

Dynamic Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 August 2020



Portfolio Managers



William Curtayne
Portfolio Manager



Michael Higgins
Portfolio Manager

The Australian Small Ordinaries Index rallied strongly in August, up 7.2%. Pleasingly, the Fund was able to keep up, delivering 6.6% for the month and 10% for the year. Since the market low recorded on March 23rd, the Fund has now rallied an incredible 57.6%, 2.6% ahead of the benchmark.

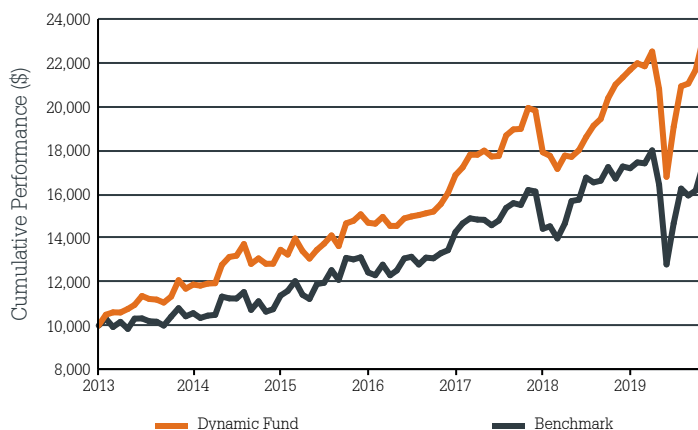
Performance was led by independent investment platform HUB24 (+21.3%) which closed FY20 with \$17.2bn in Funds Under Administration, up 14% for the quarter and 34% on the previous period. HUB24 is a beneficiary of the structural migration away from the major banks and AMP towards more nimble independent wealth management groups. Sports gaming company PointsBet rallied strongly (+117.9%) after signing a 5-year media agreement with NBCUniversal. The deal creates an excellent foundation to grow sports gaming in the US. Detractors included gold miners Saracen Minerals (-13.0%) and Gold Road Resources (-15.0%). While our recent performance has been strong, the market remains volatile.

We remain mindful that we are in a period of elevated uncertainty with a broad range of potential market moving scenarios in play. Our portfolio is well balanced consisting of reasonably priced companies with good growth prospects irrespective of the cycle and a number of “vaccine winners”, which should perform strongly on any vaccine development before year end.

To view Milford's September 2020 Market and Economic Review please see milfordasset.com/fact-sheet.

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 ¹	Capital growth by out-performing the relevant share market index over a minimum of five years
Description	Primarily invests in small to mid-cap Australasian equities
Target Allocation	10% Income Assets / 90% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$379.0 M
Buy-sell Spread	None
Inception Date	1 October 2013
Benchmark	S&P/ASX Small Ordinaries (TR) Index (100% NZD-hedged)
Base Fund Fee ²	1.35%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees ³	1.35%
Risk Indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> Lower risk Higher risk </div> <div style="display: flex; justify-content: center; align-items: center; margin: 5px 0;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; align-items: center;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 31 August 2020⁴

Unit Price: \$2.2847

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	6.62%	10.43%	10.02%	14.11%	12.50%	12.87%
After Tax 10.50%	6.63%	10.55%	10.08%	14.08%	12.40%	12.81%
After Tax 17.50%	6.64%	10.63%	10.11%	14.06%	12.34%	12.77%
After Tax 28.00%	6.66%	10.75%	10.16%	14.03%	12.25%	12.71%
Benchmark	7.33%	6.76%	3.84%	9.26%	10.28%	8.29%

Top Security Holdings

Holdings	% of Fund's NAV
HUB24	4.24%
Bapcor	4.05%
Collins Foods	3.92%
Evolution Mining	3.83%
Sealink Travel Group	3.78%
Saracen Mineral Holdings	3.07%
EQT Holdings	3.00%
EML Payments	2.90%
Seven Group Holdings	2.83%
IPH	2.76%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	12.05%	10.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	10.83%	0%
Australian Equities	77.12%	90.00%
International Equities	0.00%	0%
Other	0.00%	0%

The actual cash held by the Fund is 11.51%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Sector Exposure

Allocation	Weight %
Consumer Discretionary	19.59%
Real Estate	13.71%
Information Technology	12.30%
Materials	12.28%
Financials	11.31%
Health Care	5.61%
Industrials	5.53%
Communication Services	4.18%
Other Sectors	3.44%
Cash and Other	12.05%

Region Exposure



■ New Zealand 10.51%
 ■ Australia 76.25%
 ■ International 1.19%
 ■ Cash and Other 12.05%

1. After the base fund fee but before tax and before the performance fee. 2. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 3. 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. 4. 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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