

# Cash Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 30 September 2023



#### Portfolio Managers



**Katlyn Parker**  
Portfolio Manager



**Ian Robertson**  
Co-Portfolio Manager

In September, 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.

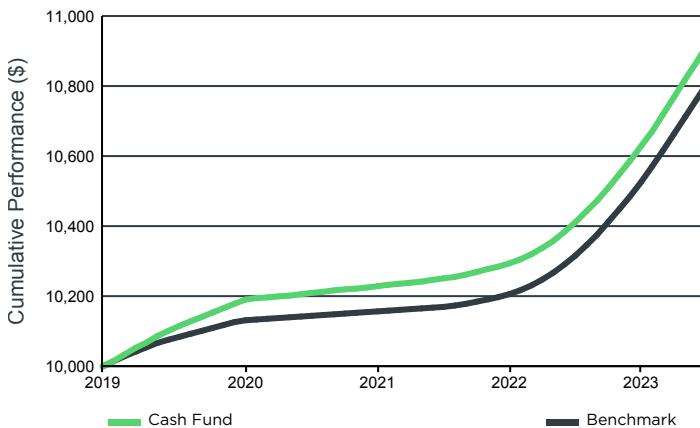
Short-dated NZ dollar bank bills, a reflection of interbank funding levels, pushed higher throughout the month, driven by heightened market expectations of another OCR increase in coming months. Accordingly, the market focus has turned to the upcoming October RBNZ meeting. Economic data, in general, has been relatively strong in New Zealand of late, and thus the market is currently putting a significant probability of another OCR increase later this year or early 2024. Whether or not this eventuates will be dependent on how further data evolves. Our expectation is, however, that interest rates will remain at 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 September 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>	\$596.8 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 30 September 2023

### Investment Performance after fees as at 30 September 2023<sup>5</sup>

Unit Price: \$1.0917

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Cash Fund (Gross Of Tax)	0.46%	1.38%	4.86%	2.26%	-	1.93%
After Tax 10.50%	0.41%	1.24%	4.34%	2.02%	-	1.73%
After Tax 17.50%	0.38%	1.14%	3.99%	1.86%	-	1.59%
After Tax 28.00%	0.33%	1.00%	3.48%	1.62%	-	1.39%
Benchmark	0.44%	1.36%	4.77%	2.14%	-	1.71%

### Top Security Holdings

Holdings	% of Fund
Westpac 45 Day WND	17.23%
ANZ 5.85% 2023	3.40%
ANZ 5.88% 2023	3.36%
Heartland CP 2023	3.34%
Auckland Airport CP 2023	3.34%
Contact CP 2023	3.32%
ASBB 6.07% 2023	3.02%
Auckland Airport CP 2023	2.99%
Auckland Airport CP 2023	2.48%
Heartland CP 2023	2.41%

### Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	25.23%	20%
New Zealand Fixed Interest	74.77%	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 25.23%. 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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