

Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 April 2020



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

Markets recovered strongly in April with the Fund performing well and returning 7.6% in April, bringing returns over the last 12 months to 6.7%. We were pleased with the Fund's April performance compared to the 8.8% return by the ASX 200 given our continued defensive positioning. We were able to largely keep up due to the strong performance of our gold miners (up 23% on average) and from Sealink (+21.5%), The a2 Milk Company (+9.8%) and Transurban (+14.6%).

Australia has done a good job controlling the spread of the virus and is well placed to ease restrictions in the coming months. In anticipation of this we purchased a collection of businesses that should perform positively as peoples' lives begin to revert to normality. These include Transurban, Tabcorp, Wesfarmers and some of the major banks.

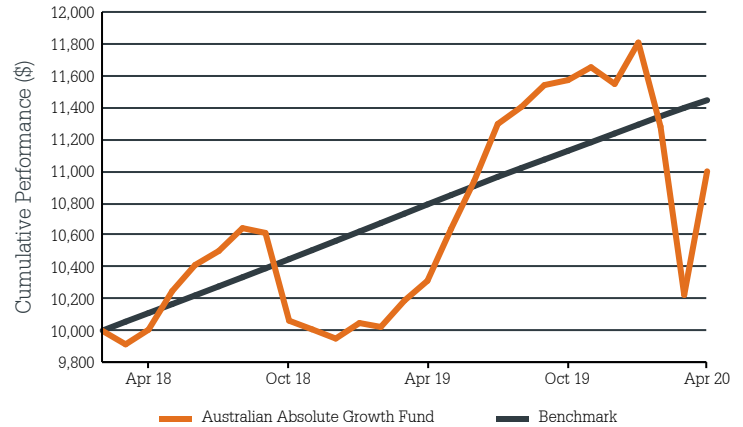
The outlook for banks will be clouded by a degree of uncertainty until this economic crisis is over, however, we feel the market has been pricing in some very negative outcomes and the banks offer reasonable value if the economic outcome is less severe than predicted. We will be closely monitoring developments in the housing markets, as a substantial housing decline would lead to larger loan losses in the medium term than our current expectations.

The overall emphasis remains focussed on capital preservation given the economic uncertainty and our view on the potential duration of this downturn. But as usual we will continue to search and invest in compelling stock specific opportunities while controlling overall portfolio risk.

To view Milford's May 2020 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	Absolute returns with an annualised return objective of 5% above the New Zealand Official Cash Rate while seeking to protect capital over rolling three year periods.
Description	Diversified fund that primarily invests in Australasian equities, complemented by selective exposure to international equities, fixed interest securities and cash
Target Allocation	17.5% Income Assets / 82.5% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$179.9 M
Buy-sell Spread	None
Inception Date	1 March 2018
Benchmark	OCR + 5% 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	1.41% (includes an est. performance fee)
Risk Indicator	<div style="display: flex; justify-content: space-between;"> Lower risk Higher risk </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 30 April 2020⁴

Unit Price: \$1.0963

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Australian Absolute Growth Fund (Gross Of Tax)	7.59%	-6.84%	6.66%	-	-	4.49%
After Tax 10.50%	7.79%	-7.12%	6.12%	-	-	4.25%
After Tax 17.50%	7.92%	-7.30%	5.76%	-	-	4.10%
After Tax 28.00%	8.12%	-7.57%	5.22%	-	-	3.86%
Benchmark	0.42%	1.36%	6.06%	-	-	6.43%

Top Equity Holdings

Holdings	% of Fund's NAV
National Australia Bank	6.84%
Westpac Banking Corp	5.32%
Woolworths	5.17%
Transurban Group	4.77%
Telstra Corp	4.72%
Evolution Mining	3.67%
Commonwealth Bank	2.96%
Newmont Mining	2.88%
IAG	2.87%
Coles Group	2.60%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	32.75%	7.50%
New Zealand Fixed Interest	0.98%	4.00%
International Fixed Interest	0.74%	6.00%
New Zealand Equities	3.51%	7.50%
Australian Equities	56.27%	72.50%
International Equities	4.96%	2.50%
Other	0.79%	0%

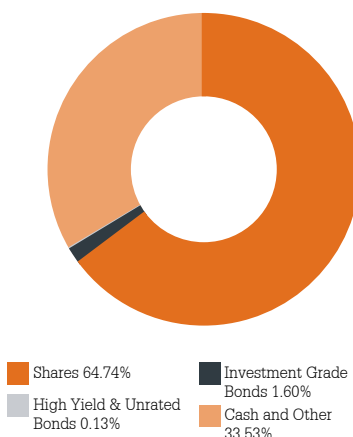
The actual cash held by the Fund is 21.06%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

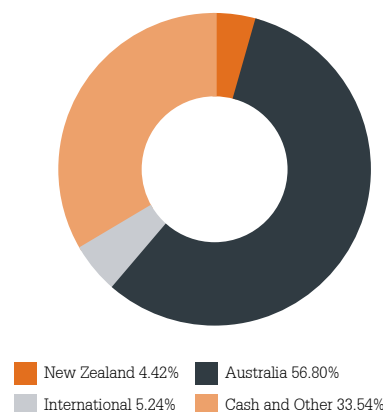
Holdings	% of Fund's NAV
NZLGFA 1.5% 2029	0.06%
Housing NZ 3.36% 2025	0.06%
Westpac 2.22% 2024	0.05%
ANZ Bank 3.03% 2024	0.05%
ASB Bank 1.83% 2024	0.04%
ANZ Bank Float 2024	0.04%
Macquarie Group Float 2025	0.04%
ING Group 1.45% 2024	0.04%
John Deere 1.75% 2024	0.04%
Vector 3.45% 2025	0.03%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Fund Portfolio Mix



Region Exposure



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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