

# Dynamic Fund

Portfolio Investment Entity

## Monthly Fact Sheet as at 30 September 2021



### Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Michael Higgins**  
Portfolio Manager

The Dynamic Fund fell 1.3% in September, moderately outperforming the S&P/ASX Small Ordinaries benchmark which dropped 2.1%. It's been an incredibly strong period of equity market performance considering uncertainties like lockdowns, elevated government spending and inflationary pressures with the Fund returning 5.6% for the quarter and 33.4% for the year.

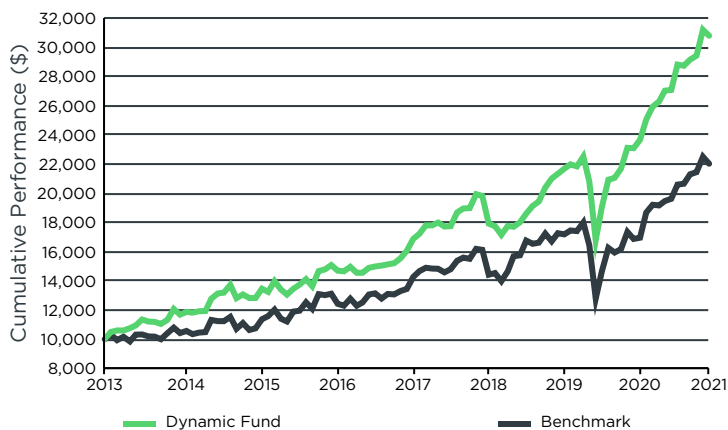
Performance was led by IDP Education which rallied 18.4% over the month on optimism about the great reopening. Lifestyle Communities (+13.3%) continued its stellar run over the past few months. Lifestyle is one of the key founder-led/founder-associated businesses which make up nearly 25% of the Dynamic Fund. Exposures which detracted from performance were gold miner Evolution Mining (-10.7%) and building materials company Bluescope Steel (-17.1%). We also took the opportunity to take profits in Sealink after an incredible performance over the past 24 months.

While our recent performance has been strong, the market remains volatile. We remain cognisant that we are in a period of elevated uncertainty with a broad range of potential market moving scenarios in play. As we mentioned last month, we have continued to take profits in several of our core positions in favour of new ideas. This rotation also provides some dry powder to take advantage of any equity market weakness in the final quarter.

To view Milford's October 2021 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 outperforming 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>Neutral FX Exposure</b>	0%
<b>Net Asset Value (NAV)</b>	\$918.7 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 October 2013
<b>Status</b>	Closed to new investors
<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%



## Dynamic Fund as at 30 September 2021

### Investment Performance after fees as at 30 September 2021<sup>4</sup>

Unit Price: \$3.0407

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Dynamic Fund (Gross Of Tax)	-1.32%	5.61%	33.35%	15.81%	15.34%	15.09%
After Tax 10.50%	-1.33%	5.48%	33.15%	15.80%	15.30%	15.01%
After Tax 17.50%	-1.34%	5.40%	33.01%	15.80%	15.28%	14.96%
After Tax 28.00%	-1.35%	5.27%	32.80%	15.79%	15.24%	14.88%
Benchmark	-2.13%	3.39%	30.52%	10.95%	10.92%	10.37%

### Top Security Holdings

Holdings	% of Fund
Collins Foods	4.09%
Carsales.Com	3.55%
Virgin Money	3.49%
Credit Corp	3.38%
Contact Energy	3.26%
Lifestyle Communities	3.15%
Seven Group	2.88%
HUB24	2.82%
IPH	2.79%
IDP Education	2.50%

### Current Asset Allocation

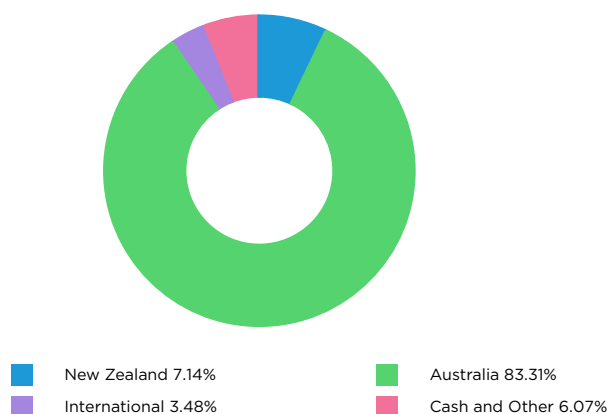
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	6.07%	10.00%
New Zealand Fixed Interest	0.00%	0.00%
International Fixed Interest	0.00%	0.00%
New Zealand Equities	8.20%	0.00%
Australian Equities	85.73%	90.00%
International Equities	0.00%	0.00%
Other	0.00%	0.00%

# The actual cash held by the Fund is 6.09%. 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	18.56%
Financials	15.79%
Consumer Discretionary	14.21%
Communication Services	9.39%
Real Estate	8.88%
Information Technology	7.72%
Industrials	7.48%
Health Care	4.97%
Utilities	3.25%
Energy	2.45%
Consumer Staples	1.23%
Cash and Other	6.07%

### 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.

Disclaimer: The Milford Fund Fact Sheet has been prepared by Milford Funds Limited. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. No reproduction of any material either in part or in full is permitted without prior permission. For more information about the Fund, please refer to the Production Disclosure Statement or the latest Quarterly Fund Update.