIAL ADVISERS



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## AND PINCHED FROM A ROTARY NEWSLETTER

Sean is the vicar of a Protestant parish in Dublin and Patrick is the priest at the Roman Catholic Church across the road. One day they are seen together, erecting a sign which says:

**"THE END IS NEAR.  
TURN YOURSELF AROUND NOW  
BEFORE IT IS TOO LATE."**

As a car speeds past them, the driver leans out his window and yells,

"Leave people alone, you religious nutters. We don't need your lectures."

From around the next curve they hear screeching tyres and a big splash.

Shaking his head, Father Patrick says "Dat's da terd one dis morning".

"Yaa," Sean agrees, then adds, "Do ya tink maybe da sign should just say ...

**"BRIDGE CLOSED"?**

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*Our Disclosure Statement required under new legislation commencing 15 March 2021 is available on our website [www.mackay.co.nz](http://www.mackay.co.nz)*