

# Aggressive Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 28 February 2022



## Portfolio Managers



**Stephen Johnston**  
Portfolio Manager



**Jonathan Windust**  
Co-Portfolio Manager

The Fund fell 3.8% in February. While the Omicron wave has eased globally, the escalation in conflict between Russia and Ukraine has added to concerns around inflation and have sent oil and commodity prices higher. Unfortunately, this has seen share markets globally continue their weak start to 2022.

In February, Australasian markets bucked the global trend and outperformed. Outperformers in Australia included National Australia Bank (+6.7%) which rose after releasing strong quarterly earnings where it outperformed its peers on a number of key metrics. Our favoured gold stocks in Australia, Evolution Mining (+23.2%) and Northern Star Resources (+24.4%) provided some defence in February, benefitting as the gold price soared on rising geopolitical risk. Technology shares underperformed locally with Xero (-17.0%) tumbling for a second consecutive month. Locally, Contact Energy (+3.7%) and Meridian (+14.6%) were standouts as investors rotated to defensive business models such as these 'Gentailers'.

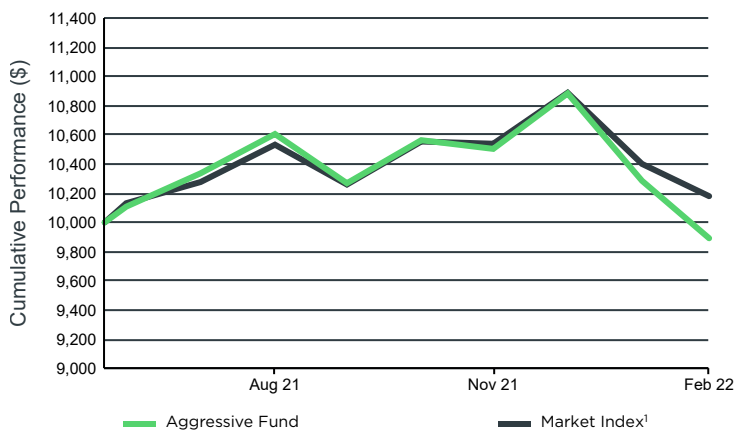
It was a challenging month for international shares. Areas of strength were limited but included US insurance broker Aon (+5.7%), which is well positioned internationally in an industry that is capital light, has sticky customer relationships and generates attractive returns on capital. Given these factors, we have been adding to our position in Aon. In addition, Chinese restaurant giant Yum China (+8.0%), also outperformed after a difficult period, as the company was hurt by China's zero Covid policy. Looking ahead, as the pandemic subsides and policy easing supports the Chinese economy, we expect a strong recovery at Yum China, given its brand strength, digital capabilities, and industry leading supply chain infrastructure. In our international portfolio, continuing the trend we saw in January, key detractors were dominated by technology companies. It was a difficult month for payment network Mastercard (-6.6%) and Fidelity National Information Services (-20.6%) which is one of the largest financial technology providers globally. Despite this, we maintain a positive long-term view, as both will benefit from a strong post pandemic rebound.

Looking ahead, we expect elevated volatility to continue, as the conflict in Ukraine adds uncertainty to the economic outlook. We have increased our cash levels to allow us to take advantage of the volatility, through adding to our favoured names at cheaper prices.

To view Milford's March 2022 Market and Economic Review please see [milfordasset.com/fact-sheet](https://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

<b>Objective<sup>2</sup></b>	To maximise capital growth over the minimum recommended investment timeframe
<b>Description</b>	Primarily invests in international equities, with a moderate allocation to Australasian equities
<b>Minimum recommended investment timeframe</b>	10 years +
<b>Target Allocation</b>	5% Income Assets / 95% Growth Assets
<b>Neutral FX Exposure</b>	24.5%
<b>Net Asset Value (NAV)</b>	\$849.8 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	21 June 2021
<b>Benchmark</b>	Not applicable
<b>Base Fund Fee<sup>3</sup></b>	1.15%
<b>Performance Fee</b>	The Fund may invest into related Milford funds that charge performance fees.
<b>Total Fund Fees<sup>4</sup></b>	1.15%
<b>Risk Indicator</b>	<div style="display: flex; justify-content: space-between;"> <span>Lower risk</span> <span>Higher risk</span> </div> <div style="display: flex; justify-content: space-around; align-items: center;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="background-color: #00a651; color: white; border-radius: 50%; padding: 2px 6px;">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>



## Aggressive Fund as at 28 February 2022

### Investment Performance after fees as at 28 February 2022<sup>5</sup>

Unit Price: \$0.9884

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford Aggressive Fund (Gross Of Tax)	-3.83%	-5.83%	-	-	-	-1.09%
After Tax 10.50%	-3.89%	-5.86%	-	-	-	-1.25%
After Tax 17.50%	-3.93%	-5.88%	-	-	-	-1.37%
After Tax 28.00%	-4.00%	-5.90%	-	-	-	-1.53%
Market Index	-2.12%	-3.41%	-	-	-	1.80%

### Top Security Holdings

Holdings	% of Fund
Microsoft	2.79%
Alphabet	2.67%
Mastercard	2.10%
Aon	2.07%
Wyndham Hotels	2.00%
EOG Resources	1.97%
HCA Holdings	1.94%
Boston Scientific	1.81%
CME	1.64%
Coca-Cola	1.43%

### Current Asset Allocation

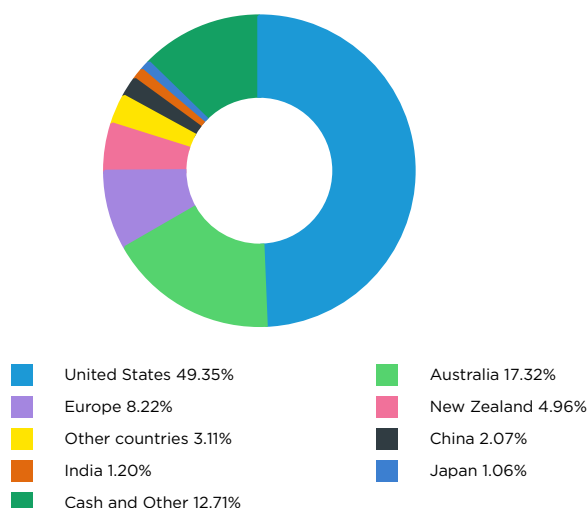
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	12.71%	5.0%
New Zealand Fixed Interest	0.13%	0.0%
International Fixed Interest	0.05%	0.0%
New Zealand Equities	5.27%	5.0%
Australian Equities	18.05%	20.0%
International Equities	63.79%	70.0%
Other	0.00%	0.0%

# The actual cash held by the Fund is 12.32%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

### Sector Allocation

Allocation	Weight %
Information Technology	17.42%
Financials	16.35%
Health Care	10.75%
Consumer Discretionary	9.12%
Industrials	8.09%
Communication Services	6.47%
Consumer Staples	5.68%
Energy	4.47%
Other Sectors	8.94%
Cash and Other	12.71%

### Region Exposure



1. The Fund does not have a performance benchmark, hence a market index has been included for comparison purposes. See the Statement of Investment Policy and Objectives for more details on the market index. The market index is a blend of indices that represent the Fund's neutral asset allocation. Note the Fund's investment strategy is designed to achieve its objective, which may mean that at times, the returns of the market index may not be an appropriate measure. 2. After the base fund fee but before tax and before the performance fee. 3. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 4. 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. 5. 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-ks](http://milfordasset.com/fact-sheet-ks) for more information about the data published within this document.

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