

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 November 2022



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 1.5% in November, bringing the one year return to -2.9%. Strong performance from both shares and bonds saw the Fund deliver solid returns for the second month in a row. Although we have maintained a defensive tilt in the Fund, strong stock selection and performance from our corporate bond holdings helped boost positive returns.

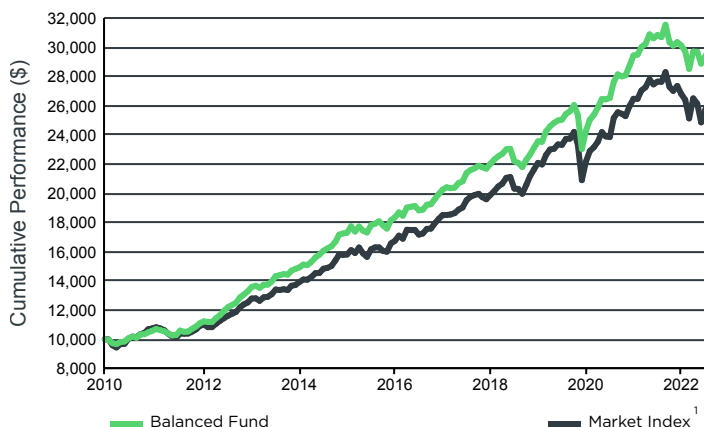
This year, market expectations of interest rate moves has been the primary factor driving returns. In November, signs that inflation has peaked and will start to ease has implications for the future path of monetary policy, i.e. likely less restrictive. This lifted both bonds and shares. Australian shares are now broadly up on the year, benefitting the Fund's large allocation to this region. Specifically, our holdings in Origin Energy (+41.1%) were lifted by a takeover bid during the month, whilst Virgin UK (+25.6%) delivered good earnings reports.

Whilst we welcome the market rally, we still remain cautious on the outlook. Global growth looks to be slowing and there are big question marks around the sustainability of company earnings that have already started to slow. In NZ, the rapidly rising interest rates will start to really impact household spending – the Reserve Bank is engineering a recession. In response to the outlook, the Fund has hedged more exposure to shares whilst also reducing its exposure to the NZ dollar.

To view Milford's December 2022 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

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)	\$1,620.0 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



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

Balanced Fund as at 30 November 2022

Investment Performance after fees as at 30 November 2022⁵

Unit Price: \$2.8557

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	1.51%	0.44%	-2.85%	5.45%	6.67%	9.00%
After Tax 10.50%	1.53%	0.48%	-3.00%	5.23%	6.39%	8.53%
After Tax 17.50%	1.54%	0.51%	-3.10%	5.08%	6.21%	8.21%
After Tax 28.00%	1.56%	0.55%	-3.26%	4.87%	5.93%	7.75%
Market Index ¹	2.84%	1.14%	-4.32%	3.67%	5.99%	7.97%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	2.18%
HCA Holdings	1.30%
Elevance Health	1.22%
Boston Scientific	1.20%
Origin Energy	1.12%
Telstra	1.10%
Santos	1.03%
Natwest	0.99%
Bristol-Myers Squibb	0.97%
Spark	0.90%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	20.50%	8%
New Zealand Fixed Interest	6.86%	6%
International Fixed Interest	28.67%	25.0%
New Zealand Equities	7.69%	11%
Australian Equities	7.14%	13%
International Equities	22.55%	30%
Listed Property	5.02%	7%
Other	1.57%	0.0%

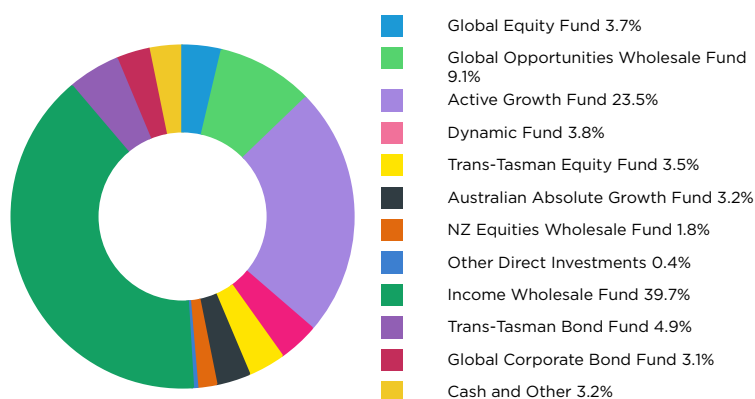
The actual cash held by the Fund is 5.85%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	1.31%
NatWest 5.125% Perpetual	0.73%
Scentre Group 5.125% 2080	0.73%
CBA 6.86 2032	0.64%
ING Groep 4.25% Perpetual	0.50%
NBN Co 4.75% 2026	0.44%
Voyage Float 2029	0.44%
AT&T 2.875% Perpetual	0.42%
Westpac 6.19% 2032	0.41%
NAB 6.322% 2032	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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