

# Active Growth Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 May 2023



## Portfolio Managers



**Jonathan Windust**  
Portfolio Manager



**William Curtayne**  
Co-Portfolio Manager

The Fund fell 0.2% in May, ahead of New Zealand (-1.7%) and Australia (-2.4%) and in line with global (-0.2%) share markets. It was a tricky month in global shares, with gains delivered by a small number of large technology companies driven by enthusiasm for artificial intelligence (AI). Fund performance benefitted from the active decision to increase exposure to foreign currencies, primarily United States and Australian dollars. The New Zealand dollar fell following the May Reserve Bank meeting, where the committee left guidance for the peak Official Cash Rate unchanged at 5.50% despite many expecting an increase.

Key positive contributors to Fund performance for the month included Gentrack (+34.2%), Arvida (+15.4%), Meta (+10.2%) and Microsoft (+7.1%). Gentrack performed strongly following the release of its first half results, which included upgraded revenue guidance for the coming years. Arvida benefitted from both a positive change in housing market sentiment following the May RBNZ meeting, as well as a solid FY23 result. Meta and Microsoft were both beneficiaries of the rally in technology stocks, which was initially driven by demand for companies with exposure to AI. During the month, the Fund reduced exposure to select technology companies given sharp increases in their share prices.

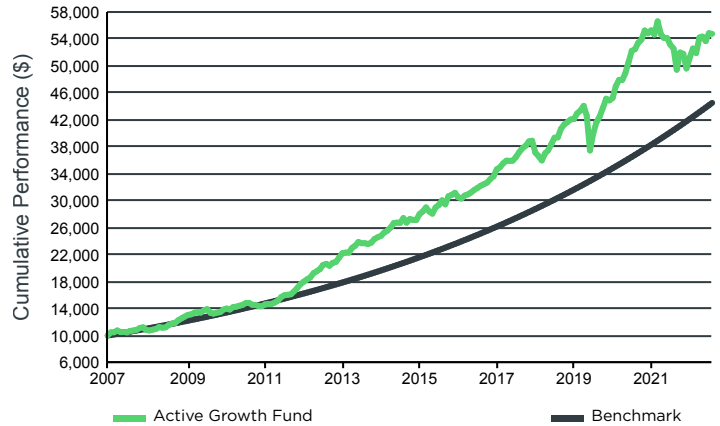
The prospect for share markets remains uncertain in the near-term, with lingering risks around the US debt ceiling, as well as the potential for higher interest rates in certain economies where economic data is holding up better (namely the US). Following the May RBNZ meeting, we have become slightly more constructive on certain New Zealand shares, which will benefit from both lower rates and higher migration. Given the

heightened uncertainty, the Fund retains a higher weighting to cash and fixed income investments, as these currently provide attractive yields with lower risk than shares. Within the Fund's allocation to shares, the Milford team remains active in identifying and isolating high-quality companies which we believe will deliver attractive long-term returns.

To view Milford's May 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>	\$2,820.7 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 31 May 2023

### Investment Performance after fees as at 31 May 2023<sup>4</sup>

Unit Price: \$5.0687

	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)	-0.17%	0.75%	4.19%	9.56%	8.04%	11.46%
After Tax 10.50%	-0.23%	0.78%	4.03%	9.33%	7.83%	11.00%
After Tax 17.50%	-0.27%	0.80%	3.92%	9.19%	7.68%	10.82%
After Tax 28.00%	-0.33%	0.84%	3.76%	8.96%	7.47%	10.44%
Benchmark	0.81%	2.43%	10.0%	10.0%	10.0%	10.0%

### Top Equity Holdings

Holdings	% of Fund
Contact Energy	3.11%
HCA Holdings	1.99%
Coca-Cola	1.60%
Aena SME	1.49%
Shell	1.47%
Charter Hall Retail	1.43%
Elevance Health	1.43%
Spark	1.33%
Visa	1.28%
Lowe's	1.24%

### Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	9.87%	6%
New Zealand Fixed Interest	1.89%	2%
International Fixed Interest	27.52%	14.0%
New Zealand Equities	12.24%	16%
Australian Equities	13.22%	18%
International Equities	35.26%	44%
Other	0.00%	0.0%

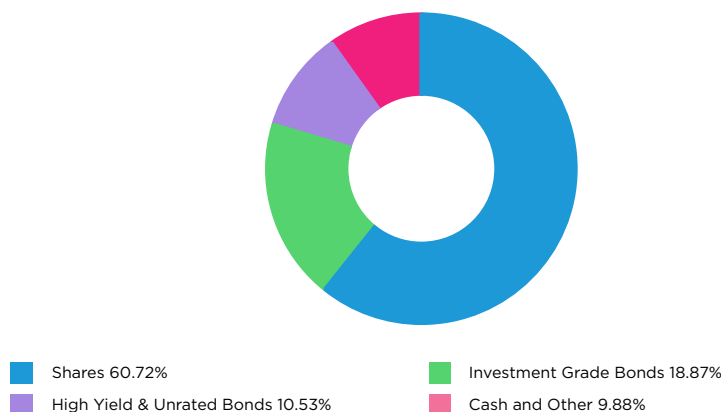
# The actual cash held by the Fund is 7.94%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

### Top Fixed Interest Holdings

Holdings	% of Fund
NatWest 5.125% Perpetual	1.85%
Scentre Group 5.125% 2080	1.09%
AT&T 2.875% Perpetual	0.87%
CBA 6.704% 2038	0.80%
ANZ 6.405% 2034	0.76%
CBA 6.86% 2032	0.76%
ING Groep 4.25% Perpetual	0.70%
Lloyds Bank 5.125% Perpetual	0.70%
Westpac 5% 2027	0.70%
Brisbane Airport 4.5% 2030	0.70%

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.

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.