

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 July 2024



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

In July the Fund returned 3.5% bringing the one-year return to 11.4%. Returns in July, and over the last year, have been strong and it is encouraging that these returns have been delivered without taking a significant amount of risk. Indeed, exposure to shares over this period has been much lower than the neutral of 60%. In July a number of tilts in the Fund contributed to returns. NZ bonds had a strong month, after the RBNZ signalled openness to rate cuts, which benefited the Fund as it has had a significant tilt to NZ bonds over global bonds.

The NZ dollar was also weaker in the month and the Fund has had large exposures to the Australian and US dollars, boosting performance. Finally, the Fund's share exposure has been tilted towards the UK as these shares are cheap, underappreciated by global investors, and should benefit from cuts to UK interest rates. UK shares were outperformers in the month.

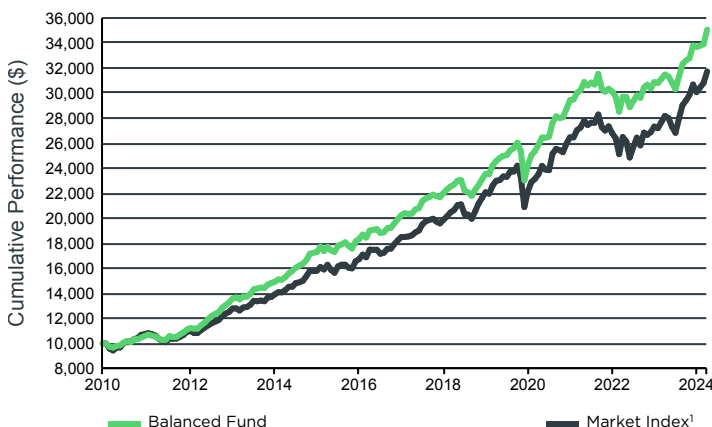
Looking ahead, a dynamic investment backdrop is taking shape. Inflation has largely been tamed but growth fears are emerging bringing interest rate cuts from central banks. But diverging global outcomes continue to present opportunities in currencies and bond markets. In the share market, the previously dominant AI theme seems to be losing a bit of its lustre, as massive capex by technology companies has yet to yield tangible revenue sources. This is creating further opportunities to invest in a wider range of industries and companies to deliver positive performance. After such a strong run for the Fund, the pace of returns is likely to slow but a falling interest rate environment coupled with an active approach should underpin returns going forward.

To view Milford's July 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)	\$1,803.2 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



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

Balanced Fund as at 31 July 2024

Investment Performance after fees as at 31 July 2024⁵

Unit Price: \$3.3491

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	3.45%	4.08%	11.41%	5.08%	7.37%	9.15%
After Tax 10.50%	3.34%	3.93%	10.75%	4.74%	7.04%	8.67%
After Tax 17.50%	3.27%	3.83%	10.31%	4.51%	6.83%	8.35%
After Tax 28.00%	3.16%	3.68%	9.65%	4.17%	6.50%	7.88%
Market Index ¹	3.02%	5.52%	12.63%	5.20%	6.65%	8.39%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.82%
Shell	1.43%
HCA Holdings	1.43%
Spark	1.40%
Telstra	1.39%
Coca-Cola Europacific Partners	1.33%
CRH	1.29%
Infratil	1.28%
Elevance Health	1.12%
Microsoft	1.08%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	14.03%	8%
New Zealand Fixed Interest	7.57%	6%
International Fixed Interest	24.19%	25.0%
New Zealand Equities	8.27%	10.5%
Australian Equities	9.21%	13.5%
International Equities	32.89%	30%
Listed Property	3.84%	7%
Other	0.00%	0.0%

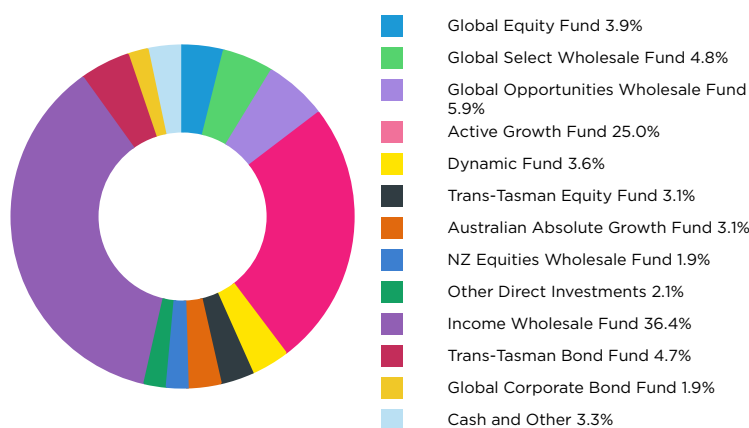
The actual cash held by the Fund is 9.85%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	1.17%
Scentre Group 5.125% 2080	0.64%
ANZ 4.95% 2029	0.60%
Westpac 5.754% 2034	0.50%
NatWest 5.125% Perpetual	0.48%
British Telecommunications 8.375% 2083	0.47%
Westpac 5.1% 2029	0.41%
Suncorp 4.75% 2029	0.39%
Bank of Ireland 7.594% 2032	0.38%
NZLGFA 4.5% 2030	0.36%

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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