

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 January 2024



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.9% in January, bringing the one-year return to 7.1%. Rising markets continue to support positive returns for the Fund, and the past three months have been particularly strong. But the pace of the rally is slowing. January saw shares outperform bonds, a notable change from the positively correlated performance that we have been used to. This outperformance is likely due to rising optimism around US economic growth. That said, the rally in shares was modest, but the stocks we hold collectively outperformed broader share markets.

Notable winners were US hospital operator HCA Healthcare (+12.6%) and AI beneficiary Meta (+10.2%), amidst a swathe of strongly performing stocks for us last month. The Fund continues to be fully invested in our underlying growth funds, in order to harness our stock selection capabilities. Broad equity exposure has been reduced via derivatives, with the Fund's position fluctuating around an underweight position. The Fund has benefitted from strong performance from corporate bonds over the past three months. But with current valuations now less attractive, exposure to these assets is being reduced.

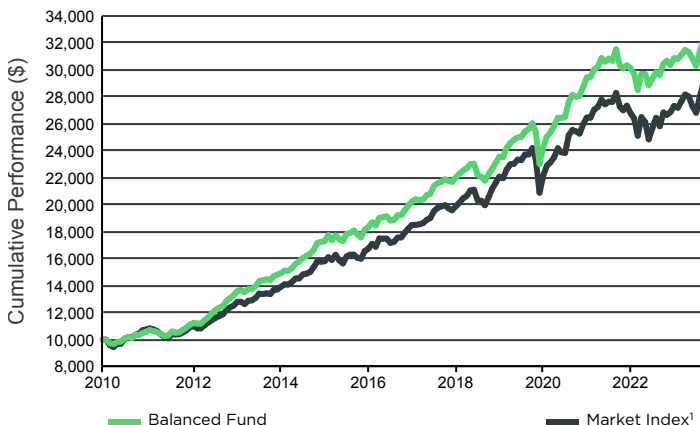
Looking ahead, after three strong months it is reasonable to expect returns to flatten out. We continue to think medium returns can be reasonable, boosted by the stock selection opportunities we are finding.

To view Milford's January 2024 Market and Economic Review please see milfordasset.com/insights.

For previous fund reports see 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

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)	\$1,652.0 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



The Milford Balanced Fund has a Morningstar Medalist Rating™ of 'Silver' as of 6-09-2023

Balanced Fund as at 31 January 2024

Investment Performance after fees as at 31 January 2024⁵

Unit Price: \$3.1176

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	0.90%	7.60%	7.10%	5.22%	7.91%	8.92%
After Tax 10.50%	0.90%	7.45%	6.70%	4.95%	7.61%	8.44%
After Tax 17.50%	0.89%	7.36%	6.44%	4.77%	7.41%	8.13%
After Tax 28.00%	0.89%	7.21%	6.05%	4.50%	7.11%	7.66%
Market Index ¹	1.31%	9.69%	9.62%	4.98%	7.42%	8.11%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.88%
Spark	1.55%
Shell	1.41%
HCA Holdings	1.41%
Telstra	1.30%
Coca-Cola Europacific Partners	1.28%
Elevance Health	1.24%
Fiserv	1.10%
Bank of Ireland Group	1.00%
Infratil	0.93%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	17.78%	8%
New Zealand Fixed Interest	9.09%	6%
International Fixed Interest	29.02%	25.0%
New Zealand Equities	8.69%	10.5%
Australian Equities	11.33%	13.5%
International Equities	20.80%	30%
Listed Property	3.18%	7%
Other	0.11%	0.0%

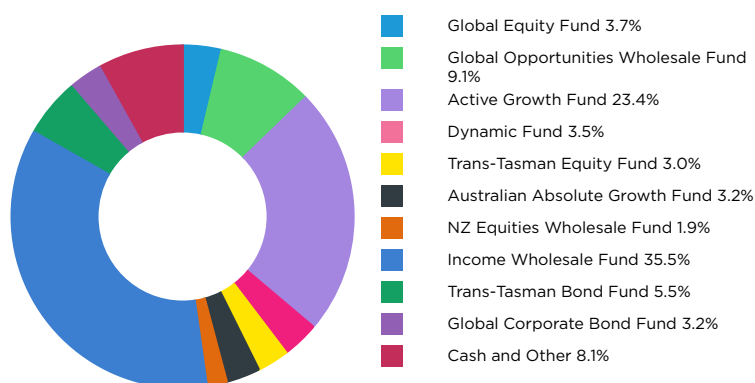
[#] The actual cash held by the Fund is 6.54%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	2.65%
ANZ 5.888% 2034	0.82%
Westpac 5% 2029	0.77%
Westpac 7.199% 2038	0.75%
ANZ 4.95% 2029	0.70%
Scentre Group 5.125% 2080	0.69%
NatWest 5.125% Perpetual	0.57%
AT&T 2.875% Perpetual	0.49%
British Telecommunications	0.48%
Contact 6.398% 2030	0.44%

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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