

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 28 February 2023



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.7% in February, bringing the one-year return to 1.9%. Shares and bonds were weaker across the board last month, but pleasingly the Fund delivered a positive return, building on the gains made in January.

The Fund has been actively adjusting positions across shares, bonds and currency as prices and the outlook has changed. Stronger inflation data has reignited fears around further interest rate hikes. This sent bond yields higher and also increased the possibility of a deeper recession down the track. The Fund has been more heavily invested in bonds to harvest the strong yields on offer, but we did reduce our exposure in January and early February after a strong run in prices.

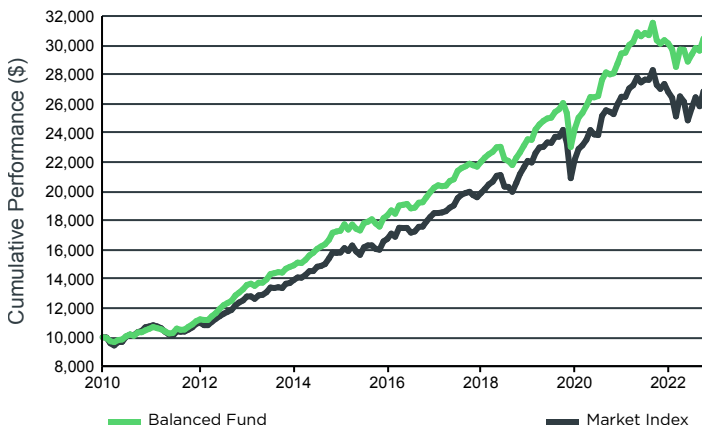
Shares also started the month strongly, allowing the Fund to lighten exposure, particularly in global shares. Against that, weakness in Australian shares later in the month allowed for exposure to be added back. Finally in currency, a much weaker NZ dollar in February boosted performance as the Fund has been running a larger exposure to US and Australian dollars.

Looking ahead, the outlook is mixed. At some point high and rising interest rates will start to have significant impact on the global economy. In the meantime, high short-term interest rates offer good returns whilst we remain patient for better opportunities to emerge in shares.

To view Milford's March 2023 Market and Economic Review please see milfordasset.com/investor-centre.

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)	\$1,627.4 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 28 February 2023

Investment Performance after fees as at 28 February 2023⁵

Unit Price: \$2.9372

	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%	2.88%	1.88%	6.55%	7.09%	9.06%
After Tax 10.50%	0.66%	2.67%	1.60%	6.29%	6.81%	8.58%
After Tax 17.50%	0.62%	2.54%	1.41%	6.12%	6.63%	8.26%
After Tax 28.00%	0.55%	2.33%	1.12%	5.86%	6.35%	7.79%
Market Index	-0.66%	0.84%	-1.27%	4.56%	6.21%	7.89%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	2.08%
Shell	1.39%
Origin Energy	1.24%
Elevance Health	1.20%
HCA Holdings	1.17%
Telstra	1.15%
Spark	1.13%
Coca-Cola	1.09%
Natwest	1.06%
Santos	1.00%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	29.03%	8%
New Zealand Fixed Interest	6.74%	6%
International Fixed Interest	27.56%	25.0%
New Zealand Equities	7.88%	11%
Australian Equities	8.29%	13%
International Equities	15.67%	30%
Listed Property	4.83%	7%
Other	0.00%	0.0%

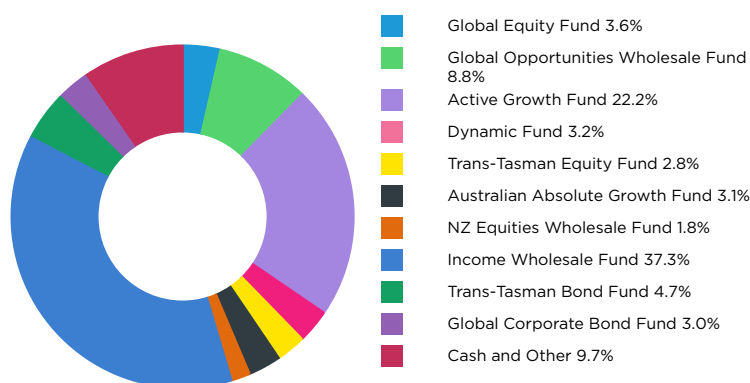
The actual cash held by the Fund is 8.93%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	1.31%
NatWest 5.125% Perpetual	0.75%
Scentre Group 5.125% 2080	0.72%
CBA 5% 2028	0.53%
ING Groep 4.25% Perpetual	0.49%
AT&T 2.875% Perpetual	0.44%
Voyage Float 2029	0.43%
Bank of Ireland 7.594% 2032	0.39%
NatWest 7.416% 2033	0.38%
NAB 6.322% 2032	0.38%

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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