



WAIPAPA TAUMATA RAU  
KARAPU  
WHAKANGAO

# PĀNUI TŪMATAWHĀNUI WHAKANGAO

KAITUHITUHI TAUIRA - WHAKAARO TAUIRA

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Senior Writer

Zac Gadsby  
Senior Writer

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Senior Writer

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Senior Writer

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Junior Writer

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Junior Writer

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Junior Writer

Issie Dekker  
Junior Writer

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# An update from the club

A RUNDOWN OF THIS WEEKS PITCHES WRITTEN BY OUR INVESTMENT COMMITTEE ANALYSTS



## Texas Instruments

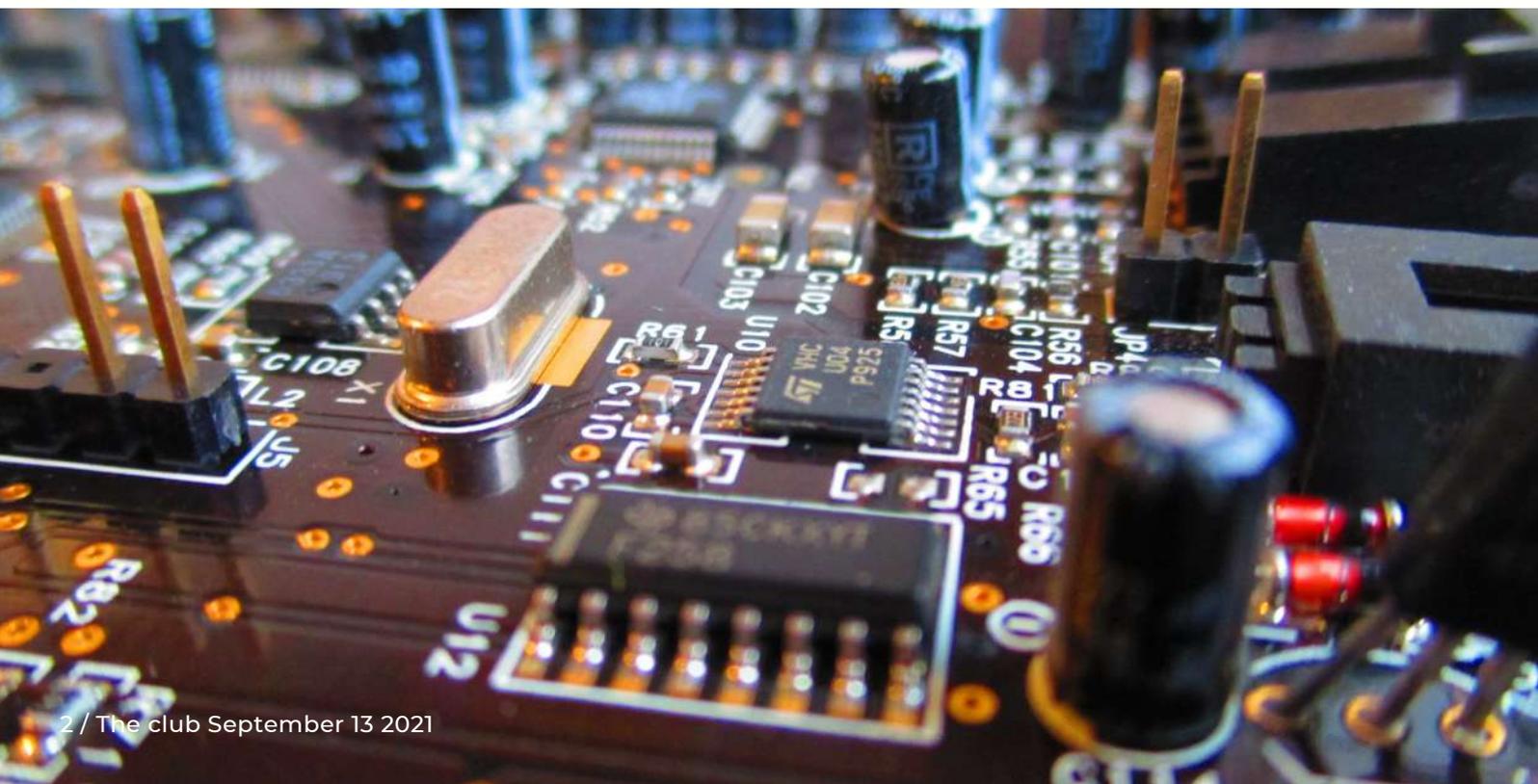
Texas Instruments (NASDAQ: TXN) is an American technology company that designs, manufactures and sells semiconductor chips and integrated circuits. Its main product segments are analogue and embedded processing chips, and it has a diverse product portfolio that caters to a wide range of electronic equipment. TXN has achieved significant market dominance through its innovative technologies and unrivalled vertically integrated supply chain. By allocating a healthy amount of capital in R&D and capital expenditures while expanding its sales channels, it has driven organic growth and led to

tangible bottom-line increases. TXN continues to target the attractive industrial and automotive markets, which looks to grow due to the accelerated adoption of digitisation and connectivity. However, potential unsuccessful R&D programs and increased competitiveness in the market can pose risks for the company. The Investment Committee passed TXN to the valuation stage by a vote of 15/16. Raewyn Leow and Daniel Mar will run the valuation.

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"I see an IC opportunity for IC"

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# How Te Reo Māori is making its way into the global entertainment industry

WRITTEN BY ANDREW MENG

TE REO MĀORI HAS SEEN A RECENT SURGE IN INTEREST ACROSS COMMUNITIES UP AND DOWN THE COUNTRY. ENCOURAGINGLY, WE ARE ALSO STARTING TO SEE THE INTEREST REACH INTERNATIONAL SHORES, MAINLY DUE TO THE SUCCESS OF MĀORI CREATIVES AND INCLUSIVE INITIATIVES IN THE INTERNATIONAL FILM SCENE. SO, FROM THE HIGHEST-GROSSING FILM OF ALL TIME TO SOME OF DISNEY'S ALL-TIME FAVOURITE HITS, HERE'S A LOOK AT HOW TE REO MĀORI IS MAKING ITS WAY INTO THE GLOBAL ENTERTAINMENT INDUSTRY.

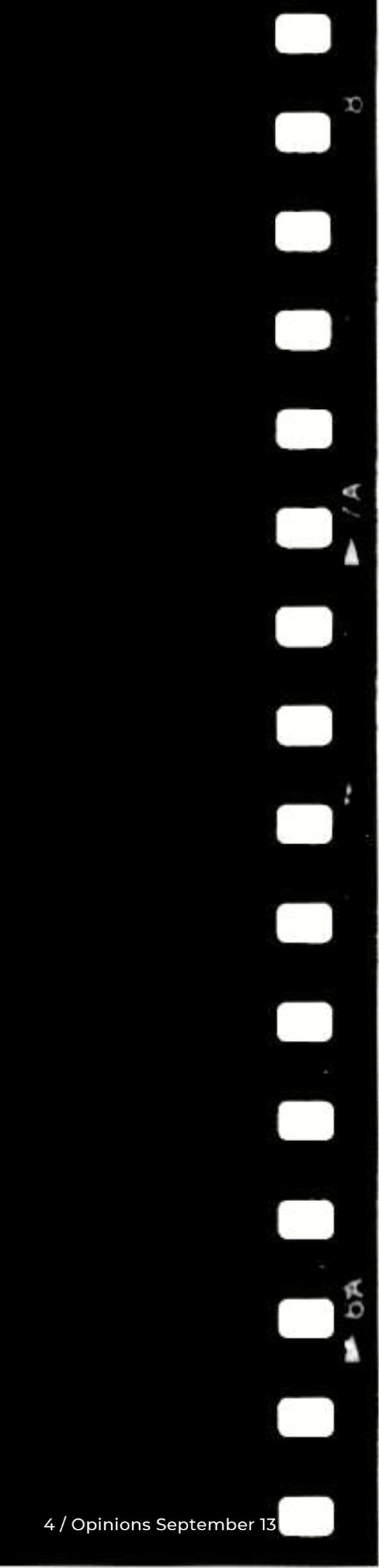
James Cameron's 2009 sci-fi epic *Avatar* marked a significant turning point in 21st-century film-making. Its groundbreaking visual effects, pioneering use of motion capture technology, and incredible 3D experience propelled it to the title of the highest-grossing film of all time – a title it still keeps today. But a much lesser-known fact about the blockbusting film is that the language of the Na'vi – the indigenous inhabitants of Pandora, the habitable moon serving as the setting for the film – was heavily influenced by Te Reo Māori. Cameron has stated that the Na'vi language was created as a “homage” to Te Reo after spending

time in Aotearoa and falling in love with the indigenous language and culture.

Over a thousand words of the fictional language were constructed for the original film and has since developed into a functional language with an extensive vocabulary list and published grammar. Future *Avatar* sequels are expected to include even more Māori-inspired elements. Particularly, *Avatar 2* and *Avatar 3* – films that just wrapped up a large portion of filming in Wellington earlier this month – are expected to feature a traditional Na'vi dance inspired by the haka.

Recently, there's also been the news that *The Lion King* and *Frozen*, two of Disney's most iconic and cherished family hits, will be getting a theatrical re-release in Te Reo Māori. The timing of the releases will be significant, with *The Lion King* Reo Māori scheduled to reach cinemas in June 2022 to commemorate Matariki, while *Frozen* Reo Māori will be released in September, just in time for Te Wiki o Te Reo Māori 2022. Both films will be dubbed in Te Reo Māori and will come after the immense success of the Te Reo re-release of *Moana* in 2017. *Moana* Reo Māori was met with widespread critical acclaim and





received significant international attention, even featuring in the New York Times.

As diversity and inclusion become increasingly prominent worldwide, we'll hopefully see more and more films adapted into indigenous languages that film studios would never have thought twice about twenty years ago. It also can't be understated how significant Taika Waititi's 2020 Oscar win (Best Adapted Screenplay – Jojo Rabbit) is for indigenous creatives across the globe. In an industry where indigenous and minority communities have traditionally struggled to gain any foothold, it is a powerful message that all filmmakers, regardless of language or cultural barriers, can have the opportunity to tell their stories on the world stage too.

On the one hand, these film initiatives are a fantastic celebration of indigenous language and culture revitalisation and growth. Still, on the other, it has also opened up questions on disingenuous commercialisation. In the same article linked above, James Cameron even had doubts about whether using Māori influences in his Avatar films would be considered cultural appropriation. This highlights how yes, indigenous cultures and languages are starting to be celebrated among global audiences, but the need to always involve indigenous communities, filmmakers, and talent in these film projects is essential. Ultimately, showcasing Te Reo Māori through familiar, popular, and relevant media like films is a great way to engage the interest of Aotearoa's youth and promote the language – but everything must always be

done accurately and respectfully.

Overall though, the signs are encouraging. There is still a lot of work that needs to be done in ensuring indigenous elements are always captured appropriately and to helping more indigenous filmmakers reach the international scene. Still, it's incredibly encouraging that one of the largest film studios in the world is on board and committed to helping drive the positive change.



# Iwi investment

WRITTEN BY ZAC BALLANTYNE

THE LONG-STANDING TREATY SETTLEMENT PROCESS HAS PROVIDED SIGNIFICANT ASSETS AND FUNDS TO INDIVIDUAL IWIS ACROSS AOTEAROA. BY ACTIVELY MANAGING THEIR FUNDS, IWI'S CAN PROVIDE DISTRIBUTIONS TO THEIR MEMBERS CENTRED AROUND THEIR BELIEFS AND LONG TERM GOALS. WHAT IS MOST INTERESTING, THOUGH, ARE THE VALUES THAT DRIVE THEIR INDIVIDUAL PHILOSOPHY AND STRATEGY. LOOKING AT THREE OF THE LARGEST IWI'S (IN TERMS OF NET ASSETS) IN PARTICULAR, IT BECOMES APPARENT THAT STRATEGIES AND NEEDS DIFFER, AS MANY FACTORS CONTRIBUTE TO THEIR INVESTMENT DECISION MAKING.

## Ngāi Tahu

Covering most of the south island, Ngāi Tahu is New Zealand's largest iwi by net assets. Their core values, such as manaakitanga (looking after our people), kaitiakitanga (stewardship) and rangatiratanga (leadership), drive their investment thesis, allowing them to create meaningful positive impacts in their community.

With \$1.83 billion in net assets, Ngāi Tahu's investment record is good enough to earn envious looks from hedge fund managers. With most of their funds held in property, Ngāi Tahu has also dipped its toes into direct investments through venture

capital and private equity firms.

Another key focus area of the iwi is the primary industries, which makes up roughly 27% of their portfolio. These are investments in areas such as tourism, farming, fishing and forestry.

A great example of how Ngāi Tahu merges its core values with its investment strategy is through Oha Honey. Being 100% wholly owned by the iwi means that Oha Honey continues to seek growth and drive sales revenue while ensuring that environmental considerations are of the highest value. Sustainable stewardship of the land is front of mind for Oha Honey, making sure they stay true to the iwi's values of

manaakitanga and kaitiakitanga.

Currently one of Aotearoa's largest producers of premium mānuka honey with around 30,000 beehives, Oha Honey is an excellent example of the marriage between the core values of Ngāi Tahu and the exciting business prospects they are invested in.

This impressive iwi further demonstrates their core values in how they have given back to their community. In 2020, Ngāi Tahu distributed \$51m to its members. The areas of focus for these distributions include hardship, housing, education, living costs and employment, which encapsulates both manaakitanga and

rangatiratanga.

## Waikato – Tainui

Being the first iwi to settle with the Crown in 1995, Waikato-Tainui has developed a strong financial base to meet the needs of its members and future generations.

With approximately \$1.4 billion in net assets and a largely active management style, the iwi is working towards their long term goal, aptly named 'Whakatupuranga (generation) 2050'. Success will be measured in a number of ways outlined by the iwi, with a strong focus on the personal growth of its members. This includes ensuring members are well educated, financially secure, environmentally conscious, and have a strong sense of tribal identity and integrity.

The iwi's investment philosophy is evidently driven by 'Whakatupuranga 2050', with their approach outlining that profits should not be made just for 'profits sake'. The ultimate goal is to see generations of Waikato-Tainui people prosper through the work that they are involved in. Evidence of this is their investment in 4000 hectares of Waikato land, supporting farm and forestry industries in which the iwi welcomes any tribal members interested in farm cadetships. The Waikato-Tainui fishing quota is also managed by the iwi through their investments in Waikato-Tainui Fisheries Ltd and Aotearoa Fisheries Ltd.

Distributions of \$20 million were given out to its members in 2020.

Notably higher than its 10-year average of \$13m per annum, this distribution included a 'one-off' payment drawn from additional settlement proceeds.

There's no doubt that Waikato-Tainui's people-focused investment philosophy reaps benefits for the iwi and its members. Such long term visions are a testament to the commitment of the Waikato-Tainui members. An impressive attitude and equally impressive investment portfolio has placed the iwi in the position to support their marae and tribal members for years to come while optimising their resources and ensuring a bright future for their tamariki.

## Ngāti Whātua Ōrākei

Another notable mention is Auckland based Ngāti Whātua Ōrākei, who have a slightly different investment approach to other iwi's. Almost the entire amount of its \$1.3 billion worth of assets is invested in property holdings in the Auckland area.

Funds generated from these investments go towards the Tribal Development arm of the iwi, which is then responsible for the environment, education, health, wellbeing, sporting and cultural activities of the iwi.

One of the key values of Ngāti Whātua Ōrākei is Tino Rangatiratanga. This translates to the iwi's desire to be self-reliant as Ngāti Whātua Ōrākei, now and forever. Mana Taurite is another important value for the iwi. This is the goal for all members to have equal access to benefits and

opportunities.

An example of Ngāti Whātua Ōrākei's values driving their investment philosophy is through their innovative residential development Kāinga Tuatahi. Situated on tribal land in Ōrākei, this project achieves a balance between incorporating sustainable design principles while ensuring that the homes remain affordable. This is to allow whānau who are currently living outside of Ōrākei to return back, reinforcing Ōrākei as the heart of the iwi.

With an average return on assets of 12% p.a., it is no secret that Ngāti Whātua Ōrākei has been successful in generating funds to support their members. The iwi makes distributions through scholarships, programmes and grants that address the cultural, environmental and social ambitions of the tribe.

Collectively, the iwi of Aotearoa has adopted a range of investment approaches, driven by their core values. Thanks to the strong performance of these well-managed investment portfolios, iwi's are able to make positive contributions to their tribe through distributions. This extends beyond the three iwi's mentioned in this article, with many others falling in the same boat. The sense of community and prosperity displayed by the iwi's, supported by sound investment strategies, form a fundamental component of the Māori culture and undoubtedly paves the way for future generations.

# Cultural investing: a potential avenue towards financial education

WRITTEN BY ROHAN BHATT

AT FIRST GLANCE, CULTURE AND CAPITAL MARKETS DO NOT SEEM TO GO HAND-IN-HAND, AND RIGHTLY SO. ONE IS PERSONAL, WHEREAS THE OTHER IS PERHAPS AS FAR FROM PERSONAL AS CAN BE. HOWEVER, THIS BY NO MEANS SHOULD RENDER THE TWO INCOMPATIBLE BECAUSE AT THE CENTRE OF BOTH ARE THE SAME HUMAN BEINGS.

The Māori word 'Tahito' defines something that is old or ancient. Recently formed, New Zealand-born Tahito Limited runs an investment fund within Australasian markets. Albeit the same name, Tahito have attached a whole new meaning to the word. Having begun its operations in October 2019, the investment thesis of Tahito is one primarily underpinned by indigenous Māori values and ancestral knowledge.

Te Ao Māori ancestral beliefs are groomed around the concept of collective stewardship within a community of life. Amongst this community, everything is intrinsically interconnected and ultimately tied to one's Whakapapa – a higher-level, metaphysical map of one's genealogy. Each natural element within this sphere has an

eternal, natural purpose, which is sacred and must be respected and protected. This includes protecting ancestral lands and rivers and preserving cultural heritage and values for future generations. Thus, the Te Ao Māori worldview is holistic connectedness, where each element shapes overall wellbeing.

Currently, Tahito manages a Trans-Tasman equity fund – the Te Tai ō Rehua fund. The fund screens stocks on the NZX and ASX through a process that includes qualitative and quantitative measures derived from an indigenous Māori set of values. Subsequently, companies favoured by the fund encompass strong ethical practices, a socio-cultural outlook, and open, transparent relationships with one's community and stakeholders. A practical example of such

includes the screening-out of companies owning fossil fuel reserves, alongside the identification of companies moving towards circular economy principles and genuine sustainability reporting systems. The fund was made open to public investors in June 2021, and at present, its largest holdings are Commonwealth Bank of Australia, Spark New Zealand Ltd and Summerset Group Holdings Ltd, respectively.

Undoubtedly, it is still early days and from a macro lens, Tahito are a financial services firm that seeks to deliver returns to its investors. However, Tahito is doing something that is fantastic to see, with a meaning much deeper than what may appear on the surface. By extrapolating cultural values



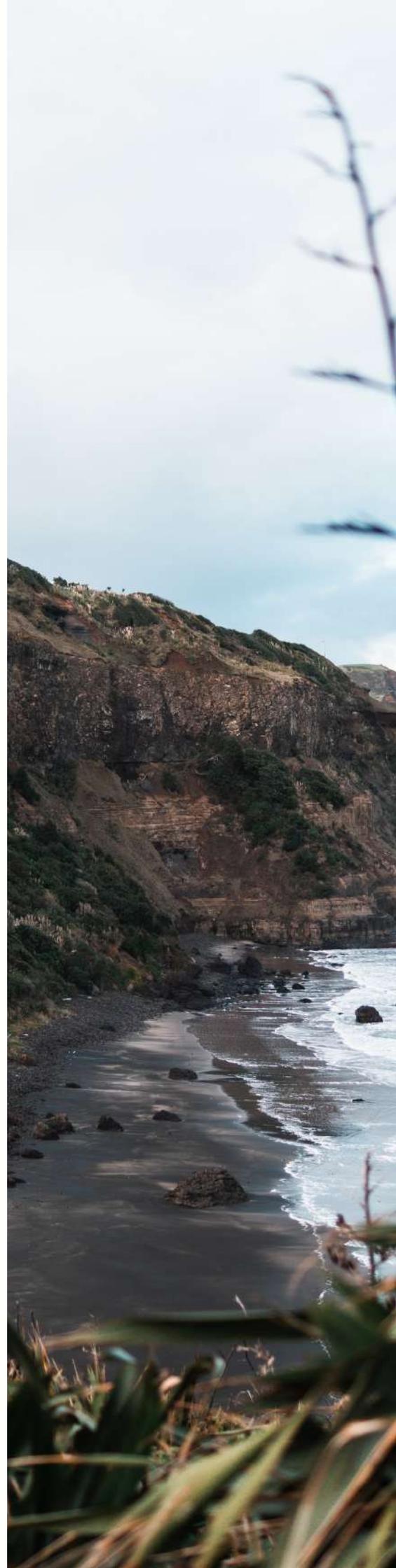
and amalgamating them with rational value investing practices, Tahito has established an investment philosophy that not only creates cultural awareness but establishes connectedness. Most importantly, it creates a touchpoint, allowing Māori communities and their younger generations to take things that are inherent to their humanity, and attach to them a new meaning.

What makes Tahito stand out is the story attached to the fund. A story of culture and ancestry may seem innocuous and potentially irrelevant when it comes to investing. Regardless, it holds importance in its own way. The exposure we have to finance and investing can be taken for granted, something which itself is at times reliant on one's personal or cultural upbringing. A study conducted by the Commission for Financial Capability (CFFC) in 2020 towards financial knowledge of New Zealanders found that Māori and Pacific Peoples respondents had lower mean scores to a range of finance-related questions than Asian and European respondents.

Furthermore, this disparity was noted to be existent across all age groups. As of June 2020, New Zealand's Māori population have median ages of 25.1 and 27.1 years for males and females, respectively – more than 40% younger than the national median ages. Given such demographics, it is pivotal to provide a means through which younger Māori can gain exposure to financial knowledge. Doing so will provide results directly in line with their origins – intergenerational prosperity and communal

wellbeing. This is what Tahito strives to achieve. Its core value lies in its presence as an entity and what it can achieve – to educate financially and culturally.

Investing is not a one-size-fits-all game. Financial fundamentals will remain the most significant metric. However, investing theses, risk appetites, and intuition are key factors at play that are inherently personal. Associating these with Māori beliefs and indigenous values, which are even more personal, is unconventional. But, it paves the way for the exploration of an approach to investing unique to the rich history of New Zealand. There is a long way to go, but Tahito has taken a step to connect, empower and educate.





# Cultural investing part II

WRITTEN BY SARAH JEONG

TAKING A LOOK AT INDIGENOUS INVESTMENT FUNDS, WHY AND HOW THEY OPERATE AND WHY THEY ARE A WELCOME ADDITION TO THE MARKET, PARTICULARLY AOTEAROA, IN LIGHT OF MAORI LANGUAGE WEEK.

Indigenous investment is a relatively new model to the market, wherein values embedded in an indigenous culture are the central guiding principles to investment. Examples of this would be Indigena Capital in the US, devoted to providing financing to disproportionately underfinanced tribal-owned or related businesses, and TAHITO investment here in our own Aotearoa, who manage the TAHITO Te Tai ō Rehua (Trans-Tasman) fund.

An article from Stanford Social Innovation Review earlier this year articulated a need to "bridge the gap" between social and indigenous investing: "This disconnect between philosophy and practice is emblematic of broader power and relational asymmetries between Indigenous Peoples and the private investment

world". Indigenous investors and funds such as TAHITO played an intermediary role in reconciling the two paradigms. Indigenous investing models address the disconnect between philosophy and practice by identifying core cultural values and then translating them into tangible standards for a fund. Each company goes through screening processes informed by both standard financial practice and standards based on Te Ao Māori. This means the fund looks at the company's profitability but also gives equal weighting to the company's community engagement, employment practices and general awareness of interconnectedness in its business presence. For example, Spark's commitment to Kia Kaha Te Reo Māori (Maori language week) and initiatives such as Spark Foundation alongside its financial performance

support its position in the fund.

There is significant moral and objective overlap between this and regular socially responsible investment. However, the added element of cultural values shifts the outlook of indigenous investment. In 2018 Morgan Stanley made a report on the everyday embedded practises that propel financing and funding for racial majority and male-owned companies while "pushing the goal-post further back" for their minority and women-owned counterparts. Naming this the "Trillion-dollar blindspot", the report delved into structural and cultural barriers faced by these businesses, ultimately costing the real economy in America. This blindspot also exists in Aotearoa, where because investment evaluations are skewed to limited orthodox perspectives,

there is the possibility that strong potential returns amongst culturally and financially profitable are being lost because capital won't flow there.

In these situations, funds such as TAHITO play an intermediary role as models of investment informed by and measured against Maori values. Indigenous funds take into account not only social and financial practises but also cultural concerns. In doing so, they address and attempt to rectify a situation where a significant portion of the population, being under-funded and under-evaluated, represent the blindspot of the economy.

In future, the development of these opportunities could provide a potential remedy to issues that are unique to Aotearoa. Celebration of the Maori language and culture for a week is too weak in application to truly address the "gap" that exists. Therefore, having the formalised application and expression of indigenous Maori values in the financial domain brings a level of applicability to those values. Translating these values into action is the first and major benefit of setting up screening tests based on clearly identified indigenous principles.

'Bridging the gap' also encompasses a vision that rather than investors having to seek out specific funds devoted to indigenous values, these values could be casually incorporated into everyday investment practices, becoming a staple feature of Aotearoa's business landscape.



# MYOB column

## University of Auckland students win MYOB IT Challenge 2021

Helping SMEs gain deeper customer insights while preserving limited time and resources is the focus of an app developed by four University of Auckland students, which took the top spot in the Trans-Tasman MYOB IT Challenge for 2021.

Team members Nicholas Kondal, Laith Saeed, Sonia Wang and Emily Zou – all studying conjoint engineering degrees, and from Auckland – developed Rev-you, a functional prototype app for the MYOB marketplace designed to help SMEs automatically collect and analyse customer feedback.

The MYOB IT Challenge, which has now been running for seven years in partnership with the Management Consulting Club, is designed to develop, support and foster the skills of up-and-coming tech talent. The challenge sees students combine business and digital technology skills, as they tackle real-world business issues using tech-led solutions, presenting to senior industry professionals in the Trans-Tasman Final.

Read the full media release of this year's winners [here](#)



Darren Smith, MYOB



Daniel West, MYOB



Penny Burgess, ANZ



The Old Timers



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