

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2024



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.6% in October, bringing the one-year return to 16.2%. Underlying markets were weaker last month but the Fund managed to outperform these owing to the tilts in place. Bond markets saw the largest falls. Bond markets had previously looked mispriced, given the expectations for large and swift cuts to US interest rates. US economic resiliency, particularly in the labour market data, has questioned that view, and bond markets repriced sharply lower.

The Fund has been lightly exposed to bond markets, cushioning October's falls. But bonds are now looking more fairly priced and the Fund has been slowly adding back to positions accordingly. Similarly, the Fund has had a large exposure to the US dollar. Last month this position worked well as the NZ dollar fell close to 6% against the US dollar. Post the move and ahead of the US election, the Fund moderated some of this US dollar overweight.

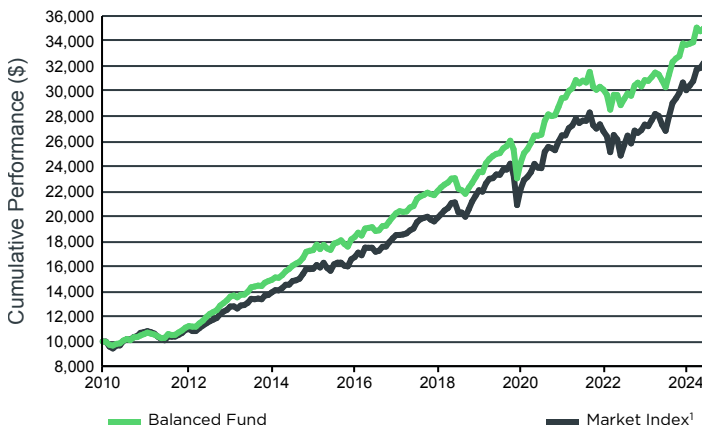
Share markets were modestly weaker in October, with outperformance from the NZ market. The Fund has increased its exposure to NZ recently, as the RBNZ rate cuts should support the economy. With the US election looming (at the time of writing), investors are sitting on their hands until there is certainty on the outcome. There is the potential for volatility in both directions from now to year end, once the US election result and likely path of policy becomes known.

To view Milford's October 2024 Market and Economic Review please see milfordasset.com/insights.

For previous fund reports see milfordasset.com/fund-reports.

Cumulative Fund Performance

(after fees and before tax)



Assumes the growth of \$10,000 invested at the Fund's inception date.

Key Fund Facts

Objective²

To provide capital growth over the minimum recommended investment timeframe

Description

Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities

Minimum recommended investment timeframe	5 years +
Target Allocation	39% Income Assets / 61% Growth Assets
Neutral FX Exposure	13.0%
Net Asset Value (NAV)	\$1,935.1 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 April 2010
Benchmark	Not applicable
Base Fund Fee³	1.05%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees⁴	1.06% (includes an est. performance fee)

Lower risk

Higher risk

Risk Indicator

1 2 3 4 5 6 7

Potentially lower returns

Potentially higher returns

External Ratings



The Milford Balanced Fund has a Morningstar Medalist Rating™ of 'Silver' as of 6-09-2023

Balanced Fund as at 31 October 2024

Investment Performance after fees as at 31 October 2024⁵

Unit Price: \$3.3598

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	0.57%	0.38%	16.15%	4.51%	7.05%	9.01%
After Tax 10.50%	0.50%	0.29%	15.58%	4.16%	6.73%	8.53%
After Tax 17.50%	0.46%	0.22%	15.20%	3.93%	6.51%	8.22%
After Tax 28.00%	0.40%	0.13%	14.63%	3.58%	6.19%	7.75%
Market Index ¹	0.21%	1.83%	20.45%	5.34%	6.74%	8.37%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.93%
Microsoft	1.80%
Infratil	1.48%
CRH	1.38%
Shell	1.30%
Coca-Cola Europacific Partners	1.13%
Telstra	1.08%
Spark	1.03%
Natwest	1.01%
Amazon	0.92%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	9.85%	8%
New Zealand Fixed Interest	7.25%	6%
International Fixed Interest	24.49%	25.0%
New Zealand Equities	8.17%	10.5%
Australian Equities	11.20%	13.5%
International Equities	34.34%	30%
Listed Property	4.70%	7%
Other	0.00%	0.0%

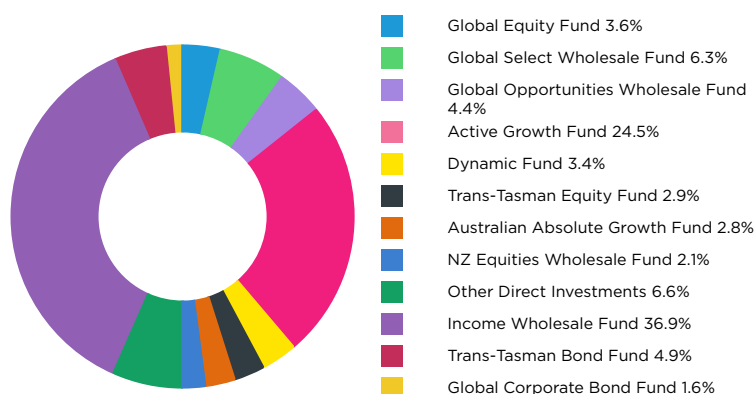
The actual cash held by the Fund is 9.14%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	0.75%
Origin Energy 5.35% 2031	0.67%
Scentre Group 5.125% 2080	0.63%
EnBW International Finance 6.048% 2034	0.54%
ANZ 4.95% 2029	0.52%
Westpac 5.754% 2034	0.48%
NatWest 5.125% Perpetual	0.46%
NZLGFA 4.5% 2030	0.39%
Bank of Ireland 7.594% 2032	0.37%
Contact 6.398% 2030	0.36%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Fund Allocation



1. The Fund does not have a performance benchmark, hence a market index has been included for comparison purposes. See the Statement of Investment Policy and Objectives for more details on the market index. The market index is a blend of indices that represent the Fund's neutral asset allocation. Note the Fund's investment strategy is designed to achieve its objective, which may mean that at times, the returns of the market index may not be an appropriate measure. 2. After the Base Fund Fee but before tax and before the performance fee. 3. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 4. The Total Fund Fees comprise the Base Fund Fee and any estimated Performance Fee. Please refer to the Product Disclosure Statement for more information as to how these are calculated. 5. Please note past performance is not a guarantee of future returns.

Please refer to the 'Glossary for the Monthly Fact Sheet' at milfordasset.com/fact-sheet for more information about the data published within this document.

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