

# Active Growth Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 30 June 2023



## Portfolio Managers



**Jonathan Windust**  
Portfolio Manager



**William Curtayne**  
Co-Portfolio Manager

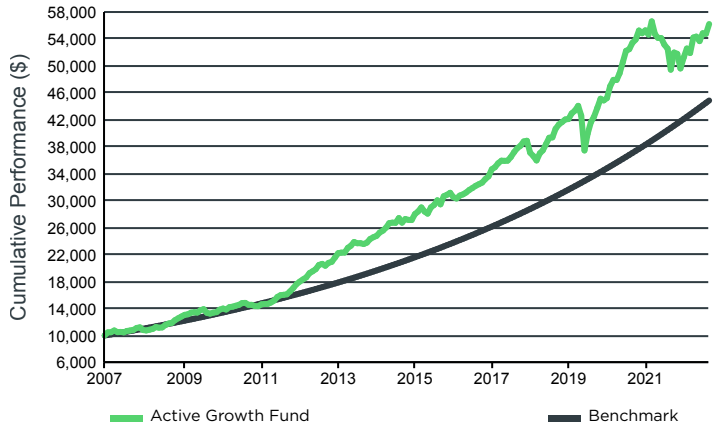
The Fund returned 2.7% in June, benefiting from strong share market returns in New Zealand (+0.9%), Australia (+1.6%) and global (+6.0%). Shares benefited from investor optimism that the US economy would avoid recession and achieve a soft landing. The Fund performed relatively well despite defensive positioning due to strong company selection.

Key positive contributors for the month were international electrical distribution company Wesco (+30.6%), agricultural equipment manufacturer AGCO (+19.2%), US hospital company HCA Healthcare (+15.1%) and US homebuilder PulteGroup (+17.8%). Wesco performed well on the back of improving data in the US construction market, where it is highly levered to manufacturing, data centres and utilities. AGCO benefited from a positive response to its precision agriculture event, where it demonstrated how its precision solutions can be used in practice, and the savings it can offer farmers. HCA benefited from greater hospital admissions, as well as a positive response to its agreement to buy 41 urgent care centres in Texas to gain further market share. PulteGroup was strong on the back of positive US housing market data, indicating that construction activity continues to recover.

The short-term outlook for shares remains uncertain, with the prospect that higher interest rates and tighter lending conditions will slow future economic and company earnings growth. Positives for shares include more resilient economic growth, company-specific growth opportunities and the prospect that inflation and central bank rate rises are close to a peak. Given the uncertain backdrop, high valuations for shares relative to history, and returns on fixed income, the Fund retains a lower weight to shares and a higher weight to cash and fixed income than typical. Whilst valuations of shares are high in aggregate, the dispersion between companies is high, providing attractive opportunities for active management. The Milford team remains active to isolate attractive companies which we believe will deliver attractive medium-term returns.

To view Milford's June 2023 Market and Economic Review please see [milfordasset.com/insights](https://milfordasset.com/insights).

## 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>	\$2,877.8 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)
<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>3</span> <span>4</span> <span style="border: 2px solid green; border-radius: 50%; padding: 2px 5px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>

## External Ratings



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

## Active Growth Fund as at 30 June 2023

### Investment Performance after fees as at 30 June 2023<sup>4</sup>

Unit Price: \$5.2027

	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)	2.67%	4.74%	13.72%	9.81%	8.27%	11.59%
After Tax 10.50%	2.67%	4.64%	13.51%	9.60%	8.05%	11.13%
After Tax 17.50%	2.67%	4.58%	13.37%	9.46%	7.89%	10.94%
After Tax 28.00%	2.67%	4.48%	13.16%	9.26%	7.66%	10.57%
Benchmark	0.79%	2.40%	10.0%	10.0%	10.0%	10.0%

### Top Equity Holdings

Holdings	% of Fund
Contact Energy	3.12%
HCA Holdings	2.05%
Coca-Cola Europacific Partners	1.58%
Charter Hall Retail	1.54%
Shell	1.52%
Lowe's	1.49%
Elevance Health	1.48%
Aena SME	1.46%
CRH	1.42%
Spark	1.27%

### Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	10.86%	6%
New Zealand Fixed Interest	1.93%	2%
International Fixed Interest	27.17%	14.0%
New Zealand Equities	12.53%	16%
Australian Equities	15.50%	18%
International Equities	32.01%	44%
Other	0.00%	0.0%

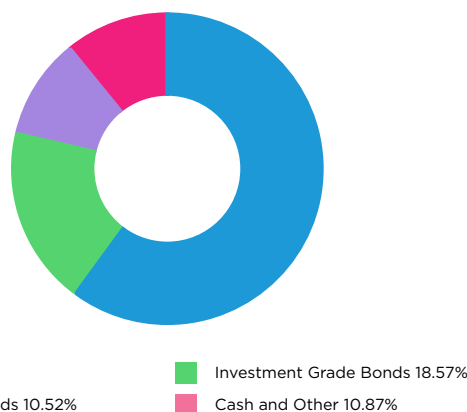
# The actual cash held by the Fund is 5.65%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

### Top Fixed Interest Holdings

Holdings	% of Fund
NatWest 5.125% Perpetual	1.74%
Scentre Group 5.125% 2080	1.04%
AT&T 2.875% Perpetual	0.85%
CBA 6.704% 2038	0.78%
ANZ 6.405% 2034	0.74%
CBA 6.86% 2032	0.74%
Westpac 6.934% 2038	0.71%
ING Groep 4.25% Perpetual	0.70%
Westpac 5% 2027	0.70%
Lloyds Bank 5.125% Perpetual	0.67%

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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