

# Active Growth Fund

## Portfolio Investment Entity

Monthly Fact Sheet as at 28 February 2023



### Portfolio Managers



**Jonathan Windust**  
Portfolio Manager



**William Curtayne**  
Co-Portfolio Manager

The Fund rose 0.3% in February despite negative returns from share market indices; New Zealand (-0.6%), Australia (-2.5%) and global (-1.6%). Markets fell in response to stronger inflation and employment data in the United States. Stronger data means central banks will likely need to increase interest rates further and keep them higher for longer to meet their inflation targets. The Fund's performance benefited from good company selection, interest rate risk management and an increased exposure to the US dollar which rose 4.1% versus the NZ dollar over the month.

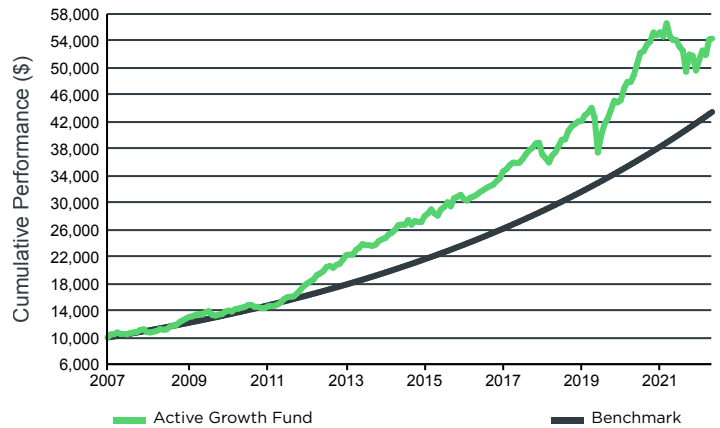
Key positive company performers during the month included QBE Insurance (+9.8%), Origin Energy (+10.4%), Fiserv (+7.9%) and Analog Devices (+7.5%). QBE rose following a good result, and guidance showing new management is delivering on the strategy to generate more consistent results. Origin shares benefited from a revised takeover offer for the company. Fiserv is a global payment and financial service technology company which rose following a strong result, with profits up 16% on the year. We believe Fiserv is well positioned and managed, and will continue to grow and take market share within the markets within which it operates.

The short-term outlook for share markets remains uncertain with the prospect that higher interest rates will slow future economic and company earnings growth. Higher interest rates and relatively high share market valuations mean the return premium on shares has reduced. Positives for shares however include resilient growth, inflation rates falling (albeit remaining high), China reopening and lower energy prices in Europe. Given the uncertain backdrop, the Fund retains a lower weight to shares and a higher weight to company bonds (fixed income) than normal. We believe the current yield on select company bonds is attractive with good returns available relative to their risk. Within shares, the Milford investment team remains active to isolate attractive company investments which have strong medium-term risk and return prospects.

To view Milford's March 2023 Market and Economic Review please see [milfordasset.com/investor-centre](https://milfordasset.com/investor-centre).

### Cumulative Fund Performance

(after fees and before tax)



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

### Key Fund Facts

<b>Objective<sup>1</sup></b>	To provide annual returns of 10% over the minimum recommended investment timeframe
<b>Description</b>	Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities

<b>Minimum recommended investment timeframe</b>	7 years +
<b>Target Allocation</b>	22% Income Assets / 78% Growth Assets
<b>Neutral FX Exposure</b>	16.0%
<b>Net Asset Value (NAV)</b>	\$2,793.4 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 October 2007
<b>Benchmark</b>	10% p.a.
<b>Base Fund Fee<sup>2</sup></b>	1.05%
<b>Performance Fee</b>	15% of the Fund's returns above the Benchmark <sup>1</sup> , subject to the high watermark.
<b>Total Fund Fees<sup>3</sup></b>	1.20% (includes an est. performance fee)

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

### External Ratings



Milford Active Growth Fund received a Morningstar Analyst Rating™ of 'Silver' on 07-07-2020

## Active Growth Fund as at 28 February 2023

### Investment Performance after fees as at 28 February 2023<sup>4</sup>

Unit Price: \$5.036

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Active Growth Fund (Gross Of Tax)	0.25%	3.36%	0.36%	8.44%	8.64%	11.61%
After Tax 10.50%	0.23%	3.16%	0.22%	8.24%	8.41%	11.14%
After Tax 17.50%	0.22%	3.03%	0.12%	8.11%	8.25%	10.94%
After Tax 28.00%	0.19%	2.83%	-0.02%	7.91%	8.01%	10.56%
Benchmark	0.73%	2.38%	10.0%	10.0%	10.0%	10.0%

### Top Equity Holdings

Holdings	% of Fund
Contact Energy	3.41%
Shell	2.46%
Natwest	1.92%
HCA Holdings	1.68%
Santos	1.56%
JPMorgan	1.53%
Boston Scientific	1.50%
Barclays	1.46%
CRH	1.44%
Charter Hall Retail	1.43%

### Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	15.48%	6%
New Zealand Fixed Interest	1.11%	2%
International Fixed Interest	27.00%	14.0%
New Zealand Equities	11.84%	16%
Australian Equities	13.15%	18%
International Equities	31.16%	44%
Other	0.26%	0.0%

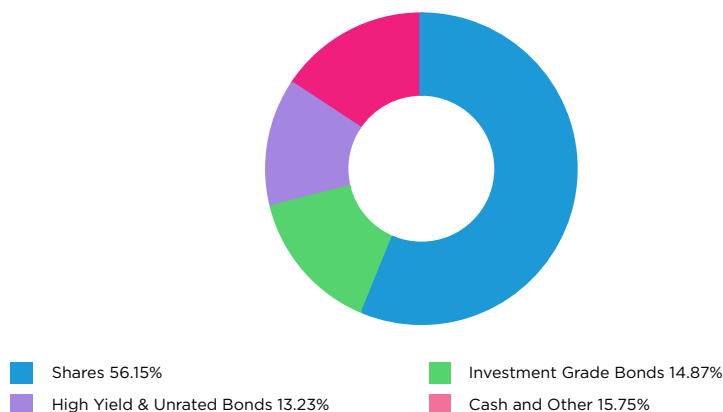
# The actual cash held by the Fund is 8.73%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

### Top Fixed Interest Holdings

Holdings	% of Fund
NatWest 5.125% Perpetual	1.86%
Scentre Group 5.125% 2080	1.14%
ING Groep 4.25% Perpetual	1.07%
CBA 6.86% 2032	0.99%
Barclays 4.375% Perpetual	0.89%
ANZ 6.405% 2034	0.80%
Westpac 5% 2027	0.75%
Brisbane Airport 4.5% 2030	0.71%
Lloyds Bank 5.125% Perpetual	0.70%
Woolworths 2.8% 2030	0.69%

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

### Fund Portfolio Mix



1. After the base fund fee but before tax and before the performance fee. 2. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 3. 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. 4. 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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