

# Global Corporate Bond Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 May 2026



## Portfolio Managers



**Anthony Ip**  
Portfolio Manager



**Ian Robertson**  
Co-Portfolio Manager



**Paul Morris**  
Co-Portfolio Manager

The Fund returned 0.3% in May, which was 0.4% behind the benchmark. The Fund's absolute return was boosted by lower market interest rates, as well as tightening of credit spreads (the extra yield of corporate bonds over government bonds) in most of the key currencies to which the Fund has exposure. Relative returns versus the benchmark were constrained by the Fund's underweight positioning with respect to market interest rates and credit spreads - where we remain cautious given still high inflation in many markets and demanding valuations for risk assets.

Markets still expect central banks to keep policy interest rates high because of the inflation impact from the war in Iran. Even so, market interest rates in most of the Fund's key markets fell over the month, as markets increasingly priced in the impact of the conflict on growth. The US was the exception, where sticky inflation and resilient growth led market pricing to anticipate rate hikes. The Fund's interest rate exposure remains overweight, mainly in Australasia and Europe, away from the US, which helped reduce the negative impact.

The Fund continued to actively turnover its corporate bond positions during the month. New investments include the incumbent US telco Verizon's US dollar hybrid bond and UK bank Barclays PLC's inaugural AU dollar subordinated bond, at New Zealand dollar equivalent yields of 4.8% and 6% respectively. While the Fund remains cautiously underweight corporate credit exposure relative to the index, it will continue to look at selective higher-yielding/higher beta opportunities where risk-reward is attractive.

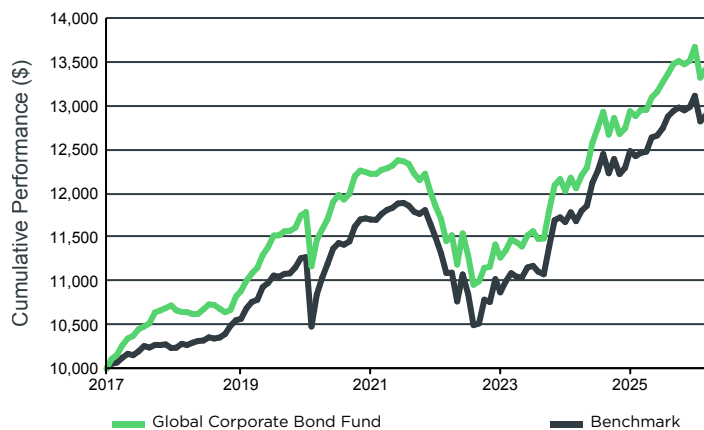
Looking ahead, we remain positive on the medium-term return outlook. While credit market valuations remain tight, historically attractive bond yields provide a cushion against market volatility.

To view Milford's May 2026 Market and Economic Review please see [milfordasset.com/insights](http://milfordasset.com/insights).

For previous fund reports see [milfordasset.com/fund-reports](http://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, and assumes reinvestment of distribution.

## Key Fund Facts

<b>Objective<sup>1</sup></b>	To protect capital and generate a positive NZD hedged return that exceeds the relevant benchmark over the minimum recommended investment timeframe.
<b>Description</b>	Primarily invests in global corporate fixed interest securities
<b>Minimum recommended investment timeframe</b>	3 years +
<b>Target Allocation</b>	100% Income Assets / 0% Growth Assets
<b>Neutral FX Exposure</b>	0%
<b>Net Asset Value (NAV)</b>	\$411.9 M
<b>Yield<sup>2</sup></b>	3.26%
<b>Average Credit Rating</b>	BBB+
<b>Duration</b>	5.54 years
<b>Rating Categories</b>	Inv.Grade 88% / High Yield 5%
<b>Inception Date</b>	1 February 2017
<b>Current Distribution</b>	0.55 cents per unit (Quarterly)
<b>Benchmark</b>	Bloomberg Global Aggregate Corporate Total Return Index (100% NZD-hedged)
<b>Base Fund Fee<sup>3</sup></b>	0.85%
<b>Performance Fee</b>	Not applicable
<b>Total Fund Fees<sup>4</sup></b>	0.85%

	Lower risk						Higher risk
<b>Risk Indicator</b>	1	2	3	4	5	6	7
	Potentially lower returns				Potentially higher returns		

# Global Corporate Bond Fund as at 31 May 2026

## Investment Performance after fees as at 31 May 2026<sup>5</sup>

Unit Price: \$1.0666

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Global Corporate Bond Fund (Gross Of Tax)	0.33%	-1.53%	3.93%	5.57%	1.85%	3.24%
After Tax 10.50%	0.28%	-1.38%	3.51%	4.98%	1.66%	2.90%
After Tax 17.50%	0.25%	-1.29%	3.22%	4.59%	1.53%	2.67%
After Tax 28.00%	0.21%	-1.14%	2.80%	4.00%	1.34%	2.34%
Benchmark	0.75%	-0.99%	4.08%	5.53%	1.91%	2.84%

## Top Fixed Interest Holdings

Holdings	% of Fund
Goodman 5.125% 2034	4.08%
Bank Of America 5.872% 2034	3.69%
T-Mobile 2.55% 2031	3.38%
Westpac Float 2031	3.18%
OMERS Finance 5.75% 2036	2.93%
Permanent TSB 3.875% 2035	2.88%
T-Mobile 3.625% 2035	2.87%
Morgan Stanley 5.32% 2035	2.74%
Verizon 4.75% 2033	2.49%
Sumitomo Mitsui 3.536% 2030	2.43%
HSBC 6.597% 2037	2.18%
Carnival Corp 6.125% 2033	2.11%
Bank Of America 5.464% 2036	2.10%
Experian 5.25% 2035	2.09%
NIE Finance 5.875% 2041	2.08%
Santos 5.75% 2035	2.07%
GE Vernova 4.875% 2036	2.05%
Dell 4.75% 2032	2.05%
APA Infrastructure 5% 2035	2.02%
Nationwide Building Society 3.828% 2032	2.00%

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

## Current Asset Allocation

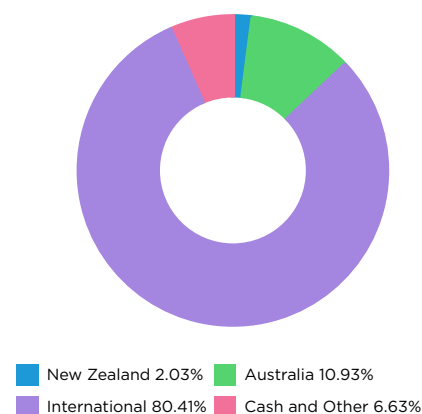
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	4.06%	5%
New Zealand Fixed Interest	3.86%	0.0%
International Fixed Interest	91.39%	95.0%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.69%	0.0%

# The actual cash held by the Fund is 1.53%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

## Sector Allocation

Allocation	Weight %
Financials	37.45%
Communication Services	14.47%
Utilities	8.21%
Real Estate	7.47%
Industrials	6.58%
Energy	5.59%
Consumer Discretionary	4.30%
Information Technology	3.70%
Other Sectors	5.62%
Cash and Other	6.61%

## Region Exposure



1. After the Base Fund Fee but before tax. 2. The yield to maturity is not an indicator of future return, but reflects the current yield to maturity of the fund's underlying holdings (before tax and after the base fund 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. Includes the reinvestment of distributions. Returns prior to 1 March 2018 are from when the Fund was previously offered to wholesale investors only and have been adjusted for the current Total Fund Fees. 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](http://milfordasset.com/fact-sheet) for more information about the data published within this document.

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