

Cash Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 January 2024



Portfolio Managers



Katlyn Parker
Portfolio Manager



Ian Robertson
Co-Portfolio Manager

In January, the Fund generated a return of 0.5%, which was in line with its objective to deliver a return in excess of the Reserve Bank of New Zealand (RBNZ) Official Cash Rate (OCR) after fees.

Short-dated NZ dollar bank bills, a reflection of interbank funding levels, ended the month moderately higher. This move higher was driven by the market paring back expectations of interest rate cuts in the near term on the back of the recent inflation report which showed domestically-generated inflation remaining very strong. At the upcoming RBNZ meeting in February, the first meeting of 2024, the RBNZ will publish its updated forecast for the OCR. This will be a natural focus for the market, given its last forecast published in November showed an increased probability of a higher OCR over its forecast period. Our expectation is that when compared to recent years, interest rates will remain at relatively elevated levels for some time. This will continue to benefit the Fund in terms of the interest rates into which the Fund can reinvest maturing holdings.

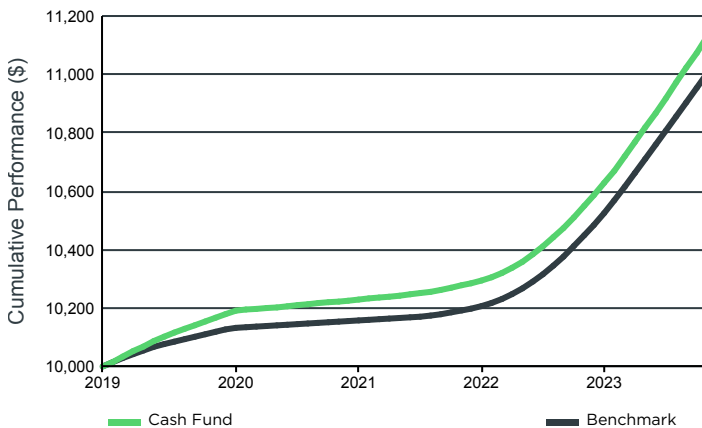
The portfolio management of the Fund remains focused on maintaining its low-risk strategy which is built on a diversified portfolio of cash, short-dated debt securities and term deposits, so as to protect capital. As a reminder, while the yield of the Fund may vary over time, its objective is to deliver a return in excess of the OCR after fees. We expect we will continue to be able to deliver on this objective.

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

Objective¹	Targets a return above the New Zealand Official Cash Rate
Description	Primarily invests in New Zealand cash, short-dated debt securities and term deposits

Minimum recommended investment timeframe	N/A
Target Allocation	100% Income Assets / 0% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$669.5 M
Yield²	5.63%
Average Credit Rating	A
Duration	0.12 years
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 March 2019
Benchmark	OCR
Base Fund Fee³	0.20%
Performance Fee	Not applicable
Total Fund Fees⁴	0.20%

	Lower risk						Higher risk
Risk Indicator	1	2	3	4	5	6	7
	Potentially lower returns						Potentially higher returns

Cash Fund as at 31 January 2024

Investment Performance after fees as at 31 January 2024⁵

Unit Price: \$1.1129

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Cash Fund (Gross Of Tax)	0.51%	1.43%	5.49%	2.88%	-	2.20%
After Tax 10.50%	0.46%	1.28%	4.90%	2.57%	-	1.96%
After Tax 17.50%	0.42%	1.18%	4.51%	2.37%	-	1.81%
After Tax 28.00%	0.37%	1.03%	3.92%	2.06%	-	1.58%
Benchmark	0.46%	1.36%	5.30%	2.72%	-	1.96%

Top Security Holdings

Holdings	% of Fund
Westpac 45 Day WND	16.44%
Kiwibank 6% 2024	4.50%
Kiwibank 6% 2024	4.49%
ANZ 5.88% 2024	3.01%
Contact CP 2024	2.98%
Heartland CP 2024	2.68%
Auckland Airport CP 2024	2.24%
Mercury CP 2024	2.23%
Meridian CP 2024	2.23%
SBS CP 2024	2.22%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	24.82%	20%
New Zealand Fixed Interest	75.18%	80%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 24.82%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

1. After the Base Fund Fee but before tax. 2. The yield to maturity is not an indicator of future return, but reflects the current yield to maturity of the fund's underlying holdings (before tax and after the base fund 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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