

Aggressive Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2023



Portfolio Managers



Stephen Johnston
Portfolio Manager



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Co-Portfolio Manager

The Fund fell 2.6% in October, in another weak month for global share markets, impacted by increased tensions in the Middle East and rising long-term bond yields.

The top contributor was US technology giant Microsoft (+7.1%), which rose after releasing much better than expected third quarter results. Encouragingly, its Azure cloud business beat expectations, with good momentum in their artificial intelligence services. US software company ServiceNow (+4.1%) also reported robust results, including the best quarter in the company's history for its government division. Customer retention remains strong, and its recently launched artificial intelligence products have been well received. US health insurer Elevance Health (+3.4%) rebounded in October on strong results, with management upbeat about the outlook.

Meta (+0.4%) also outperformed as third quarter results were ahead of expectations and it demonstrated strong cost control going into 2024. Despite the strong gains this year, Meta remains a core holding, given its strong business momentum and compelling valuation. Other outperformers included US insurance broker Arthur J. Gallagher (+3.3%), Amazon (+4.7%) and a recent addition Waste Management (+7.8%).

Negative contributors included Teck Resources (-18.0%) reversing last month's gains. Recent results disappointed with cost overruns at its flagship copper project in Chile. We are currently reviewing our position, given disappointing execution by management. US healthcare company Avantor (-17.3%) also underperformed, as third quarter results disappointed on margins. Despite the recent weakness, we see a re-rating opportunity as customer destocking nears an end and the company moves to higher margin proprietary products. Other detractors included Bank of Ireland (-9.0%) and US auto parts supplier Aptiv (-11.6%).

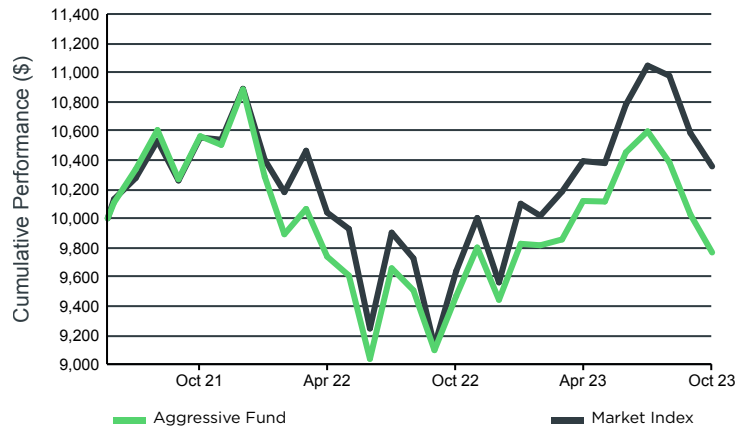
Australasian markets were weak across the board, with a rebounding iron ore price helping Rio Tinto (+3.5%) outperform. The major negative contributor was lithium and nickel miner IGO (-24.9%), as the lithium price continues to fall.

Looking ahead, there remains significant uncertainty, given the lagged impact of monetary tightening and geopolitical tensions on the global economy. The good news is we are close to the end of interest rate rises, however there is a risk that interest rates may stay higher for an extended period. The Fund continues to deploy cash into our strongest ideas that are aligned with our favourite investment themes.

To view Milford's October 2023 Market and Economic Review please see milfordasset.com/insights.

For previous fund reports see milfordasset.com/fund-reports.

Cumulative Fund Performance (after fees and before tax)



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

Key Fund Facts

Objective ²	To maximise capital growth over the minimum recommended investment timeframe
Description	Primarily invests in international equities, with a moderate allocation to Australasian equities

Minimum recommended investment timeframe	10 years +
Target Allocation	5% Income Assets / 95% Growth Assets
Neutral FX Exposure	24.5%
Net Asset Value (NAV)	\$1,251.4 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	21 June 2021
Benchmark	Not applicable
Base Fund Fee ³	1.15%
Performance Fee	Not applicable
Total Fund Fees ⁴	1.15%

	Lower risk						Higher risk
Risk Indicator	1	2	3	4	5	6	7
	Potentially lower returns				Potentially higher returns		

Aggressive Fund as at 31 October 2023

Investment Performance after fees as at 31 October 2023⁵

Unit Price: \$0.9732

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Aggressive Fund (Gross Of Tax)	-2.59%	-7.83%	3.16%	-	-	-0.99%
After Tax 10.50%	-2.54%	-7.80%	2.86%	-	-	-1.20%
After Tax 17.50%	-2.51%	-7.79%	2.66%	-	-	-1.34%
After Tax 28.00%	-2.46%	-7.76%	2.37%	-	-	-1.56%
Market Index ¹	-2.16%	-6.25%	7.44%	-	-	1.49%

Top Security Holdings

Holdings	% of Fund
Elevance Health	2.88%
Meta Platforms	2.85%
Microsoft	2.67%
Arthur J Gallagher	2.50%
Servicenow	2.47%
Sony	2.39%
Shell	2.38%
HCA Holdings	2.23%
Coca-Cola Europacific Partners	2.14%
Avantor	2.08%

Current Asset Allocation

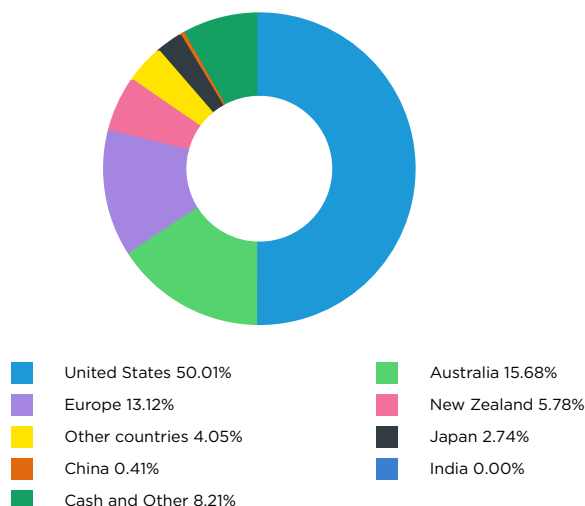
	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	8.21%	5%
New Zealand Fixed Interest	0.12%	0.0%
International Fixed Interest	0.02%	0.0%
New Zealand Equities	5.19%	5%
Australian Equities	17.45%	20%
International Equities	69.01%	70%
Other	0.00%	0.0%

[#] The actual cash held by the Fund is 9.93%. 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 %
Health Care	14.73%
Industrials	13.28%
Information Technology	12.78%
Financials	11.61%
Consumer Discretionary	10.91%
Materials	6.88%
Consumer Staples	6.21%
Energy	6.03%
Other Sectors	9.36%
Cash and Other	8.21%

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 for more information about the data published within this document.

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