

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 March 2023



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund delivered -1.0% in March, bringing the one-year return to 0.1%.

March saw both stock and bond markets rally in a somewhat unsustainable fashion. The banking crisis in the US looks to be contained. But one implication is that bank lending will be more cautious going forward – this is yet another headwind to economic growth. Bond markets have completely changed their minds on central bank actions over the course of the month and now expect rate cuts at the back end of this year in the US. They may well be right but if so, then it is likely that shares are being too optimistic on the outlook.

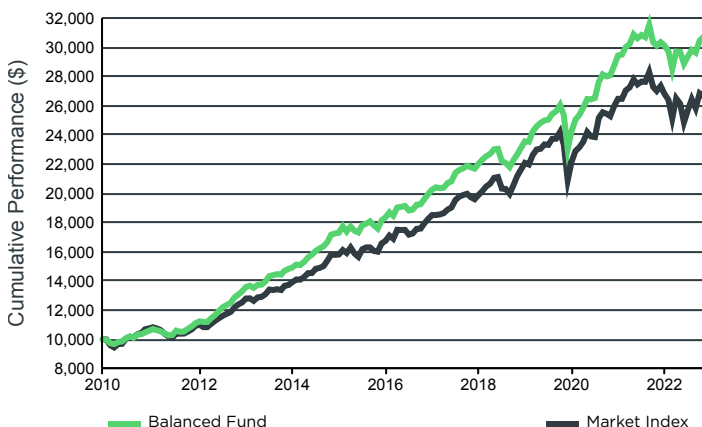
For the Fund, swings in markets continue to represent opportunities. For example, we used weakness in Australian shares last month to significantly add exposure, helping capture the bounce in those shares towards the end of the month. Exposure to the financial sector did drag on performance in the month as our positions gave back previous gains. A modestly stronger NZ dollar also hurt, given our increased exposure to foreign currencies.

The global economy has been more resilient than we expected. But we do think that increasing headwinds to growth will drive economic weakness. Much patience has been (and will be) required to await this outcome. In the meantime, the Fund can generate returns from income assets whilst we wait for better opportunities in broader share markets.

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)	\$1,594.0 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



Milford Balanced Fund received a Morningstar Analyst Rating™ of 'Silver' on 13-07-2020

Balanced Fund as at 31 March 2023

Investment Performance after fees as at 31 March 2023⁵

Unit Price: \$2.9071

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	-0.98%	2.51%	0.09%	9.67%	6.97%	8.92%
After Tax 10.50%	-0.92%	2.47%	-0.15%	9.40%	6.72%	8.45%
After Tax 17.50%	-0.87%	2.44%	-0.31%	9.22%	6.55%	8.13%
After Tax 28.00%	-0.81%	2.40%	-0.55%	8.96%	6.29%	7.67%
Market Index	0.80%	4.10%	-1.71%	8.76%	6.53%	7.90%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	2.16%
HCA Holdings	1.31%
Elevance Health	1.23%
Spark	1.22%
Coca-Cola	1.17%
Shell	1.14%
Telstra	1.08%
Boston Scientific	0.93%
Visa	0.91%
Avantor	0.84%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	24.02%	8%
New Zealand Fixed Interest	7.27%	6%
International Fixed Interest	26.80%	25.0%
New Zealand Equities	8.10%	11%
Australian Equities	12.58%	13%
International Equities	16.88%	30%
Listed Property	4.21%	7%
Other	0.14%	0.0%

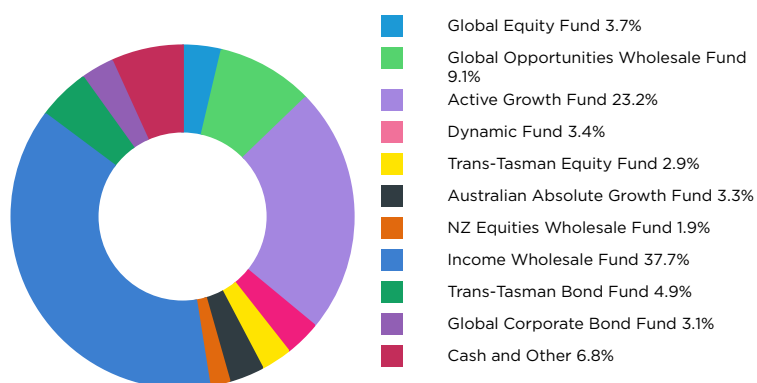
The actual cash held by the Fund is 9.54%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	1.35%
NatWest 5.125% Perpetual	0.72%
Scentre Group 5.125% 2080	0.69%
CBA 6.704% 2038	0.56%
TESAG 4.9% 2028	0.46%
AT&T 2.875% Perpetual	0.45%
CBA 5% 2028	0.45%
Voyage Float 2029	0.44%
Contact 5.62% 2029	0.44%
ING Groep 4.25% Perpetual	0.40%

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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