

# Australian Absolute Growth Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 October 2025



## Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Wayne Gentle**  
Portfolio Manager



**Jason Kururangi**  
Co-Portfolio Manager

October was a modest month for Australian equity markets, with the ASX200 up 0.4% and the Fund falling 0.2%. Global shares were pushed ahead by AI stocks, and it seemed many other regions or sectors were sold to raise funds for the AI trade. Notable news in Australia was a hot third quarter inflation number which removed bets for further Reserve Bank of Australia interest rate cuts. That contributed to higher yields in Australia and underperformance of Australian shares relative to global shares.

Key contributor was ANZ Bank which performed well following an investor day. Other strong performers were laboratory analysis company ALS on the back of stronger gold activity and aged care operator Regis Healthcare rebounding from a weak previous month. Over the month, the natural resources sector was strong, but within this, there was significant intra-month dispersion and volatility. Gold miners rallied strongly early in the month, and we took profits on a number of positions, before giving up a lot into the back of the month.

Biotechnology company CSL was the largest loser with another negative earnings update. It was accompanied by technology company Xero, which has continued to be weak since the Melio acquisition was announced, and by general software companies underperformance globally.

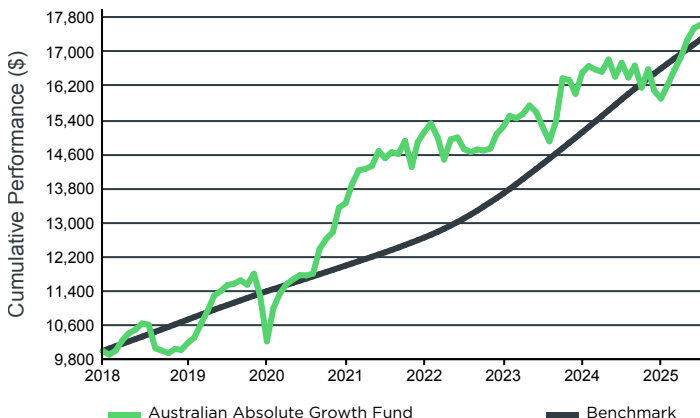
Our base case is for equity markets to continue to make gains into year-end driven by a solid economy, earnings growth and continued flows to equities. However, the risk-reward is becoming increasingly unattractive with bullish sentiment, long positioning and an AI boom that is moving closer to the inevitable slump on the other side. To navigate this setup the Fund is holding some cash, has derisked the composition of equity holdings, and is using call options for upside exposure. This will allow the Fund to participate in further growth while running moderate levels of risk. This means that if a significant equity market correction occurs sooner than we anticipate, the Fund will be positioned well to minimise losses.

To view Milford's October 2025 Market and Economic Review please see [milfordasset.com/insights](https://milfordasset.com/insights).

For previous fund reports see [milfordasset.com/fund-reports](https://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<sup>1</sup>

Targets an absolute return 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

Minimum recommended investment timeframe	7 years +
Target Allocation	17.5% Income Assets / 82.5% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$181.0 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 March 2018
Benchmark	OCR + 5% p.a.
Base Fund Fee <sup>2</sup>	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark <sup>1</sup> , subject to the high watermark.
Total Fund Fees <sup>3</sup>	1.30% (includes an est. performance fee)
Risk Indicator	<div> <div>Lower risk</div> <div>1 2 3 4 5 6 7</div> <div>Potentially lower returns Potentially higher returns</div> </div>

# Australian Absolute Growth Fund as at 31 October 2025

## Investment Performance after fees as at 31 October 2025<sup>4</sup>

Unit Price: \$1.7437

	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)	-0.15%	1.91%	7.37%	6.30%	8.31%	7.65%
After Tax 10.50%	-0.12%	1.95%	7.40%	6.37%	8.40%	7.63%
After Tax 17.50%	-0.10%	1.98%	7.43%	6.42%	8.46%	7.61%
After Tax 28.00%	-0.08%	2.03%	7.46%	6.49%	8.55%	7.58%
Benchmark	0.63%	1.94%	8.60%	9.65%	8.17%	7.48%

## Top Security Holdings

Holdings	% of Fund
ANZ Group Holdings	4.52%
NAB	3.48%
BHP	3.20%
Westpac	3.17%
CSL	3.09%
SmartPay	2.96%
Flight Centre Travel Group 2.5% 2032	2.93%
Newmont	2.65%
Goodman	2.10%
ALS	1.91%

## Current Asset Allocation

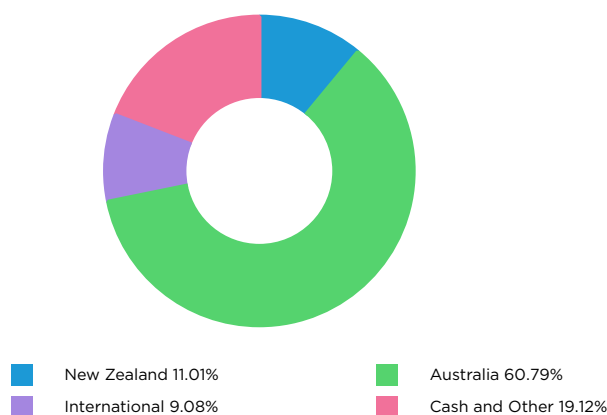
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	19.12%	7.5%
New Zealand Fixed Interest	3.14%	10%
International Fixed Interest	5.54%	0.0%
New Zealand Equities	6.24%	0.0%
Australian Equities	64.50%	77.5%
International Equities	1.46%	5%
Other	0.00%	0.0%

# The actual cash held by the Fund is 16.46%. 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 %
Financials	23.96%
Materials	12.71%
Industrials	7.42%
Consumer Discretionary	7.41%
Real Estate	6.93%
Health Care	6.49%
Utilities	3.45%
Energy	3.22%
Other Sectors	9.29%
Cash and Other	19.12%

## 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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