

Global Corporate Bond Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 January 2025



Portfolio Managers



Anthony Ip
Portfolio Manager



Ian Robertson
Co-Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.5% in January, which was slightly behind the benchmark 0.6%. The month was marked by a round trip in global market interest rates as continued strong economic data, particularly in the United States (especially labour market data), led to a resetting of central bank rate cut expectations. Inflation data continued to ease in key regions, including Europe and the United States, though stronger-than-expected U.S. employment reports maintained investor caution around future rate movements. The Fund remains underweight interest rate duration, particularly in USD rates, where we continue to observe economic and fiscal headwinds that could pressure bond markets.

On the credit side, the Fund maintained an underweight position to the credit market reflecting our continued view that valuations in USD credit remain expensive. Against that, the Fund maintains an overweight credit position to Euro and AUD markets, as well as an overweight to the high yield market. This supported Fund returns during the month, with European credit in particular outperforming other key markets.

Australian and European credit exposures remain key components of the Fund's portfolio strategy, where relative valuations continue to present attractive opportunities. We selectively added exposure to high-quality telco and bank issuers and initiated a new position in Netflix. This investment reflects our view of the company's strong cash flow profile, resilient subscriber base, and solid credit fundamentals amid an evolving media landscape.

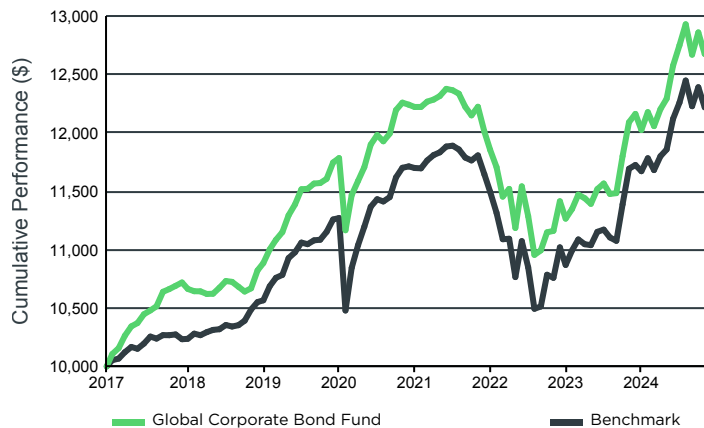
Looking forward, the Fund remains defensively positioned with a larger-than-average cash balance, which provides flexibility to take advantage of expected issuances in primary markets. Despite tight corporate bond valuations, higher market interest rates continue to underpin an attractive medium-term return outlook, with income cushioning against potential bond market weakness.

To view Milford's January 2025 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)	\$400.9 M
Yield²	4.35%
Average Credit Rating	BBB+
Duration	5.4 years
Rating Categories	Inv.Grade 78% / High Yield 8%
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 31 January 2025

Investment Performance after fees as at 31 January 2025⁵

Unit Price: \$1.0477

	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)	0.52%	0.57%	4.75%	1.98%	1.64%	3.07%
After Tax 10.50%	0.46%	0.53%	4.26%	1.79%	1.48%	2.75%
After Tax 17.50%	0.43%	0.51%	3.93%	1.66%	1.37%	2.54%
After Tax 28.00%	0.37%	0.48%	3.44%	1.46%	1.21%	2.22%
Benchmark	0.59%	0.51%	4.82%	1.81%	1.77%	2.61%

Top Fixed Interest Holdings

Holdings	% of Fund
Westpac 5.618% 2035	4.03%
NAB 5.698% 2035	3.16%
Broadcom 5.2% 2032	3.15%
Credit Suisse 4.194% 2031	2.61%
Aroundtown 4.8% 2029	2.47%
Goodman US 5.125% 2034	2.43%
T-Mobile 2.55% 2031	2.36%
Smurfit Kappa 5.2% 2030	2.27%
Morgan Stanley 5.23% 2031	2.26%
Citigroup 5.592% 2034	2.26%
Asciano 4.75% 2028	2.20%
American Tower 3.8% 2029	2.17%
APT Pipelines 5% 2035	2.16%
NBS 3.828% 2032	1.95%
NAB 5.181% 2034	1.82%
NXP BV 4.3% 2029	1.75%
Barclays 7.385% 2028	1.69%
British Telecommunications 8.375% 2083	1.63%
TSB 6.625% 2029	1.60%
Experian Finance 4.25% 2029	1.57%

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

Current Asset Allocation

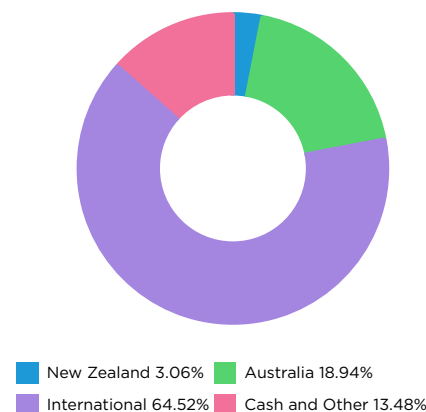
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	13.48%	5%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	86.52%	95.0%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 12.05%. 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	34.04%
Communication Services	9.25%
Industrials	8.48%
Real Estate	7.95%
Utilities	6.58%
Information Technology	4.75%
Materials	4.30%
Energy	3.96%
Other Sectors	7.21%
Cash and Other	13.48%

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.

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