

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 June 2022



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned -4.1% in the month, with a one-year return of -5.0%. A tough month for returns with a sharp sell-off in both bonds and shares. Despite high levels of cash and reduced exposure to shares, the broad-based selling this month meant there were few places to hide from a stock selection perspective.

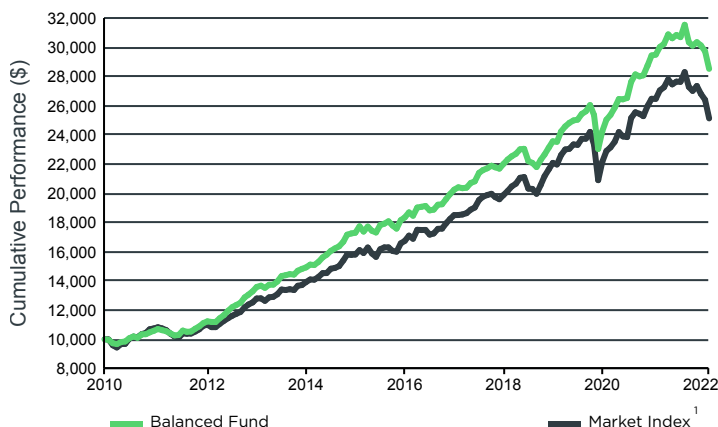
But the outlook is shifting. A sharp sell-off in bonds at the start of the month had significantly reversed course by month end. Rapidly weakening economic growth is not good for the share market but it is positive for bonds (which comprise 35% of the Fund). With many bond investments now offering attractive yields of 5-10%, if bond prices can stabilise then the prospect for future returns from this part of the Fund is increasing. With that in mind, the Fund has been steadily increasing its exposure to bonds in recent weeks, a process that will likely continue next month.

With returns on bonds more attractive, the Fund can comfortably hold fewer shares. At month end, the Fund held less than 40% exposure to shares, some 20% below a neutral position. Whilst the outlook for growth is deteriorating quickly, the flip side is that we may be through this cycle faster than previously thought. The Fund has the flexibility to navigate such a rapidly changing environment. With some attractive opportunities emerging, Fund positions are likely to continue to change.

To view Milford's July 2022 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

Objective²	To provide capital growth over the minimum recommended investment timeframe
Description	Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities

Minimum recommended investment timeframe	5 years +
Target Allocation	39% Income Assets / 61% Growth Assets
Neutral FX Exposure	13.0%
Net Asset Value (NAV)	\$1,558.1 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 April 2010
Benchmark	Not applicable
Base Fund Fee³	1.05%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees⁴	1.06% (includes an est. performance fee)

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

External Ratings



Milford Balanced Fund received a Morningstar Analyst Rating™ of 'Silver' on 13-07-2020

Balanced Fund as at 30 June 2022

Investment Performance after fees as at 30 June 2022⁵

Unit Price: \$2.7337

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	-4.05%	-6.03%	-5.00%	5.58%	6.99%	8.93%
After Tax 10.50%	-4.02%	-6.07%	-5.13%	5.34%	6.71%	8.44%
After Tax 17.50%	-4.01%	-6.10%	-5.21%	5.17%	6.52%	8.12%
After Tax 28.00%	-3.99%	-6.14%	-5.34%	4.93%	6.24%	7.65%
Market Index ¹	-4.82%	-8.13%	-7.09%	3.57%	6.26%	7.81%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	2.14%
HCA Holdings	1.04%
CSL	0.96%
Microsoft	0.93%
Elevance Health	0.91%
Bristol-Myers Squibb	0.89%
Charter Hall Retail	0.84%
Natwest	0.84%
Santos	0.82%
Boston Scientific	0.82%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	28.49%	8.0%
New Zealand Fixed Interest	7.60%	6.0%
International Fixed Interest	26.69%	25.0%
New Zealand Equities	7.75%	11.0%
Australian Equities	6.83%	13.0%
International Equities	16.05%	30.0%
Listed Property	6.59%	7.0%
Other	0.00%	0.0%

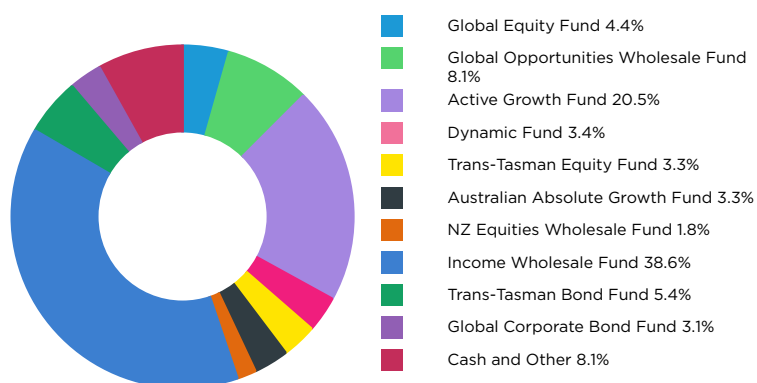
[#] The actual cash held by the Fund is 10.33%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	1.39%
NatWest 5.125% Perpetual	0.69%
Scentre Group 5.125% 2080	0.59%
ING Groep 4.25% Perpetual	0.51%
NextEra Energy	0.50%
Macquarie 6.082% 2032	0.47%
Voyage Float 2029	0.46%
Genesis 5.66% 2027	0.41%
Westpac 5% 2027	0.40%
CBA Float 2031	0.40%

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

Fund Allocation



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 for more information about the data published within this document.

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