

Global Corporate Bond Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 November 2024



Portfolio Managers



Anthony Ip
Portfolio Manager



Ian Robertson
Co-Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 1.5% during November which was 0.2% ahead the benchmark. It was a volatile month for global interest rate and credit markets, partly driven by the US election, and the AU and NZ dollar fixed income markets were not immune to this volatility.

Australian and NZ credit spreads (the extra yield of corporate bonds over government bonds) generally tracked wider during the month, which created a headwind to returns for the Fund. November saw a number of corporates and banks access debt capital markets on both sides of the Tasman. While the majority of this issuance was well absorbed by the market, there were signs of fatigue in the latter half of the month, with new primary issuance leading secondary market credit spreads wider. The Fund used the opportunity to trim more expensive holdings to redeploy into better value opportunities.

New investments this month included subordinated notes from Commonwealth Bank of Australia, as well as Scentre Group (retail landlord in Australia) and Iberdrola (European utility) senior AU dollar bonds at yields of around 6%.

The Fund maintains an underweight NZ dollar and AU dollar interest rate exposure, which was a headwind to relative returns as market interest rates generally fell during the month. Ongoing high government bond supply and the inflation risks associated with a potential economic reacceleration, mean there is still some uncertainty as to the direction of medium and longer term market interest rates.

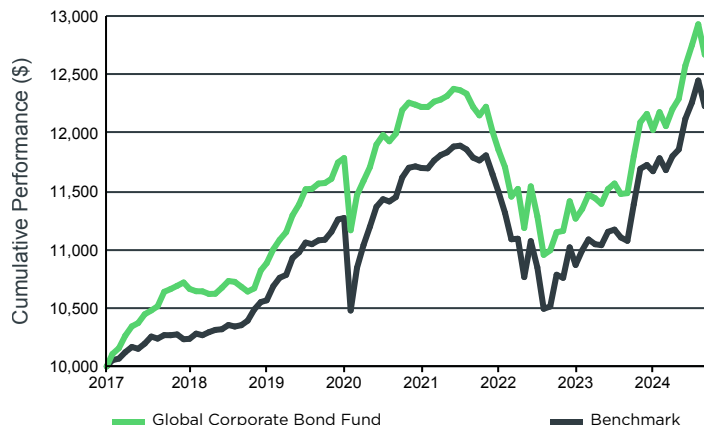
Looking ahead, higher market rates underpin an ongoing attractive medium-term return outlook for the Fund, with bonds providing a material income cushion against most conceivable bond market weakness. We remain constructive on AU dollar credit markets on valuation and fundamental reasons. We are cautious on NZ dollar fixed income, due to our view on increased supply (both corporate and government) in future.

To view Milford's November 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, and assumes reinvestment of distribution.

Key Fund Facts

Objective¹	To protect capital and generate a positive NZD hedged return that exceeds the relevant benchmark over the minimum recommended investment timeframe.
Description	Primarily invests in global corporate fixed interest securities
Minimum recommended investment timeframe	3 years +
Target Allocation	100% Income Assets / 0% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$357.3 M
Yield²	3.99%
Average Credit Rating	BBB+
Duration	5.73 years
Rating Categories	Inv.Grade 78% / High Yield 10%
Inception Date	1 February 2017
Current Distribution	0.85 cents per unit (Quarterly)
Benchmark	Bloomberg Global Aggregate Corporate Total Return Index (100% NZD-hedged)
Base Fund Fee³	0.85%
Performance Fee	Not applicable
Total Fund Fees⁴	0.85%

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



Global Corporate Bond Fund as at 30 November 2024

Investment Performance after fees as at 30 November 2024⁵

Unit Price: \$1.066

	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)	1.51%	0.87%	8.98%	1.91%	2.13%	3.26%
After Tax 10.50%	1.37%	0.78%	8.02%	1.72%	1.92%	2.92%
After Tax 17.50%	1.28%	0.72%	7.39%	1.60%	1.78%	2.70%
After Tax 28.00%	1.15%	0.63%	6.45%	1.41%	1.56%	2.36%
Benchmark	1.33%	1.08%	8.81%	1.75%	2.25%	2.77%

Top Fixed Interest Holdings

Holdings	% of Fund
Westpac 5.618% 2035	4.31%
Goodman US 5.125% 2034	2.60%
Smurfit Kappa 5.2% 2030	2.45%
Citigroup 5.592% 2034	2.38%
Asciano 4.75% 2028	2.30%
American Tower 3.8% 2029	2.30%
NBS 3.828% 2032	2.09%
CNH Industrial 3.75% 2031	2.08%
NAB 5.181% 2034	1.99%
NXP BV 4.3% 2029	1.89%
British Telecommunications 8.375% 2083	1.87%
Barclays 7.385% 2028	1.77%
TSB 6.625% 2029	1.71%
Experian Finance 4.25% 2029	1.65%
Lloyds Bank 4.75% 2031	1.64%
McDonald's 3.875% 2031	1.63%
KBC Group 4.25% 2029	1.57%
Vertical Midco 4.375% 2027	1.52%
Fiserv 6% 2033	1.49%
Origin Energy 5.35% 2031	1.47%

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

Current Asset Allocation

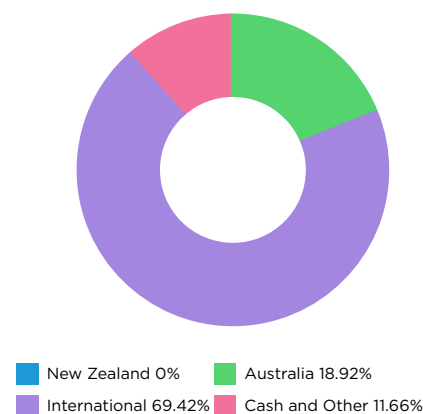
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	11.58%	5%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	88.34%	95.0%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.08%	0.0%

The actual cash held by the Fund is 10.42%. 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	35.20%
Industrials	11.89%
Communication Services	7.91%
Utilities	7.27%
Real Estate	7.03%
Materials	4.85%
Energy	3.65%
Consumer Discretionary	3.43%
Other Sectors	7.11%
Cash and Other	11.66%

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 for more information about the data published within this document.

Disclaimer: The Milford Fund Fact Sheet has been prepared by Milford Funds Limited. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. No reproduction of any material either in part or in full is permitted without prior permission. For more information about the Fund, please refer to the Production Disclosure Statement or the latest Quarterly Fund Update.