

# Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 April 2021



## Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Wayne Gentle**  
Portfolio Manager

The Australian Absolute Growth Fund returned 3.4% in April which brings returns over the last year to 26.5%. We had a diverse mix of businesses drive our performance over the month.

Galaxy was our strongest performer during the month (+55.3%), rallying on the back of an announced merger with Orocobre. Independence Group, also benefitted from a similar theme around energy transition, supplemented by M&A in the resources industry. Other standout performers during April included retailer Universal Stores (+27.1%) on the back of a strong retail backdrop, and a positive trading update flagging same store sales growth of 28% over the previous year. Our largest negative performer over the month was explosive and fertiliser manufacturer Incitec Pivot, which sold-off on the back of plant turnaround issues at Waggaman plant.

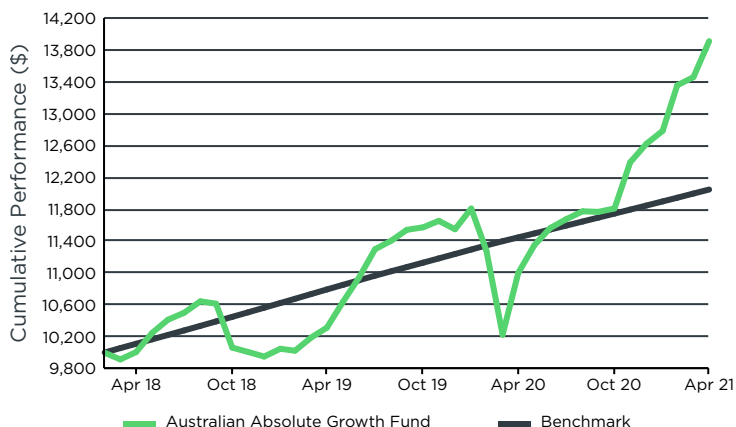
In terms of trading activity, we reinitiated gold miner Evolution mining, as a partial hedge to higher inflation, Westpac amidst signs of improving operational performance and Monadelphous given the buoyant mining conditions. Against this we took profits in Galaxy, IGO, Woolworths and Bluescope, taking advantage of price strength.

Our cash levels increased modestly to 13% over the month as the market continued to surge, and we took the opportunity to lock in some profits in names that had done well, whilst putting in place some modest protection.

To view Milford's May 2021 Market and Economic Review please see [milfordasset.com/fact-sheet](http://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

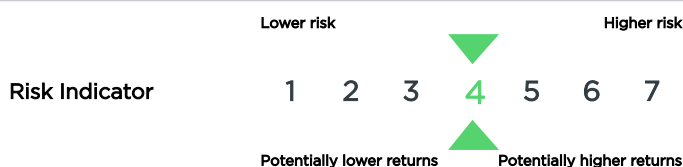
### Objective<sup>1</sup>

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 and cash.

<b>Target Allocation</b>	17.5% Income Assets / 82.5% Growth Assets
<b>Neutral FX Exposure</b>	0%
<b>Net Asset Value (NAV)</b>	\$357.7 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 March 2018
<b>Benchmark</b>	OCR + 5% p.a.
<b>Base Fund Fee<sup>2</sup></b>	1.05%
<b>Performance Fee</b>	15% of the Fund's returns above the Benchmark <sup>1</sup> , subject to the high watermark.
<b>Total Fund Fees<sup>3</sup></b>	1.50% (includes an est. performance fee)



# Australian Absolute Growth Fund as at 30 April 2021

## Investment Performance after fees as at 30 April 2021<sup>4</sup>

Unit Price: \$1.3849

	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)	3.36%	8.82%	26.45%	11.60%	-	10.98%
After Tax 10.50%	3.29%	9.00%	26.77%	11.54%	-	10.89%
After Tax 17.50%	3.25%	9.12%	26.97%	11.50%	-	10.83%
After Tax 28.00%	3.18%	9.30%	27.28%	11.43%	-	10.75%
Benchmark	0.42%	1.26%	5.25%	6.02%	-	6.06%

## Top Equity Holdings

Holdings	% of Fund
BHP	6.65%
NAB	6.54%
CSL	6.38%
Rio Tinto	3.89%
Contact Energy	3.78%
Northern Star	3.25%
Telstra	3.20%
Santos	3.18%
IGO	3.11%
Virgin Money	2.72%
Qantas	2.56%
CBA	2.56%
Charter Hall Retail	2.52%
Seven Group	2.50%
CNH Industrial	2.46%
Atlas Arteria	2.19%
Aristocrat Leisure	1.97%
Universal Store	1.57%
Woodside Petroleum	1.52%
Newcrest Mining	1.51%

## Current Asset Allocation

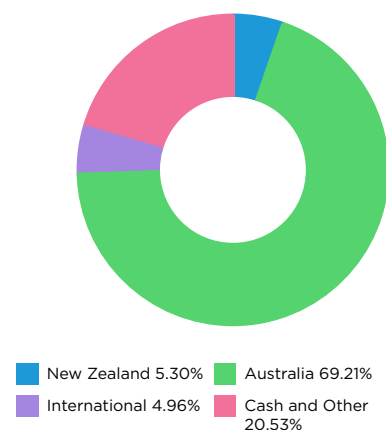
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	20.39%	7.50%
New Zealand Fixed Interest	0.00%	10.00%
International Fixed Interest	0.00%	0%
New Zealand Equities	5.43%	7.50%
Australian Equities	71.58%	72.50%
International Equities	2.46%	2.50%
Other	0.14%	0%

# The actual cash held by the Fund is 12.79%. 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 %
Materials	23.27%
Financials	15.75%
Industrials	10.25%
Health Care	6.73%
Consumer Discretionary	6.35%
Energy	4.45%
Communication Services	3.88%
Utilities	3.71%
Real Estate	3.53%
Information Technology	1.22%
Consumer Staples	0.33%
Cash and Other	20.53%

## 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](http://milfordasset.com/fact-sheet) for more information about the data published within this document.

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