



Last Article Uploaded: Monday, November 21st, 6:59AM

[News](#)   [People](#)   [Events](#)   [Mortgages](#)   [Insurance](#)   [Blogs](#)   [Toolbox](#)   [Special Report](#)  
[Fin Planning](#)   [Regulation](#)   [Mortgages](#)   [Deposits](#)   [Insurance](#)   [KiwiSaver](#)   [Features](#)

## LATEST HEADLINES



## Stocks attractive despite government debt woes

**The panic over sovereign debt crises has left investors with some great buying opportunities in world share markets, according to Australian fund manager Nick Griffin.**

Friday, November 18th 2011, 5:44AM

by Niko Kloeten

Griffin, head of international strategy at ASX-listed K2 Asset Management, offers a more bullish view than most in the industry.

Speaking at the Meet the Managers forum hosted by Heathcote Investment Partners this week, he said that despite the Eurozone woes, major corporates are in good shape.

US listed stocks are doing particularly well, and are heading for a record year in terms of earnings per share, he said.

The overall economic picture isn't flash but isn't as gloomy as many are making out, according to Griffin.



"The deleveraging process is going to be with us for a long time, there's no sugar-coating it - it's not going to be one to two years, it will take 15 to 20 years. Banks will have to be recapitalised and debt restructured.

"Despite all this, corporate America has never been more profitable than it will be this year," he said.

American corporates are in "rude health" with cash to assets at 11%, and they are earning good dividends - Griffin said stocks are yielding 8%

while US treasury bonds are yielding only 2%.

## Latest Blogs

### [Blog: Greens Ki idea but...](#)



The Green KiwiSaver has all the but probably not

### [Blog: Forget ab Labour's policy](#)



I've said it savings po Labour der

### [Blog: Where oh KiwiSaver acco](#)



Earlier this a number c missed the and send their ar members.

### [Blog: It's not etl keep getting fee](#)

Is it ethical for fur to get manageme have been frozer should not get pa or at best should discounted - for t frozen.

### Subscribe to ou

Weekly Wrap

your email add

### Previous News

Companies are using these low interest rates to their advantage, borrowing money cheaply and then using it to buy their own stock in what he described as "straight arbitrage."

These and other factors are why K2 has increased its level of investment in the stock market back to where it was pre-financial crisis in 2007.

"During the global financial crisis we had 60% in cash but the amount we held in shares went back up to 80%. It's not ideal to have a large amount in cash when you're charging fees but it does give you flexibility.

"There's also not much point having stop losses if you can't go into cash, otherwise you would stop yourself out of BHP Billiton and go into Rio Tinto."

*Niko Kloeten can be contacted at niko@goodreturns.co.nz*

[« News Round Up: Nov 21](#)

[Major clean out at OnePath »](#)

## Quality Advice Network

Everything you need to succeed. *Easily.*

DESIGNED WITH ADVISERS | SUPPORTED BY AXA

### Comments from our readers

No comments yet

#### Add your comment:

Your name:

Your email:

Not displayed to the public

Comment:

Comments to Good Returns go through an approval process. Comments which are defamatory, abusive or in some way deemed inappropriate will not be approved. It is allowable to use some form of non-de-plume for your name, however we recommend real email addresses are used. Comments from free email addresses such as Gmail, Yahoo, Hotmail, etc may not be approved.

[Add comment](#)



[Printable version](#)



[Email to a friend](#)

Monday, Novemb

[News Round Up](#)

Friday, Novembe

[Major clean out](#)

Friday, Novembe

[FMA warns agai  
double-dipping](#)

Thursday, Novem

[Interest in local  
increasing](#)

Wednesday, Nov

[No fair price for](#)

Tuesday, Novem

[Trustees up in a  
disclaimers](#)

Monday, Novemb

[News Round Up](#)

Friday, Novembe

[Sued adviser tri](#)

[MORE NEWS»](#)

#### Most Commente

[Major clean out](#)

[KiwiSaver fee fc](#)

[Sued adviser tri](#)

[Politicians and i](#)

[Kiwibank's bold](#)

#### Mortgage Rates

[Full Rates Table](#) | [Cr](#)

Lender	Fit.
	n/a
AMP Home Loans	6.2%
AMP Home Loans \$200k +	6.1%
<b>ANZ</b>	5.7%
ASB Bank	5.7%
BankDirect	5.7%
BNZ - Classic	n/a
BNZ - GlobalPlus	5.9%
BNZ - Mortgage One	6.4%
BNZ - Rapid Repay	5.9%
BNZ - TotalMoney	5.5%

BNZ- Std, FlyBuys	5.9%
CBS Canterbury	5.9%
Credit Union	- . .

### News Quiz

Australian fund m said the economi presented some opportunities for Griffin work for?

- Kilimanjaro M
- K2 Asset Ma
- Everest Func

[Next >](#)

[All quizzes »](#)