

Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2021



Portfolio Managers



Jonathan Windust
Portfolio Manager



William Curtayne
Co-Portfolio Manager

The Fund returned 0.8% over October with strong performance from global share markets (+5.5%) offset by subdued returns for the New Zealand (-1.3%) and Australian (-0.1%) markets. Shares in New Zealand and Australia came under pressure as markets started to forecast higher interest rates. Global shares rebounded after falls last month and on the back of a reasonable third quarter earnings season. Returns were also reduced by the rise in the NZ Dollar; up 3.9% versus the US Dollar. Whilst a large portion of our foreign exchange is hedged, the Fund retains some exposure for diversification purposes.

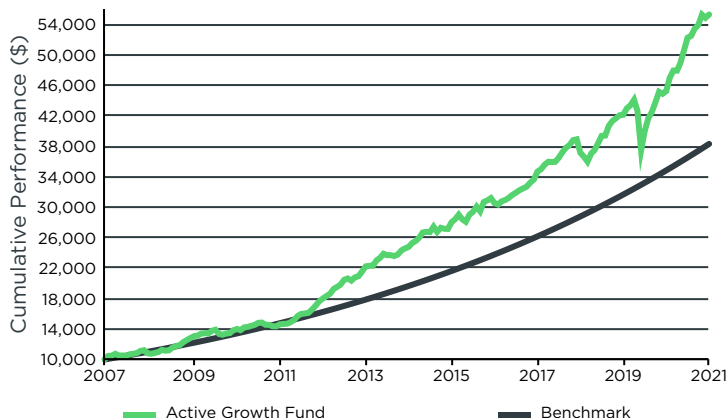
Key company positives during the month were predominantly global and included software companies Microsoft (+17.6%) and Intuit (+16.0%), home improvement company Lowes (+15.7%) and health insurer Anthem (+16.7%). Microsoft reported strong earnings for the third quarter with earnings up 24% as the company continues to benefit from digital transformation and the move to cloud computing. Health insurer Anthem rose after it delivered an earnings "beat" and upgraded its guidance for future earnings. Anthem is benefitting from increased spending on healthcare and market share gains. During the month the Fund participated in the IPO of global fund manager GQG Partners which has approximately \$US87b under management. We believe that GQG is well managed and will continue to grow its funds under management.

The medium-term outlook for shares remains supported by the prospect of strong economic growth, strong company earnings, low short-term interest rates and high levels of liquidity. The key headwinds for markets are relatively high valuations, generally optimistic investor sentiment and the prospect of rising inflation and interest rates. Whilst parts of the market have relatively high valuations, we continue to find attractive company opportunities in which to invest. The strategy of the Fund is to look to manage the risks of higher inflation and interest rates and select those companies which we believe offer attractive risk adjusted returns.

To view Milford's November 2021 Market and Economic Review please see milfordasset.com/fact-sheet.

Cumulative Fund Performance

(after fees and before tax)



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

Key Fund Facts

Objective¹ To provide annual returns of 10% over the minimum recommended investment timeframe

Description Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities

Minimum recommended investment timeframe	7 years +
Target Allocation	22% Income Assets / 78% Growth Assets
Neutral FX Exposure	16.0%
Net Asset Value (NAV)	\$2,271.1 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 October 2007
Benchmark	10% p.a.
Base Fund Fee²	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.25% (includes an est. performance fee)

	Lower risk	4			Higher risk		
Risk Indicator	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 October 2021

Investment Performance after fees as at 31 October 2021⁴

Unit Price: \$5.1389

	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)	0.80%	2.55%	22.23%	14.19%	12.62%	12.90%
After Tax 10.50%	0.81%	2.48%	21.97%	13.92%	12.33%	12.40%
After Tax 17.50%	0.81%	2.44%	21.80%	13.73%	12.14%	12.20%
After Tax 28.00%	0.82%	2.37%	21.54%	13.45%	11.85%	11.79%
Benchmark	0.81%	2.43%	10.00%	10.00%	10.00%	10.00%

Top Equity Holdings

Holdings	% of Fund
Virgin Money	3.22%
Contact Energy	3.14%
Santos	2.77%
Alphabet	2.58%
Fisher & Paykel	2.49%
Microsoft	2.31%
Thermo Fisher	1.97%
Dr Horton	1.96%
Summerset	1.94%
HCA Holdings	1.87%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	14.48%	6%
New Zealand Fixed Interest	0.60%	2%
International Fixed Interest	8.23%	14.00%
New Zealand Equities	18.91%	20%
Australian Equities	17.63%	18%
International Equities	38.97%	40%
Other	1.18%	0%

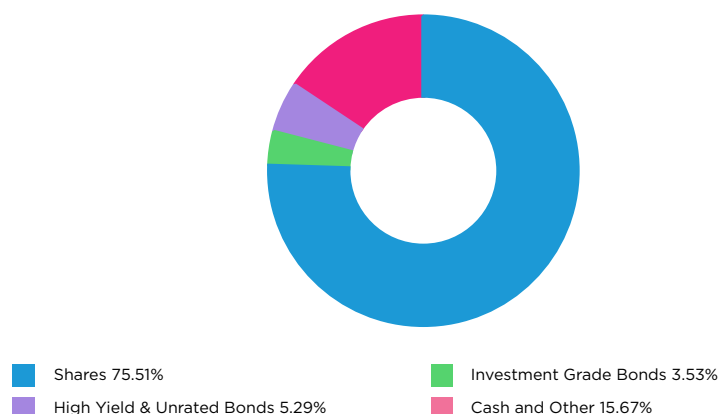
The actual cash held by the Fund is 7.24%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
ING Groep 4.25% Perpetual	1.35%
Scentre Group 5.125% 2080	0.77%
Barclays 4.375% Perpetual	0.68%
Westpac 5% 2027	0.66%
Barclays 5.875% 2024	0.52%
NatWest 6% Perpetual	0.42%
NatWest 5.125% Perpetual	0.37%
Lloyds Bank 5.125% Perpetual	0.37%
Crown Resorts 5.795% 2075	0.33%
CYBG 8% 2049	0.30%

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 for more information about the data published within this document.

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