

**NZTE
INVESTMENT**

NOVEMBER 2020

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NEW ZEALAND
TRADE & ENTERPRISE
Te Taurapa Tūhono

Investment KŌRERO

Presentation to the Angel Association Summit

SERIOUSLY

The world is in the grip of a second wave... Covid-19 is not going away anytime soon. But how do we think about investment and supporting our businesses in this environment?

Coronavirus around the world

Total deaths

1,215,948

Latest daily figure

8,001

new deaths

14-day trend



Total confirmed cases

47,531,706

Latest daily figure

489,944

new cases

14-day trend



Source: Johns Hopkins University, national public health agencies

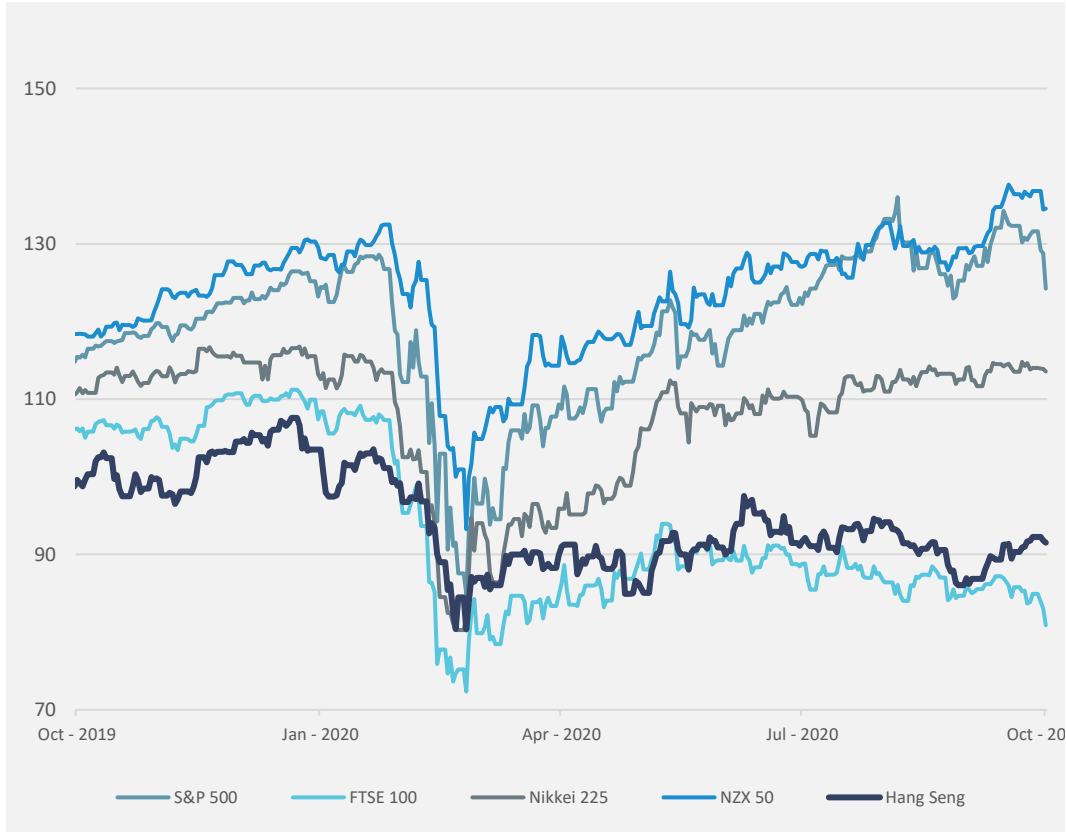
BBC NEWS



INVESTOR BEHAVIOUR – LISTED MARKETS

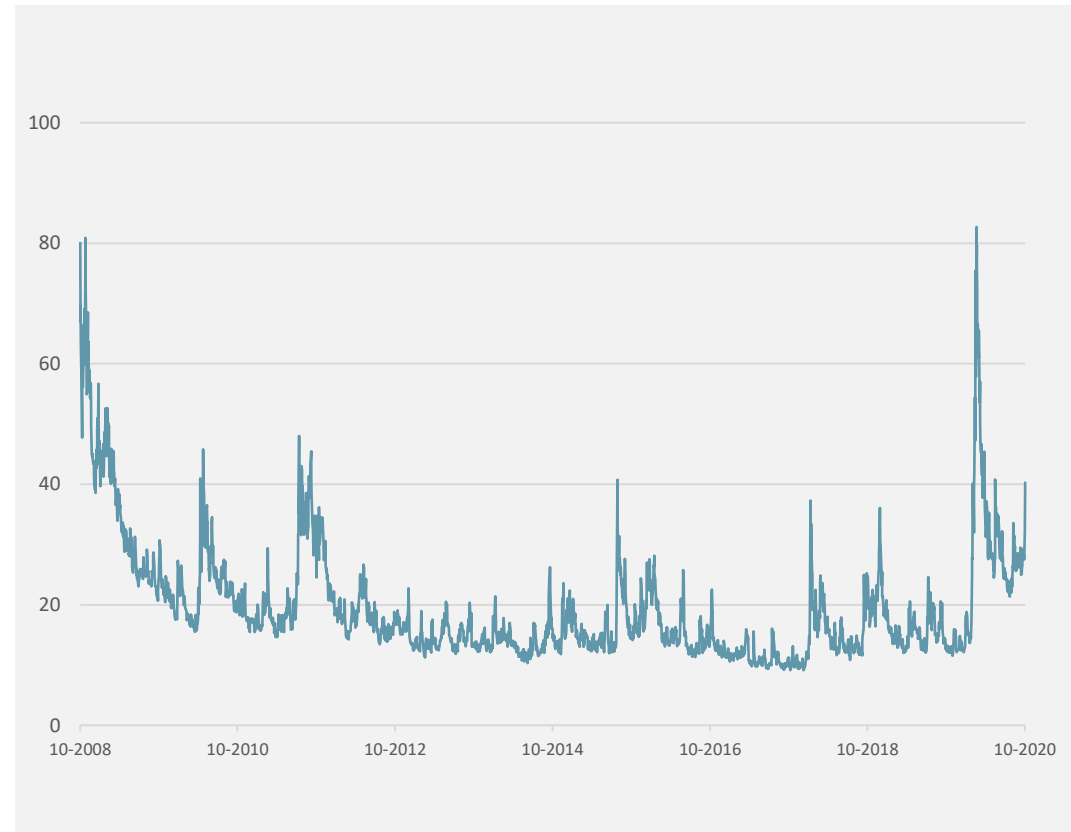
Despite heightened volatility, some listed markets have pretty much recovered from their March dip

Global Share Market Performance – Last 12 Months



Source: CapitalIQ

Volatility Index (VIX) since 2008

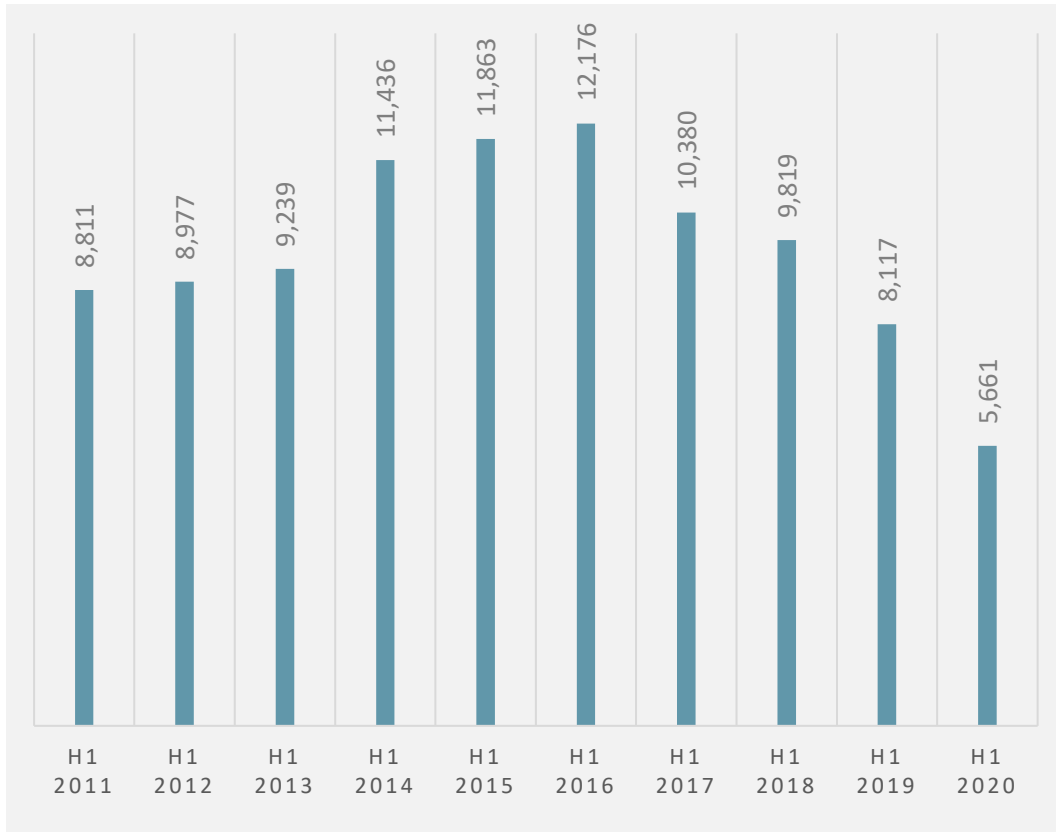


Source: CapitalIQ

INVESTOR BEHAVIOUR – PRIVATE MARKETS

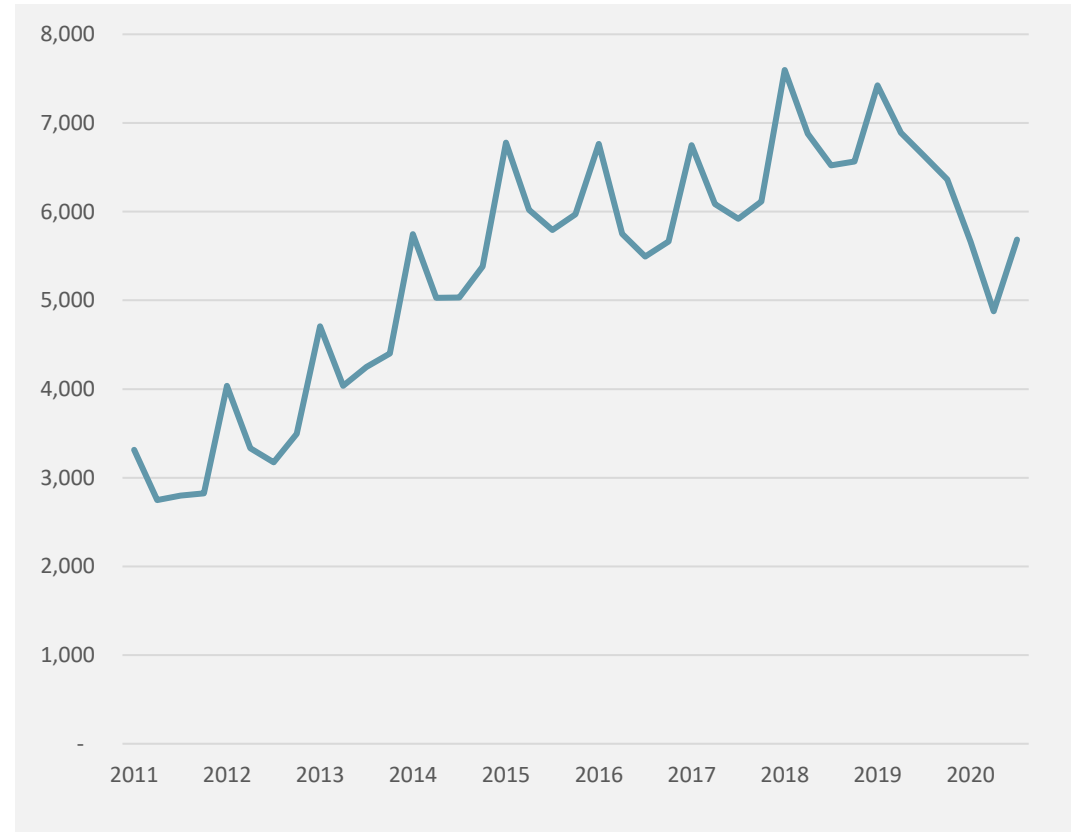
Private market investment activity is significantly reduced.

Global M&A Deal Volume - Number of deals (2011-2020)



Source: Pitchbook

Global Venture Capital Financing – Number of deals (2011-2020)



Source: Pitchbook

INVESTOR BEHAVIOUR – PRIVATE MARKETS

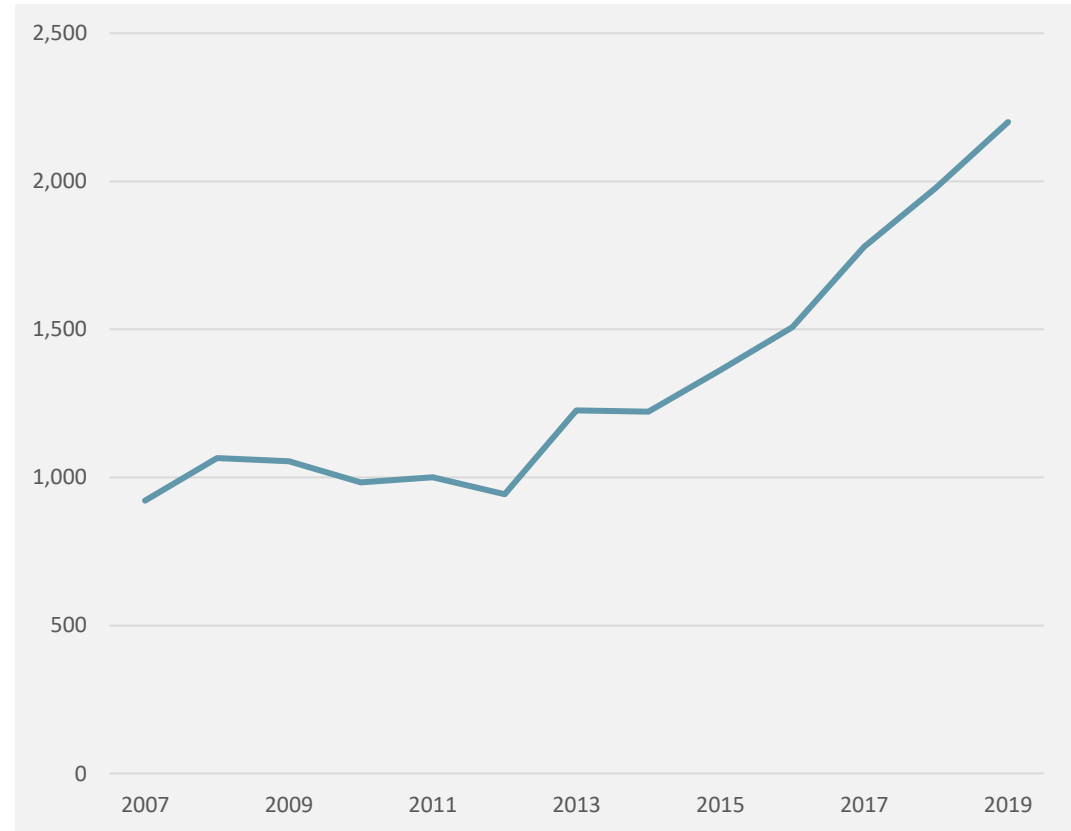
Bond yields are low and available capital is continuing to grow

Global 10 year bond rates



Source: CapitalIQ

Capital raised for investment in Unlisted Capital Markets



Source: McKinsey

THE S&P500

But if we look a bit deeper at the numbers, we can see the emergence of a two-speed economy. Technology and Other

Indexed YTD Return – S&P500

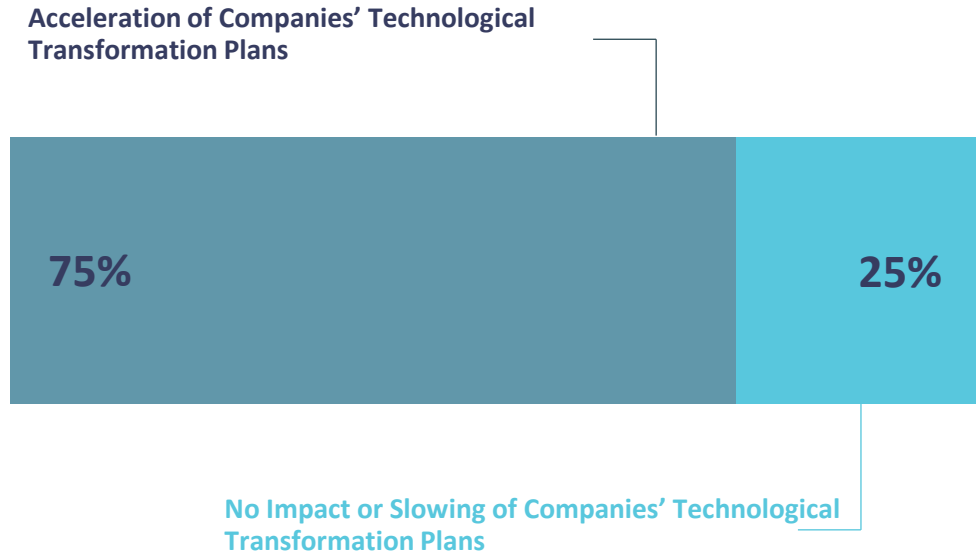
Five largest US stocks have returned 42% YTD....



Source: Factset

Fortune Survey of all the CEOs of the S&P500

Additional Effect of the Pandemic...

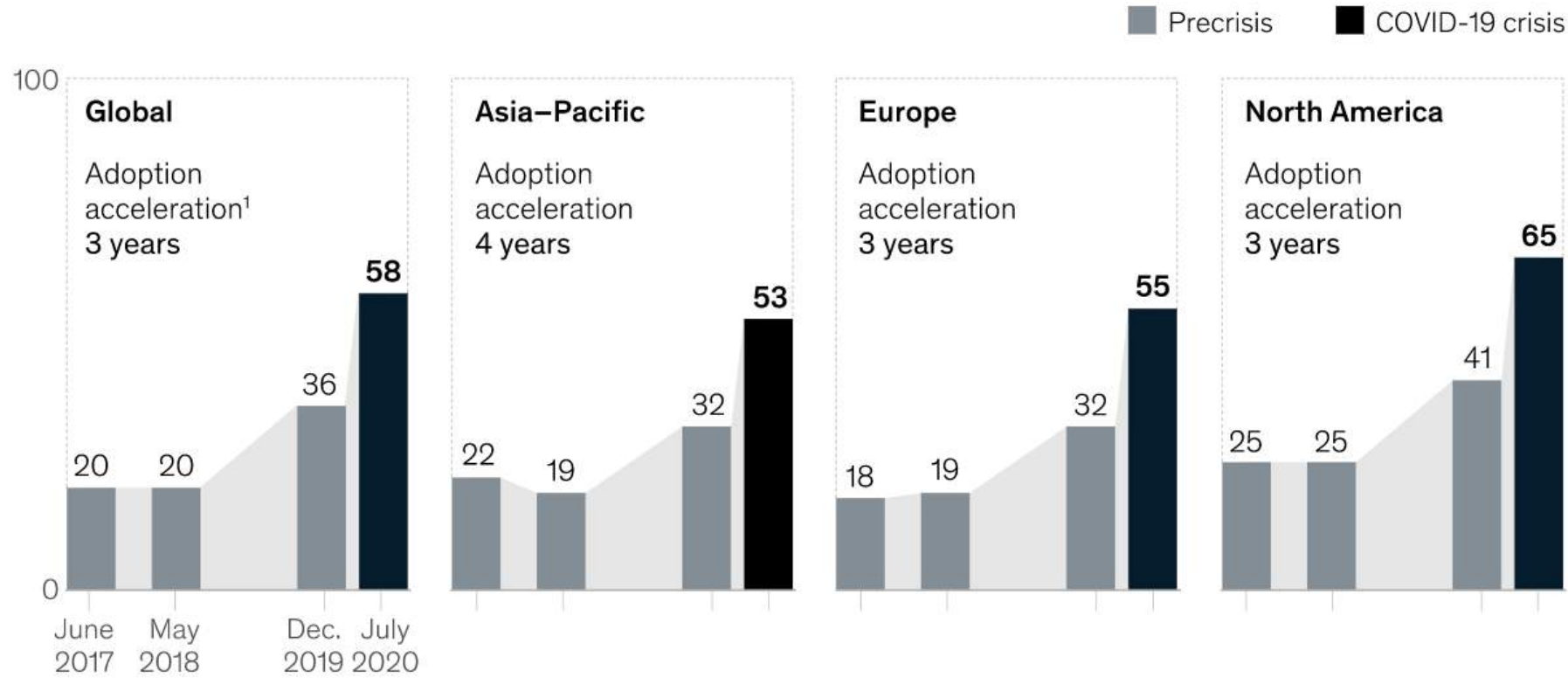


Source: Fortune

IMPACT OF COVID-19 ON TECHNOLOGY ADOPTION

The Covid-19 crisis has accelerated the digitisation of business and customer interactions

Average Share of Customer Interactions that are Digital (%)

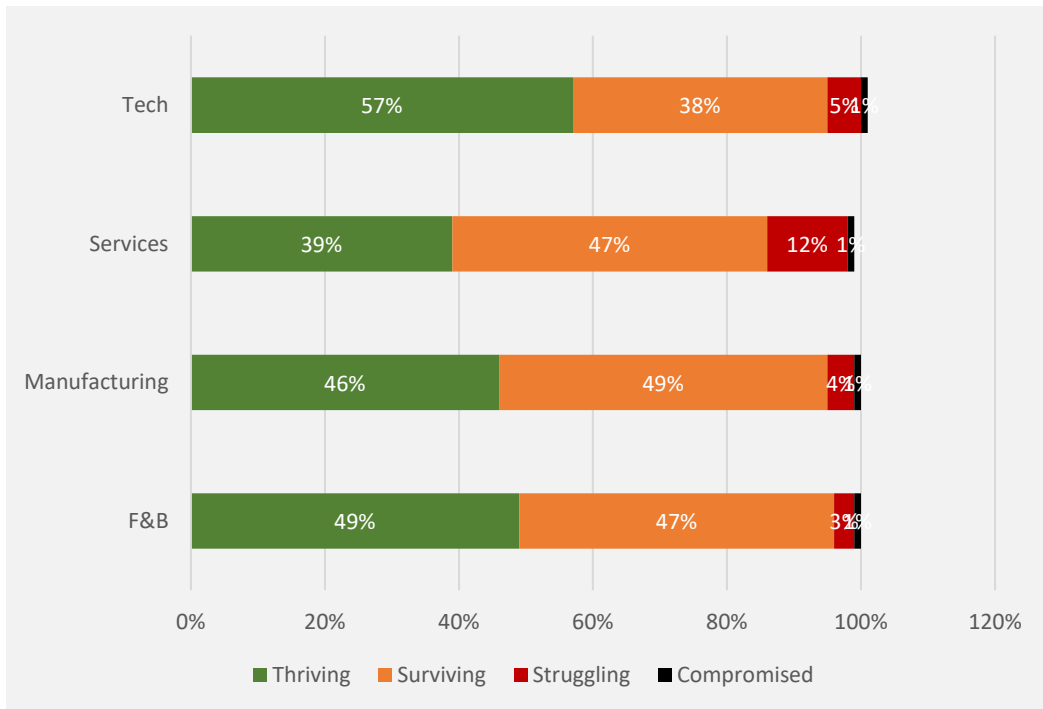


Source: McKinsey

OUR EXPORT BUSINESSES

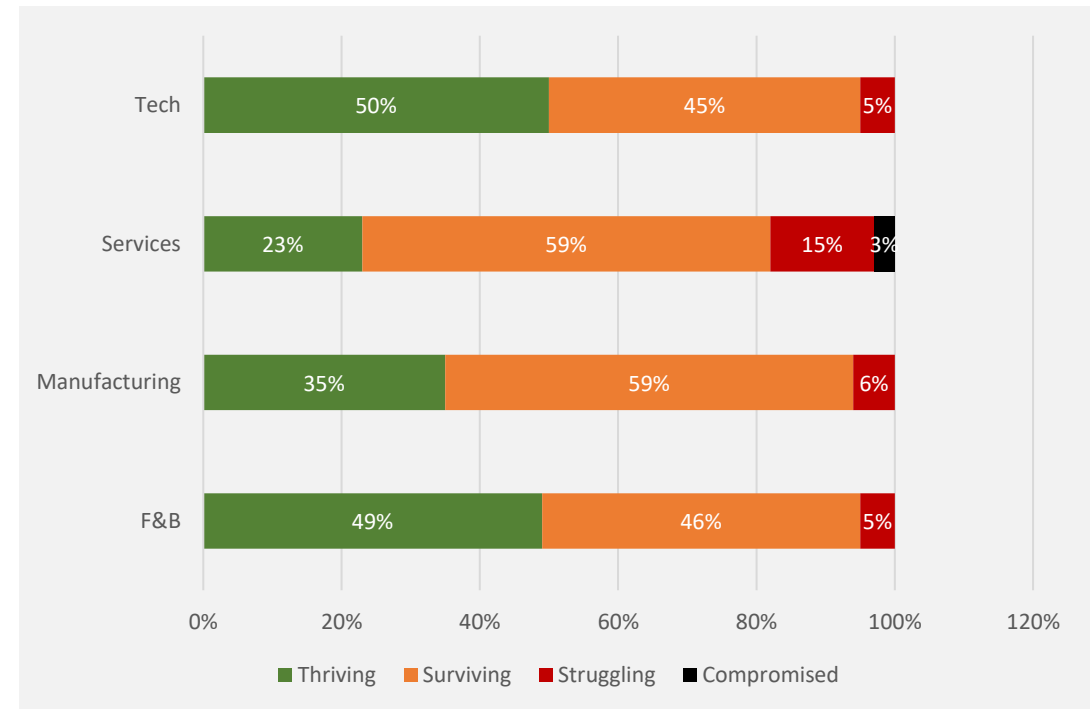
Our customers are recovering slowly from the initial impact of Covid-19, but we are also seeing the emergence of a two-speed recovery

NZTE Customer Status - Now



Source: NZTE | n= 1348

NZTE Customer Status – 6 July



Source: NZTE

OUR PEOPLE AROUND THE WORLD

It's tough. Really really tough

NZTE Office Status - Current



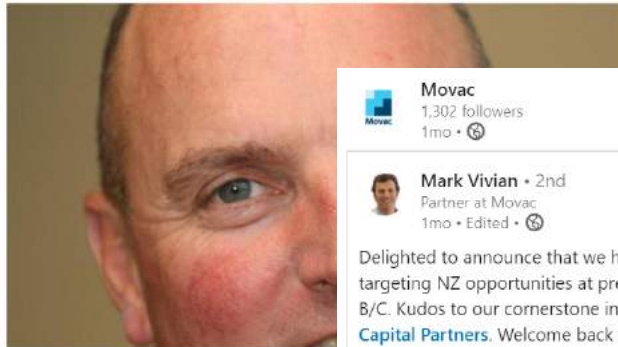
Source: NZTE

Impact of NZGCP's Elevate Fund

Elevate venture fund invests \$21.5 million into Blackbird NZ fund

8 Sep, 2020 11:00 AM

2 minutes to read



Murray Gribben, chairman of New Zealand Growth Capital Partners



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Delighted to announce that we have raised **Movac Fund 5**. It's \$200m+ tech fund targeting NZ opportunities at pre-Series A, right through to later stage Series B/C. Kudos to our cornerstone investors **Kiwi Wealth, NZ Super Fund NZ Growth Capital Partners**. Welcome back to our many returning investors from our previous **Movac** funds, and a special welcome to our new investors.

We see a huge amount of opportunity in the market right now and are so proud to have assembled such a high quality team for **Movac Fund 5** to make the very best of it.

...ess in the NZ tech sector,

BUSINESS

PREMIUM

Pacific Channel gets latest slice of Crown's \$300m Elevate fund

12 Oct, 2020 01:39 PM

3 minutes to read

The Resilience of the Māori Economy



PHOTO: GETTY IMAGES

The \$50 billion Māori economy nowhere big enough



Nerissa Hihitohia | Contributing writer
Opinion

Size is relative, and a recent report on iwi investment shows that despite the economy has a long way to go.



- A changing environment. One where the health situation globally is going to get worse before it gets better
- A world awash with capital. Low yields. Strong valuations. And heightened volatility
- Economies running at two-speeds as people and businesses rush to embrace technology at a pace not seen before
- In New Zealand, our businesses have weathered the impact of Covid-19 relatively well thus far. But we too are seeing tech businesses thrive over other types
- And we are poised for more change as we experience another stimulus into our market in the form of the NZGCP Elevate Fund