

Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2022



Portfolio Managers



Jonathan Windust
Portfolio Manager



William Curtayne
Co-Portfolio Manager

The Fund rose 3.3% during October benefitting from a strong rebound in share market indices; New Zealand (+2.5%), Australia (+6.0%) and global (+7.1%). Share markets rebounded after sharp falls in September as investors became less risk averse and looked to take advantage of lower valuations. Relatively cautious positioning meant the Fund did not match share market returns, but good company selection meant returns were not far behind. Strong returns from fixed income were also helpful for performance.

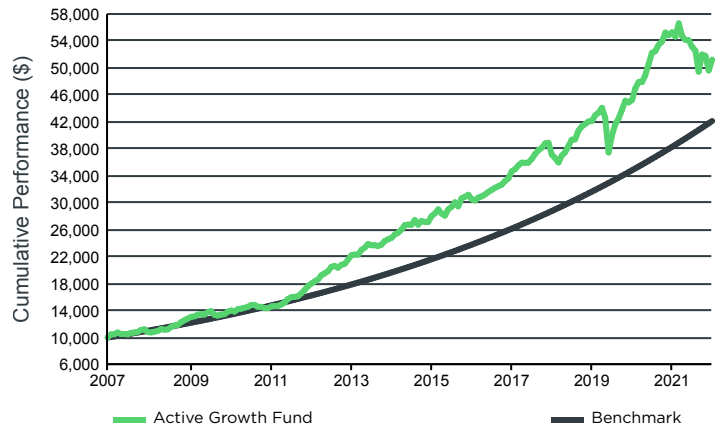
There were some very strong company performances during the month including US Bank JP Morgan (+20.5%), US health insurer Elevance (+20.4%) and US payments company Visa (+16.6%). JP Morgan is benefitting from rising interest rates which allow it to increase its margins. We believe JP Morgan is very well managed and is in a strong position to manage a more difficult economic environment. Elevance reported earnings growth of 10.9%, driven by increased membership and rising premiums. Visa reported strong earnings growth of 19% and benefitted from strong payments volumes and a return to cross border travel (+49%) where it makes higher margins.

Looking forward, the outlook for shares remains uncertain with higher inflation and higher interest rates likely to slow economic growth and company earnings prospects. The positive is that lower valuations on shares and higher returns on fixed income securities boost future return prospects. Within shares we continue to believe that there remain attractive opportunities for active management, with some shares reflecting a more difficult environment than others. Given the uncertain environment, the Fund has a lower weight towards shares and a higher weight towards company bonds (fixed income). We believe yields on select fixed income investments offer attractive returns with relatively low risk versus shares.

To view Milford's November 2022 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)	\$2,667.6 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	1.20% (includes an est. performance fee)

	Lower risk					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 2022

Investment Performance after fees as at 31 October 2022⁴

Unit Price: \$4.7493

	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)	3.26%	-1.44%	-7.32%	6.75%	8.13%	11.44%
After Tax 10.50%	3.34%	-1.37%	-7.32%	6.59%	7.90%	10.97%
After Tax 17.50%	3.39%	-1.32%	-7.32%	6.49%	7.74%	10.79%
After Tax 28.00%	3.47%	-1.25%	-7.32%	6.33%	7.50%	10.41%
Benchmark	0.81%	2.43%	10.0%	10.0%	10.0%	10.0%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	3.70%
Shell	2.87%
JPMorgan	2.34%
Boston Scientific	2.06%
CRH	2.06%
HCA Holdings	1.79%
Natwest	1.77%
Santos	1.65%
Virgin Money	1.55%
Charter Hall Retail	1.53%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	22.10%	6%
New Zealand Fixed Interest	1.77%	2%
International Fixed Interest	24.35%	14.0%
New Zealand Equities	11.52%	16%
Australian Equities	12.18%	18%
International Equities	28.08%	44%
Other	0.00%	0.0%

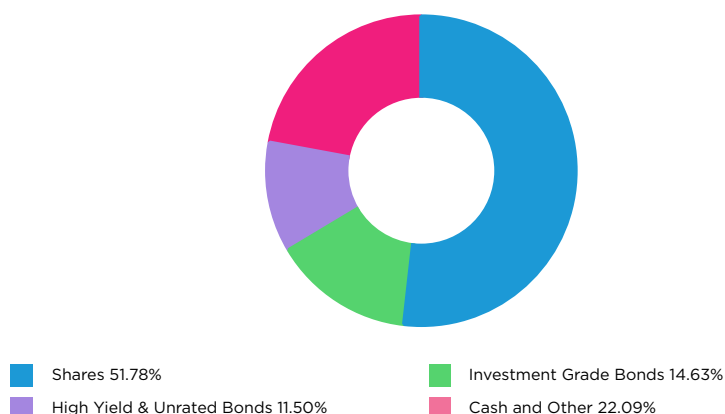
The actual cash held by the Fund is 13.14%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NatWest 5.125% Perpetual	1.78%
Scentre Group 5.125% 2080	1.32%
ING Groep 4.25% Perpetual	1.15%
Westpac 5% 2027	1.05%
JPMorgan 5% 2024	0.85%
Barclays 4.375% Perpetual	0.85%
ANZ 6.405% 2034	0.80%
Woolworths 2.8% 2030	0.72%
Lloyds Bank 5.125% Perpetual	0.70%
NAB 6.322% 2032	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 for more information about the data published within this document.

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