

# Dynamic Fund

Portfolio Investment Entity

## Monthly Fact Sheet as at 31 July 2022



### Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Michael Higgins**  
Portfolio Manager

Global equity markets bounced in July on the prospect of peak inflation, peak interest rates and a benign US reporting season. The Dynamic Fund returned 8.5% for the month, behind the S&P/ASX Small Ordinaries which rallied 11.5%. While our cautious positioning provided a degree of cash performance drag, we were very pleased to largely keep up with the index with a far less risky portfolio.

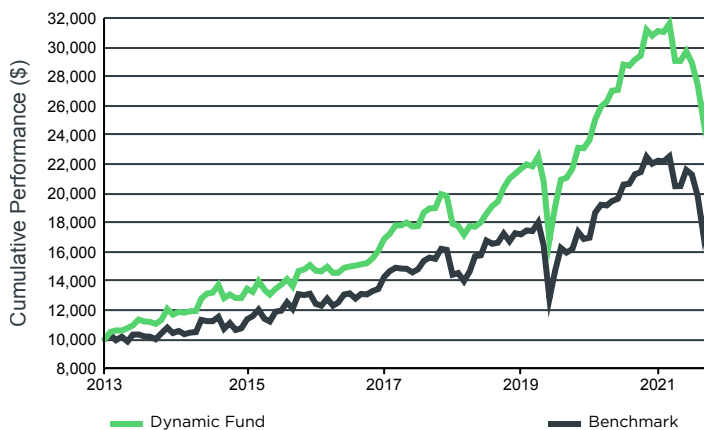
Performance was led by Neuren Pharmaceuticals, which rallied 48.4% following the submission of Phase III trial results to the FDA. Investment platform HUB24 was a large contributor for the month (+20.2%). Sustained inflows strengthen our view that HUB are a structural winner as financial advisors migrate away from the major banks. Carsales (+12.3%) rallied following the completion of its buyout of RV and commercial vehicle marketplace Trader Interactive. Detractors included oil refiner and convenience retailer Viva Energy (-8.0%).

We remain cautiously positioned having prioritised liquidity, and higher quality defensive stocks. From our perspective, medium term consensus margin expectations remain optimistic given a backdrop of rising inflation and softening consumer demand. As we await more comfort on the economic outlook, we continue to build out a long shopping list of growth businesses to add to the portfolio once they reach more compelling prices in the coming months.

To view Milford's August 2022 Market and Economic Review please see [milfordasset.com/fact-sheet](http://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>	\$676.9 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%

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

## Dynamic Fund as at 31 July 2022

### Investment Performance after fees as at 31 July 2022<sup>4</sup>

Unit Price: \$2.6782

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	8.48%	-6.24%	-7.78%	10.00%	12.28%	11.96%
After Tax 10.50%	8.40%	-6.22%	-7.80%	9.99%	12.24%	11.90%
After Tax 17.50%	8.35%	-6.21%	-7.82%	9.98%	12.22%	11.86%
After Tax 28.00%	8.27%	-6.19%	-7.84%	9.97%	12.19%	11.79%
Benchmark	11.54%	-9.78%	-10.45%	3.66%	7.99%	7.66%

### Top Security Holdings

Holdings	% of Fund
Contact Energy	4.34%
Collins Foods	4.12%
Carsales.Com	4.01%
IPH	3.98%
Metcash	3.15%
Resmed	2.94%
oOh!media	2.84%
HUB24	2.54%
Waypoint REIT	2.50%
Macquarie Telecom Group	2.38%

### Current Asset Allocation

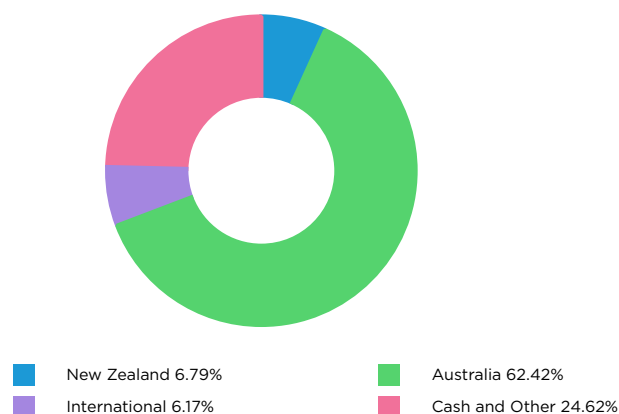
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	24.62%	10.0%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	7.90%	0.0%
Australian Equities	67.48%	90.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

# The actual cash held by the Fund is 26.14%. 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 %
Communication Services	11.56%
Real Estate	9.62%
Consumer Discretionary	8.64%
Industrials	7.48%
Health Care	7.41%
Financials	7.25%
Materials	6.28%
Energy	5.61%
Other Sectors	11.53%
Cash and Other	24.62%

### 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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