

# Dynamic Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 May 2023



## Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Michael Higgins**  
Portfolio Manager

The Fund returned -2.1% in May, ahead of the S&P/ASX Small Ordinaries which fell 3.1%. Our cautious positioning and elevated cash position provided some resistance to the sell-off.

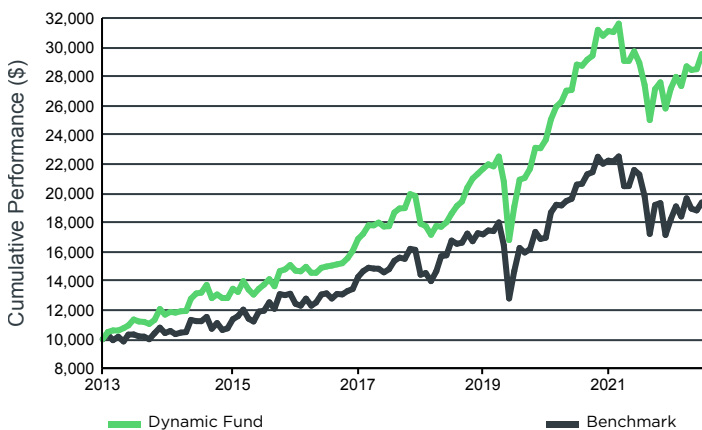
Performance was led by Australasian terminal provider Smartpay (+9.7%) which continued its recent momentum. Smartpay continues to gain market share and rapidly grow annuity revenues. We were pleased that a recent addition to the Fund, multi-modal transport provider and tourism operator Kelsian (+11.5%), was a key contributor in May. Detractors include youth apparel retailer Universal Store (-39.8%) which downgraded earnings expectations following very weak recent trading, and gold miner Silver Lake (-17.7%).

We remain defensively positioned, limiting our exposure to unpredictable macro risks. We have long been of the view that as the economy weakens, we will rotate back into quality growth companies at attractive valuations. We have selectively started this process given our elevated cash position, however only in moderate size to date.

To view Milford's May 2023 Market and Economic Review please see [milfordasset.com/insights](http://milfordasset.com/insights).

## 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<sup>1</sup>** To provide capital growth by out-performing the relevant share market index over the minimum recommended investment timeframe

**Description** Primarily invests in small to mid-cap Australasian equities

**Minimum recommended investment timeframe** 8 years +

**Target Allocation** 10% Income Assets / 90% Growth Assets

**Status** Closed to New Investment

**Neutral FX Exposure** 0%

**Net Asset Value (NAV)** \$645.7 M

**Buy-sell Spread** None - swing pricing applies (See PDS for details)

**Inception Date** 1 October 2013

**Benchmark** S&P/ASX Small Ordinaries (TR) Index (100% NZD-hedged)

**Base Fund Fee<sup>2</sup>** 1.35%

**Performance Fee** 15% of the Fund's returns above the Benchmark<sup>1</sup>, subject to the high watermark.

**Total Fund Fees<sup>3</sup>** 1.35%

**Risk Indicator**

Lower risk Higher risk

1 2 3 4 5 **6** 7

Potentially lower returns Potentially higher returns

## Dynamic Fund as at 31 May 2023

### Investment Performance after fees as at 31 May 2023<sup>4</sup>

Unit Price: \$2.848

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	-2.13%	1.60%	5.43%	11.37%	9.12%	11.60%
After Tax 10.50%	-2.11%	1.52%	5.26%	11.30%	9.08%	11.53%
After Tax 17.50%	-2.09%	1.47%	5.15%	11.25%	9.06%	11.48%
After Tax 28.00%	-2.07%	1.39%	4.98%	11.18%	9.02%	11.40%
Benchmark	-3.13%	-0.97%	-5.23%	4.90%	4.06%	6.72%

### Top Security Holdings

Holdings	% of Fund
Viva Energy Group	4.51%
Contact Energy	3.52%
IPH	3.51%
SmartPay	3.14%
Carsales.Com	3.03%
Seven Group	2.94%
Waypoint REIT	2.88%
IGO	2.80%
Monadelphous	2.73%
Neuren Pharmaceuticals	2.72%

### Current Asset Allocation

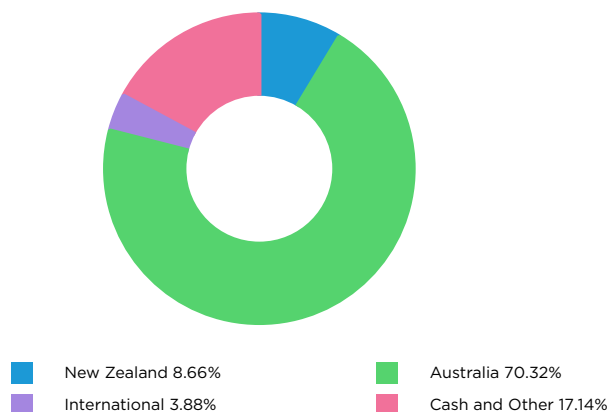
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	16.95%	10%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	9.14%	0.0%
Australian Equities	73.72%	90%
International Equities	0.00%	0.0%
Other	0.19%	0.0%

# The actual cash held by the Fund is 16.94%. 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 %
Industrials	12.10%
Financials	11.02%
Materials	10.88%
Communication Services	8.90%
Energy	8.79%
Real Estate	7.12%
Health Care	6.46%
Utilities	5.08%
Other Sectors	12.51%
Cash and Other	17.14%

### 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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