

# Cash Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 October 2023



#### Portfolio Managers



**Katlyn Parker**  
Portfolio Manager



**Ian Robertson**  
Co-Portfolio Manager

In October, 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.

At the October RBNZ meeting, the OCR was kept unchanged at 5.50%, as widely expected by the market. Short-dated NZ dollar bank bills, a reflection of interbank funding levels, pushed lower throughout the month driven by the market paring back expectations of another OCR increase in coming months on the back of softening inflation data. At the upcoming RBNZ meeting in November, the last meeting in 2023, the RBNZ will publish its updated forecast for the OCR track from here. Given its most recent forecasts published in August showed an increased probability of a higher OCR over its forecast period, the market will be focusing on any change to this. Our expectation is, however, that interest rates will remain at relatively elevated levels when compared to recent years, for some time. That will continue to benefit the Fund in terms of the interest rates into which it can reinvest maturing holdings.

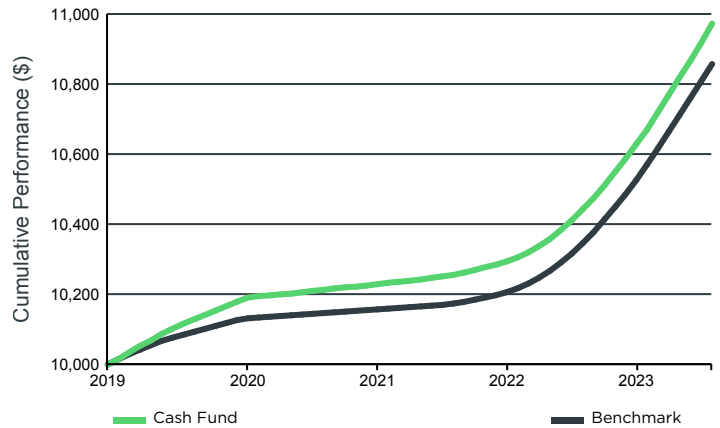
The portfolio management of the Fund remains focused on maintaining its low-risk strategy, which is built on a diversified portfolio of cash, short-dated debt securities and term deposits, so as to protect capital. As a reminder, while the yield of the Fund may vary over time, its objective is to deliver 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 October 2023 Market and Economic Review please see [milfordasset.com/insights](https://milfordasset.com/insights).

For previous fund reports see [milfordasset.com/fund-reports](https://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

<b>Objective<sup>1</sup></b>	Targets a return above the New Zealand Official Cash Rate
<b>Description</b>	Primarily invests in New Zealand cash, short-dated debt securities and term deposits

<b>Minimum recommended investment timeframe</b>	N/A
<b>Target Allocation</b>	100% Income Assets / 0% Growth Assets
<b>Neutral FX Exposure</b>	0%
<b>Net Asset Value (NAV)</b>	\$611.8 M
<b>Yield<sup>2</sup></b>	5.63%
<b>Average Credit Rating</b>	A
<b>Duration</b>	0.12 years
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 March 2019
<b>Benchmark</b>	OCR
<b>Base Fund Fee<sup>3</sup></b>	0.20%
<b>Performance Fee</b>	Not applicable
<b>Total Fund Fees<sup>4</sup></b>	0.20%

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

## Cash Fund as at 31 October 2023

### Investment Performance after fees as at 31 October 2023<sup>5</sup>

Unit Price: \$1.0972

	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%	1.42%	5.07%	2.42%	-	2.01%
After Tax 10.50%	0.45%	1.27%	4.53%	2.16%	-	1.79%
After Tax 17.50%	0.42%	1.17%	4.17%	1.99%	-	1.65%
After Tax 28.00%	0.36%	1.02%	3.63%	1.74%	-	1.44%
Benchmark	0.46%	1.36%	4.94%	2.28%	-	1.78%

### Top Security Holdings

Holdings	% of Fund
Westpac 45 Day WND	17.72%
KiwiBank 6% 2024	4.10%
ANZ 5.88% 2023	3.30%
Contact CP 2023	3.26%
Genesis CP 2024	3.07%
ASB 6.07% 2023	2.96%
Auckland Airport CP 2023	2.94%
Heartland CP 2023	2.44%
Auckland Airport CP 2023	2.43%
Heartland CP 2023	2.37%

### Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	24.37%	20%
New Zealand Fixed Interest	75.63%	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 24.37%. 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](http://milfordasset.com/fact-sheet) for more information about the data published within this document.

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