

# Balanced Fund

Portfolio Investment Entity

## Monthly Fact Sheet as at 31 March 2021



### Portfolio Managers



**Mark Riggall**  
Portfolio Manager



**Paul Morris**  
Co-Portfolio Manager

The Fund returned 2.4% in March with a one-year return of 24.8%. Investors continue to contemplate the reopening of economies, accelerating economic growth and improvements in company profits. This is manifesting itself in falling bond markets and higher share markets.

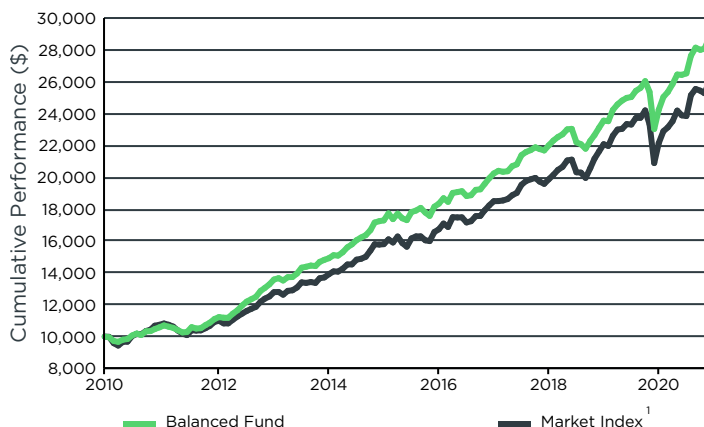
The Balanced Fund has a large neutral exposure to bonds - typically 30-35% of the Fund. To protect this part of the portfolio, we have actively reduced our exposure to long-term bond prices. This has seen the income part of the portfolio deliver a flat performance in the past 3 months despite global bond markets falling around 4%. The remainder of the Fund is typically invested in shares. Due to the improved outlook over the past 6 months, we have increased this to around 64%, helping capture the strong performance from share markets over this period.

This is in addition to the careful selection of stocks that is happening within the underlying funds. We have been rotating our share holdings into companies that can benefit from improved economic growth, notably financials, semiconductor companies and resources companies. As we look ahead, the improving economic outlook is tempered by already strong investor sentiment, rising interest rates, elevated valuations and the prospect of increased corporation taxes in the US. As a result, we are cautiously bullish and will look to reduce exposure to share markets on further price gains.

To view Milford's April 2021 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

**Objective<sup>2</sup>** Capital growth over a minimum of five years

**Description** Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities

<b>Target Allocation</b>	39% Income Assets / 61% Growth Assets
<b>Neutral FX Exposure</b>	13.0%
<b>Net Asset Value (NAV)</b>	\$1,245.6 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>	1.08% (includes an est. performance fee)



### External Ratings



Milford Balanced Fund received a Morningstar Analyst Rating™ of 'Silver' on 22-04-2019

## Balanced Fund as at 31 March 2021

### Investment Performance after fees as at 31 March 2021<sup>5</sup>

Unit Price: \$2.7605

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	2.36%	2.12%	24.77%	9.83%	9.62%	10.07%
After Tax 10.50%	2.37%	2.05%	24.29%	9.52%	9.20%	9.54%
After Tax 17.50%	2.37%	2.00%	23.97%	9.32%	8.93%	9.18%
After Tax 28.00%	2.38%	1.92%	23.49%	9.01%	8.51%	8.67%
Market Index <sup>1</sup>	2.73%	1.66%	24.29%	9.85%	9.41%	9.06%

### Top Equity Holdings

Holdings	% of Fund
Fisher & Paykel	1.82%
Spark	1.58%
Contact Energy	1.54%
Alphabet	1.16%
Microsoft	1.14%
Telstra	1.11%
NAB	1.10%
Mainfreight	0.91%
Summerset	0.88%
Infratil	0.81%

### Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	12.21%	8.00%
New Zealand Fixed Interest	3.95%	6.00%
International Fixed Interest	20.98%	25.00%
New Zealand Equities	12.84%	12.00%
Australian Equities	15.58%	13.00%
International Equities	29.08%	29.00%
Listed Property	5.36%	7.00%
Other	0.00%	0%

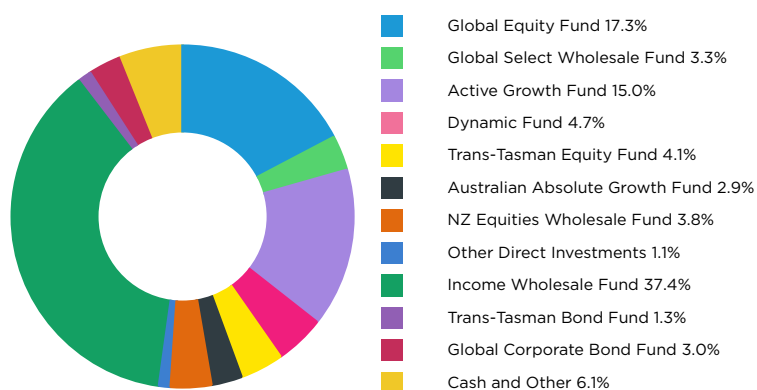
# The actual cash held by the Fund is 11.62%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

### Top Fixed Interest Holdings

Holdings	% of Fund
Scentre Group 5.125% 2080	0.86%
ASB Bank 5.25% 2026	0.37%
Mirvac Group 3.625% 2027	0.37%
NZLGFA 1.5% 2026	0.31%
Aventus Float 2025	0.31%
Westpac 4.695% 2026	0.29%
AusNet Float 2080	0.28%
CBA Float 2030	0.26%
JPMorgan 1.09% 2027	0.25%
Ampol Float 2080	0.25%

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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