

# Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 April 2022



## Portfolio Managers



**Mark Riggall**  
Portfolio Manager



**Paul Morris**  
Co-Portfolio Manager

The Fund returned -0.7% in April with a one-year return of 2.4%. It's been a brutal start to the year, global shares are down nearly 14% and bonds are down over 10%. For the Balanced Fund that typically invests in 60% shares and 40% bonds there have been few places to hide. The year-to-date Fund losses of 4.5% are disappointing in the sense that it's tough to experience negative returns. But given those asset moves, the Fund is weathering the storm reasonably well.

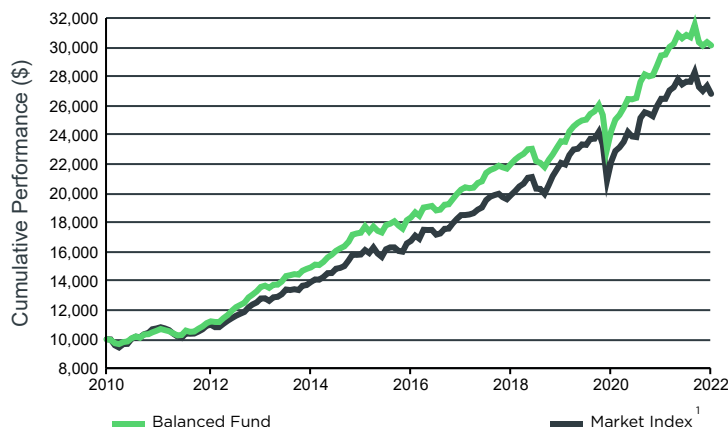
To avoid losses the Fund has held excess levels of cash this year, on top of derivative positions in place to protect against falls in the price of both shares and bonds. Stock selection has helped too, with a significant shift away from higher risk growth stocks and into more defensive companies and sectors such as healthcare and energy. Stock selection shined in April too with key position Atlantia up 20.8% on takeover talks and Spark in NZ up 7.4%. This is continued evidence that despite the market headwinds, there remains plenty of opportunities for us to invest and profit from well selected company shares.

Looking ahead, it is reasonable to expect more volatility. But the Fund is slowly adding back to NZ bonds as yields on offer are looking more attractive. Share positions will continue to fluctuate around a defensive position but we are confident our active approach can continue to deliver stronger returns in this environment.

To view Milford's May 2022 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

<b>Objective<sup>2</sup></b>	To provide capital growth over the minimum recommended investment timeframe
<b>Description</b>	Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities

<b>Minimum recommended investment timeframe</b>	5 years +
<b>Target Allocation</b>	39% Income Assets / 61% Growth Assets
<b>Neutral FX Exposure</b>	13.0%
<b>Net Asset Value (NAV)</b>	\$1,681.3 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 April 2010
<b>Benchmark</b>	Not applicable
<b>Base Fund Fee<sup>3</sup></b>	1.05%
<b>Performance Fee</b>	The Fund may invest into related Milford funds that charge performance fees.
<b>Total Fund Fees<sup>4</sup></b>	1.06% (includes an est. performance fee)

	Lower risk						Higher risk	
<b>Risk Indicator</b>	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 April 2022

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

Unit Price: \$2.889

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	-0.73%	-0.69%	2.35%	8.54%	8.28%	9.56%
After Tax 10.50%	-0.76%	-0.74%	2.22%	8.27%	7.97%	9.06%
After Tax 17.50%	-0.79%	-0.78%	2.13%	8.09%	7.76%	8.73%
After Tax 28.00%	-0.82%	-0.83%	2.00%	7.82%	7.46%	8.25%
Market Index <sup>1</sup>	-1.98%	-1.72%	1.28%	6.68%	7.70%	8.50%

### Top Equity Holdings

Holdings	% of Fund
Contact Energy	2.23%
HCA Holdings	1.16%
Microsoft	1.07%
Santos	1.03%
Telstra	1.00%
Spark	0.96%
Anthem	0.92%
Virgin Money	0.92%
Alphabet	0.90%
CSL	0.87%

### Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash <sup>#</sup>	20.04%	8.0%
New Zealand Fixed Interest	6.26%	6.0%
International Fixed Interest	23.77%	25.0%
New Zealand Equities	8.90%	11.0%
Australian Equities	8.96%	13.0%
International Equities	25.01%	30.0%
Listed Property	7.06%	7.0%
Other	0.00%	0.0%

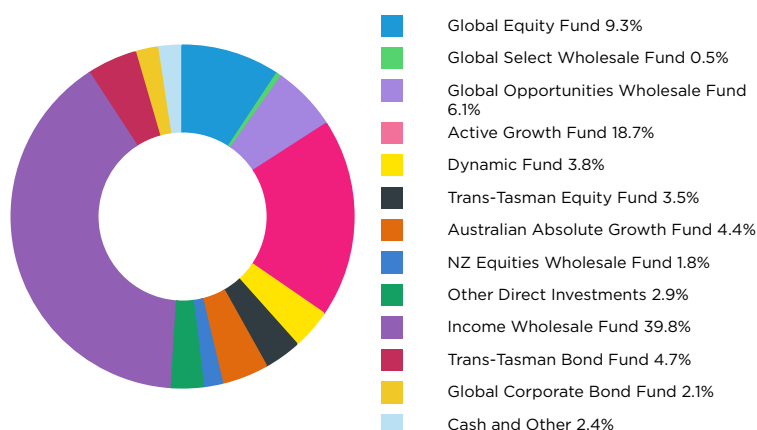
<sup>#</sup> The actual cash held by the Fund is 9.73%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

### Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	1.31%
NatWest 5.125% Perpetual	0.58%
Scentre Group 5.125% 2080	0.52%
ING Groep 4.25% Perpetual	0.50%
Voyage Float 2029	0.38%
CBA Float 2031	0.37%
Westpac 3.696% 2027	0.36%
GAIF 2.584% 2027	0.36%
NAB 2.9% 2027	0.34%
Westpac 5% 2027	0.34%

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

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