

# Dynamic Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 28 February 2022



## Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Michael Higgins**  
Portfolio Manager

The Fund was flat in February, broadly in line with the S&P/ASX Small Ordinaries benchmark. Energy, resources and industrials were the best performing sectors while highly priced technology and healthcare sectors suffered heavy losses. Our decision to build cash and tilt the portfolio towards defensive and recovery stocks has insulated against macro risks while still providing upside from our individual stock picks.

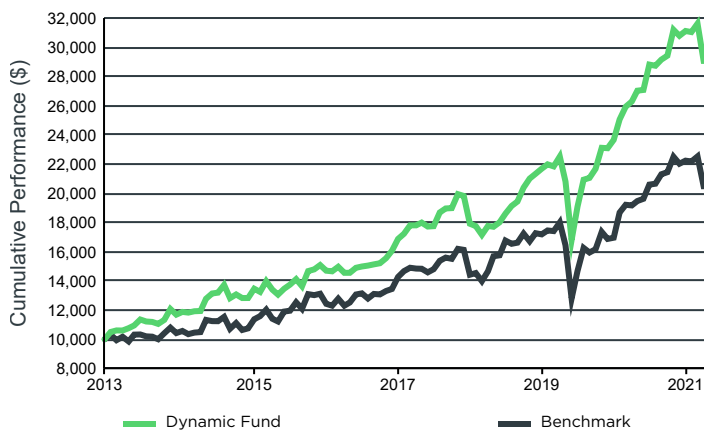
The gold sector was one of the few sectors which collectively made a positive contribution for the month. Evolution Mining (+23.2%), Silver Lake Resources (+25.9%) and Northern Star (+24.4%) were three portfolio companies which performed strongly reflecting geopolitical developments. The energy sector was also another key contributor with Santos (+3.9%) and Karoon Energy (+6.8%) the standouts. Laggards included financial platform Praemium (-39.3%) and digital payments business EML Payments (-18.9%).

As we have previously flagged, the move to combat persistently high inflation rates now requires tighter monetary policies from central banks. Unfortunately, higher energy prices and disrupted supply chains from current geopolitical risks all exacerbate inflationary pressures. With this backdrop, our positioning favours commodities, those companies that benefit from the reopening or companies with strong pricing power and an ability to pass on costs.

To view Milford's March 2022 Market and Economic Review please see [milfordasset.com/fact-sheet](https://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

<b>Objective<sup>1</sup></b>	To provide capital growth by out-performing the relevant share market index over the minimum recommended investment timeframe
<b>Description</b>	Primarily invests in small to mid-cap Australasian equities
<b>Minimum recommended investment timeframe</b>	8 years +
<b>Target Allocation</b>	10% Income Assets / 90% Growth Assets
<b>Status</b>	Closed to new investment
<b>Neutral FX Exposure</b>	0%
<b>Net Asset Value (NAV)</b>	\$868.6 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 October 2013
<b>Benchmark</b>	S&P/ASX Small Ordinaries (TR) Index (100% NZD-hedged)
<b>Base Fund Fee<sup>2</sup></b>	1.35%
<b>Performance Fee</b>	15% of the Fund's returns above the Benchmark <sup>1</sup> , subject to the high watermark.
<b>Total Fund Fees<sup>3</sup></b>	1.35%
<b>Risk Indicator</b>	Lower risk <span style="float: right;">Higher risk</span> 1 2 3 4 5 <b>6</b> 7 Potentially lower returns Potentially higher returns

## Dynamic Fund as at 28 February 2022

### Investment Performance after fees as at 28 February 2022<sup>4</sup>

Unit Price: \$2.8702

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	-0.01%	-6.37%	7.54%	17.96%	14.84%	13.52%
After Tax 10.50%	-0.02%	-6.33%	7.47%	17.95%	14.81%	13.45%
After Tax 17.50%	-0.02%	-6.30%	7.43%	17.94%	14.79%	13.41%
After Tax 28.00%	-0.04%	-6.26%	7.36%	17.93%	14.76%	13.35%
Benchmark	0.05%	-7.60%	5.27%	9.31%	10.36%	8.90%

### Top Security Holdings

Holdings	% of Fund
Contact Energy	3.96%
Metcash	3.77%
Collins Foods	3.51%
Seven Group	3.50%
IPH	3.37%
Evolution Mining	3.34%
Credit Corp	3.27%
HUB24	2.89%
Santos	2.81%
EBOS Group	2.80%

### Current Asset Allocation

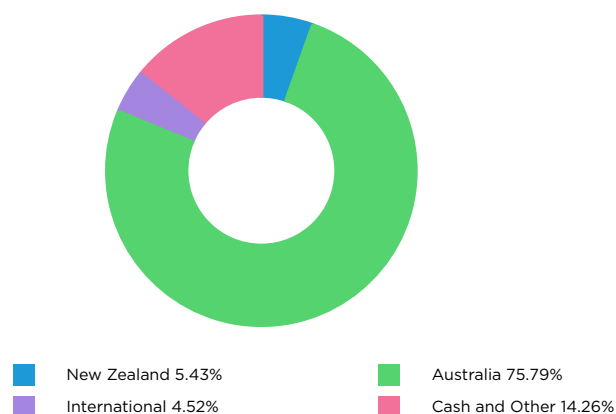
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	14.26%	10.0%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	8.15%	0.0%
Australian Equities	77.59%	90.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

# The actual cash held by the Fund is 14.64%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

### Sector Allocation

Allocation	Weight %
Materials	13.74%
Financials	12.64%
Real Estate	9.42%
Industrials	8.89%
Consumer Discretionary	8.25%
Energy	7.33%
Information Technology	7.28%
Communication Services	6.08%
Other Sectors	12.11%
Cash and Other	14.26%

### Region Exposure



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](http://milfordasset.com/fact-sheet) for more information about the data published within this document.

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