

# Aggressive Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 30 September 2022



#### Portfolio Managers



**Stephen Johnston**  
Portfolio Manager



**Jonathan Windust**  
Co-Portfolio Manager

The Fund fell 4.3% in September. There weren't too many places to hide in September with broad based weakness across global share markets.

Our international portfolio, saw mixed performance, with defensive sectors like healthcare outperforming, while growth companies were weak. The top contributor was pharmaceutical company Bristol-Myers Squibb (+5.5%). Despite its outperformance in September, we still think the valuation is attractive and are excited by the growth prospects for their new drug portfolio. US wealth management powerhouse Charles Schwab (+1.3%), was resilient in weak US markets and continues to benefit from higher interest rates, with less credit risk than other financial companies. US natural gas processor Cheniere (+3.6%) also outperformed, continuing its strong run in 2022, benefitting from high natural gas prices.

Underperformers in September included commercial real estate giant CBRE (-14.5%) as the slowing global economy will likely impact transactions. A severe slowdown is now priced in and we think investors underappreciate the resiliency of this business. Payment processor Fidelity National Information Services (-16.8%) had a sharp sell-off in the month, driven by fears of the impact of a recession on the merchant side of the business. We are currently reviewing the position.

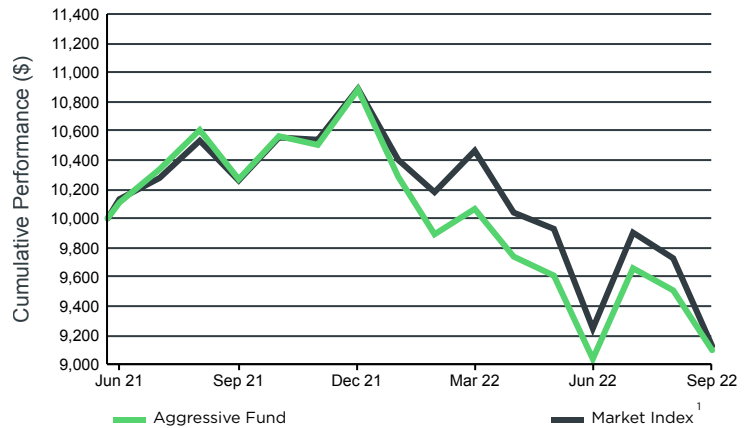
Closer to home, Australasian markets were also weak in September. Positive contributors included Australian miner IGO (+2.4%), a key supplier of lithium and nickel, continuing its strong run. One of our smaller holdings Neuren Pharmaceuticals (+13.3%) had a terrific month, with the US FDA commencing a priority review of their drug for treatment of Rett syndrome. In the NZ market, Mainfreight underperformed (-9.5%) on the back of slowing earnings momentum.

Looking ahead, we remain cautious for now, holding higher levels of cash, until we see a sustained decline in inflation.

To view Milford's October 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>Status</b>	Open
<b>Neutral FX Exposure</b>	24.5%
<b>Net Asset Value (NAV)</b>	\$891.8 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; align-items: center;"> <span>Lower risk</span> <span>Higher risk</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="border: 2px solid green; border-radius: 50%; padding: 2px 5px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>



## Aggressive Fund as at 30 September 2022

### Investment Performance after fees as at 30 September 2022<sup>5</sup>

Unit Price: \$0.908

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Aggressive Fund (Gross Of Tax)	-4.31%	0.66%	-11.40%	-	-	-7.13%
After Tax 10.50%	-4.26%	0.70%	-11.45%	-	-	-7.27%
After Tax 17.50%	-4.23%	0.73%	-11.48%	-	-	-7.37%
After Tax 28.00%	-4.17%	0.78%	-11.53%	-	-	-7.51%
Market Index <sup>1</sup>	-6.17%	-1.29%	-11.04%	-	-	-6.90%

### Top Security Holdings

Holdings	% of Fund
Elevance Health	2.92%
Boston Scientific	2.86%
Bristol-Myers Squibb	2.76%
Shell	2.61%
HCA Holdings	2.41%
Aon	2.16%
Charles Schwab	1.93%
Alphabet	1.92%
Danaher	1.88%
Willscot Mobile Mini Holdings	1.87%

### Current Asset Allocation

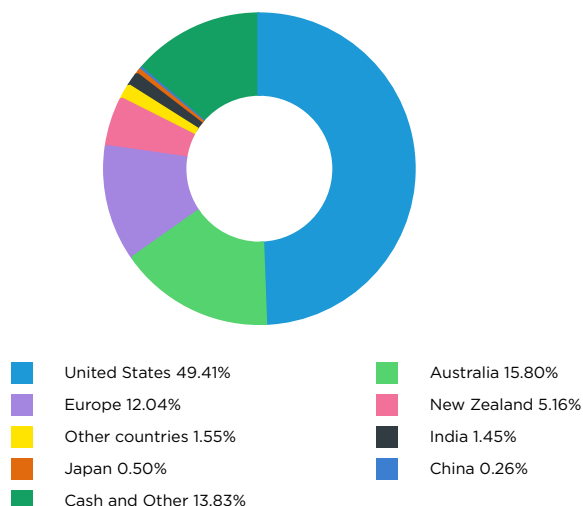
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	13.83%	5.00%
New Zealand Fixed Interest	0.16%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	5.45%	5.00%
Australian Equities	17.96%	20.0%
International Equities	62.60%	70.0%
Other	0.00%	0.0%

# The actual cash held by the Fund is 11.54%. 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	17.57%
Financials	13.05%
Information Technology	10.60%
Industrials	9.44%
Energy	8.18%
Consumer Discretionary	7.95%
Communication Services	4.77%
Utilities	4.15%
Other Sectors	10.46%
Cash and Other	13.83%

### 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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