

# Global Corporate Bond Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 March 2026



## Portfolio Managers



**Anthony Ip**  
Portfolio Manager



**Ian Robertson**  
Co-Portfolio Manager



**Paul Morris**  
Co-Portfolio Manager

The sell-off in government and corporate bonds in reaction to the Middle East conflict has weighed on Fund returns. Even more than normal, near-term returns are likely to remain uncertain (both up and down) until there is resolution of the conflict. For medium-term returns, however, we are more confident given the now more reasonable valuations in the bond market. The Fund fell 2.6% in March, which was 0.3% behind the benchmark. Key headwinds to relative returns were the Fund's overweight positioning to sub-investment grade corporate bonds and bank subordinated debt - both sectors were disproportionately hit by weak market sentiment during the month.

Fund returns were negatively impacted by a spike higher in market interest rates as expectations ramped that central banks will hike policy rates to combat higher inflation risks (due to higher energy prices). On average, credit spreads (the extra yield of corporate bonds over government bonds) widened 0.1% to 0.2% during the month, which further weighed on corporate bond returns. For context, it was the weakest month for global corporate bonds since October 2024.

Notwithstanding the weak market, the Fund used the volatility to deploy capital into high quality opportunities with attractive risk-reward. Examples this month include Japanese megabank Sumitomo Mitsui Banking Corp and Australian airport operator Melbourne Airport in the euro-denominated European bond market, where the primary market discount offered was attractive. The Fund also increased its exposure to North American cruise operator Carnival Cruises following recent weakness due to concerns over travel demand (which we believe is overdone).

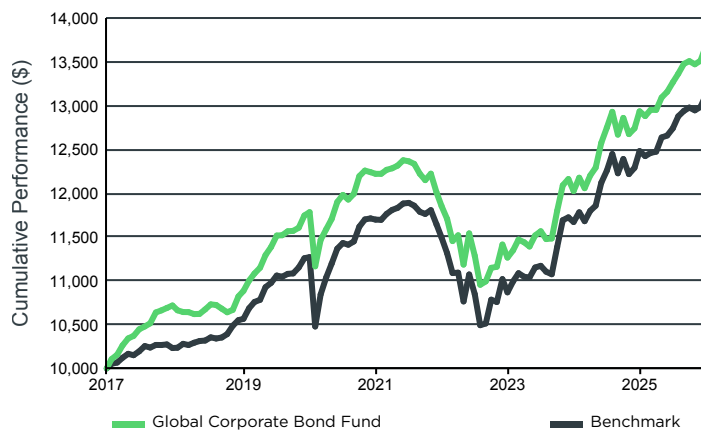
Looking ahead, the reset in lower bond valuations offer an improved medium-term risk reward outlook. Crisis resolution or stability is likely needed for market volatility to abate. However, whether it extends or is resolved, expectations for interest rate hikes (represented by high market interest rates) appear overdone. This makes the returns from bonds attractive and will provide a strong underpinning for medium-term Fund returns.

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

For previous fund reports see [milfordasset.com/fund-reports](https://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>	\$406.9 M
<b>Yield<sup>2</sup></b>	3.37%
<b>Average Credit Rating</b>	BBB+
<b>Duration</b>	5.66 years
<b>Rating Categories</b>	Inv.Grade 95% / High Yield 4%
<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%
<b>Risk Indicator</b>	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Lower risk</span> <span>Higher risk</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span style="border: 2px solid green; border-radius: 50%; padding: 2px 5px;">3</span> <span>4</span> <span>5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>

# Global Corporate Bond Fund as at 31 March 2026

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

Unit Price: \$1.0553

	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)	-2.57%	-1.14%	3.40%	5.48%	1.73%	3.18%
After Tax 10.50%	-2.33%	-0.97%	3.04%	4.90%	1.56%	2.84%
After Tax 17.50%	-2.17%	-0.86%	2.81%	4.52%	1.44%	2.62%
After Tax 28.00%	-1.93%	-0.70%	2.45%	3.94%	1.26%	2.29%
Benchmark	-2.23%	-0.97%	3.19%	5.25%	1.85%	2.75%

## Top Fixed Interest Holdings

Holdings	% of Fund
Goodman 5.125% 2034	4.38%
Bank Of America 5.872% 2034	3.85%
T-Mobile 2.55% 2031	3.54%
Barclays Float 2029	3.01%
Permanent TSB 3.875% 2035	2.93%
T-Mobile 3.625% 2035	2.90%
Morgan Stanley 5.32% 2035	2.84%
Verizon 4.75% 2033	2.60%
Citigroup 5.174% 2036	2.57%
CBA 3.788% 2037	2.49%
Sumitomo Mitsui 3.536% 2030	2.49%
Bank Of America 5.464% 2036	2.25%
Santos 5.75% 2035	2.20%
Carnival Corp 6.125% 2033	2.19%
Experian 5.25% 2035	2.19%
Dell 4.75% 2032	2.18%
CBA Float 2029	2.16%
Macquarie Float 2029	2.15%
GE Vernova 4.875% 2036	2.15%
APA Infrastructure 5% 2035	2.12%

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

## Current Asset Allocation

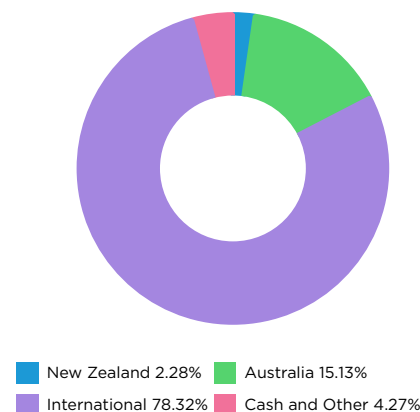
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	2.59%	5%
New Zealand Fixed Interest	4.10%	0.0%
International Fixed Interest	93.31%	95.0%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

# The actual cash held by the Fund is -0.34%. 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	40.69%
Communication Services	15.73%
Industrials	7.80%
Utilities	7.15%
Real Estate	6.29%
Consumer Discretionary	4.27%
Energy	4.18%
Materials	3.90%
Other Sectors	5.74%
Cash and Other	4.25%

## 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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