

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 August 2023



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

In August, the Fund returned -0.5%, bringing the one-year return to 5.5%.

Market returns were weaker in the month. Global and NZ shares delivered their worst monthly performance of 2023 whilst bond prices were mixed. In currencies, the NZ dollar weakened by almost 4% against the US dollar. Investors are grappling with a diverging world, with a very strong US economy contrasting with a weaker Europe and China, with NZ and Australia also in the weak category.

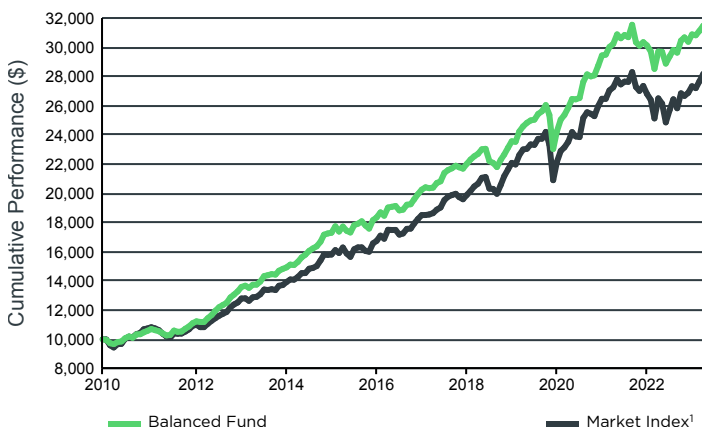
Last month, the Fund's asset allocation tilts paid off as we had been underweighting the NZ dollar, increased exposure to Australian bonds vs US bonds, and held a lower exposure to shares in general. This environment has also lent itself to stock picking. A notable outperformer in NZ has been Contact Energy, the Fund's largest stock holding. Over the past six months, this stock has returned 12.0%, whilst NZ shares have fallen 2.5% over the same period.

Looking ahead, the world continues to have a mixed outlook. This should continue to offer good opportunities for asset allocation. Meanwhile, slowing global growth and an end to the interest rate hiking cycle should allow the bond and income portion of the Fund to deliver stronger performance over the coming year.

To view Milford's August 2023 Market and Economic Review please see milfordasset.com/insights.

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 ²	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)	\$1,620.1 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 April 2010
Benchmark	Not applicable
Base Fund Fee ³	1.05%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees ⁴	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 31 August 2023

Investment Performance after fees as at 31 August 2023⁵

Unit Price: \$2.9965

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	-0.49%	1.65%	5.53%	5.80%	6.36%	8.88%
After Tax 10.50%	-0.57%	1.60%	5.30%	5.53%	6.09%	8.41%
After Tax 17.50%	-0.63%	1.57%	5.15%	5.34%	5.90%	8.10%
After Tax 28.00%	-0.71%	1.52%	4.93%	5.07%	5.63%	7.64%
Market Index ¹	-0.54%	3.03%	7.22%	5.03%	5.88%	7.98%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.92%
Spark	1.53%
HCA Holdings	1.51%
Shell	1.42%
Elevance Health	1.41%
Coca-Cola Europacific Partners	1.39%
Fiserv	1.25%
Bank of Ireland Group	1.07%
SS&C Technologies Holdings	1.06%
Avantor	1.02%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	22.18%	8%
New Zealand Fixed Interest	9.22%	6%
International Fixed Interest	27.42%	25.0%
New Zealand Equities	8.42%	11%
Australian Equities	9.47%	13%
International Equities	18.80%	30%
Listed Property	4.49%	7%
Other	0.00%	0.0%

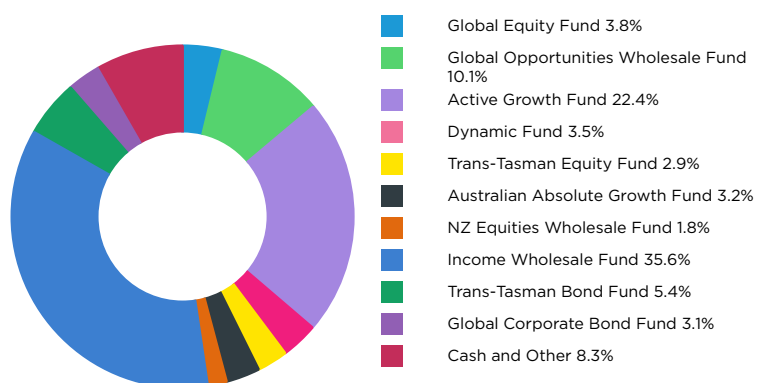
The actual cash held by the Fund is 3.89%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	2.22%
Scentre Group 5.125% 2080	0.69%
CBA 4.9% 2028	0.66%
BNZ 5.87% 2028	0.64%
NatWest 5.125% Perpetual	0.57%
AT&T 2.875% Perpetual	0.50%
British Telecommunications	0.47%
Telstra 4.9% 2028	0.46%
Holcim 0.5% 2030	0.42%
Bank of Ireland 7.594% 2032	0.41%

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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