

Global Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 January 2022



Portfolio Managers



Felix Fok
Portfolio Manager



Stephen Johnston
Co-Portfolio Manager

The Fund fell 6.4% in January. Over three years, the Fund is up a cumulative 67.8% (net of fees) compared to the market index which is up 61.5%.

High-quality businesses held by the Fund underperformed during the month as expectations of faster interest rate hikes in the US pressured shares that trade at premium valuations. We expected volatility as inflation and growth rebound and loose monetary policies are unwound. The Fund continues to focus on compounding with a portfolio of 'Future Leaders', which have strong profit potential over the medium term.

Positive contributors to the Fund included the US shale energy company EOG Resources (+26.4%). In November, the Fund re-entered this sector-leading expert driller as a hedge against higher energy prices. While higher oil prices are beneficial, EOG has also demonstrated consistent cost reduction since the last oil cycle in 2015.

Elsewhere, payments network Mastercard (+7.7%) bucked the general weakness. Significant pent-up demand for leisure and business travel should boost growth in 2022. Company results in January also confirmed this outlook.

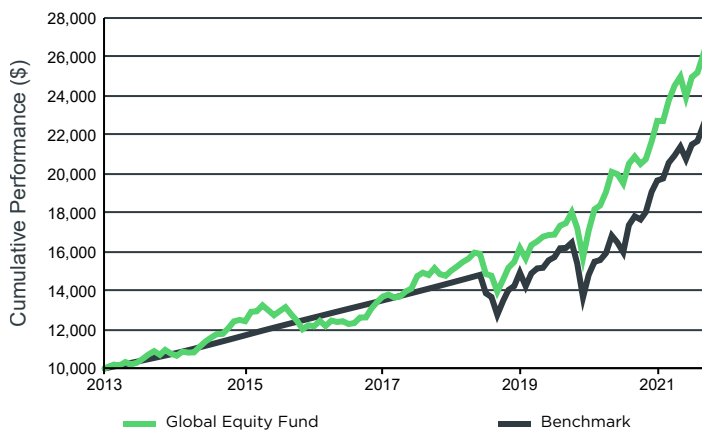
Detractors included animal drugs company Zoetis (-18.0%). The shares of Zoetis have had a tremendous run since listing in 2013. A combination of fears over 'peak pet adoption' and rising interest rates meant the Fund sacrificed this holding to fund other purchases.

International commerce software company Shopify (-30.0%) is a quintessential growth holding that understandably came under pressure. As economies reopen, investors are also locking in gains in online shopping beneficiaries. The Fund has a small position here and will look to be opportunistic.

To view Milford's February 2022 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

Objective¹ To provide capital growth by out-performing the relevant share market index over the minimum recommended investment timeframe

Description Primarily invests in international equities

Minimum recommended investment timeframe 8 years +

Target Allocation 5% Income Assets / 95% Growth Assets

Neutral FX Exposure 50.0%

Net Asset Value (NAV) \$1,325.9 M

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

Inception Date 12 April 2013

Benchmark MSCI World Index with net dividends reinvested (50% NZD-hedged)

Base Fund Fee² 1.35%

Performance Fee 15% of the Fund's returns above the Benchmark¹, subject to the high watermark.

Total Fund Fees³ 1.35%

Risk Indicator

Lower risk Higher risk

1 2 3 4 **5** 6 7

Potentially lower returns Potentially higher returns



Global Equity Fund as at 31 January 2022

Investment Performance after fees as at 31 January 2022⁴

Unit Price: \$2.4169

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Global Equity Fund (Gross Of Tax)	-6.43%	-2.07%	19.25%	18.83%	14.14%	10.68%
After Tax 10.50%	-6.46%	-2.17%	18.88%	18.55%	13.86%	10.40%
After Tax 17.50%	-6.48%	-2.24%	18.63%	18.37%	13.68%	10.21%
After Tax 28.00%	-6.52%	-2.34%	18.26%	18.10%	13.40%	9.93%
Benchmark	-3.18%	1.23%	23.32%	17.33%	10.38%	9.23%

Top Security Holdings

Holdings	% of Fund
Microsoft	4.67%
Alphabet	4.42%
Mastercard	3.49%
Apple	3.37%
Intercontinental Exchange	2.92%
LVMH	2.80%
Accenture	2.42%
EOG Resources	2.37%
Costco	2.37%
Tencent	2.36%

Current Asset Allocation

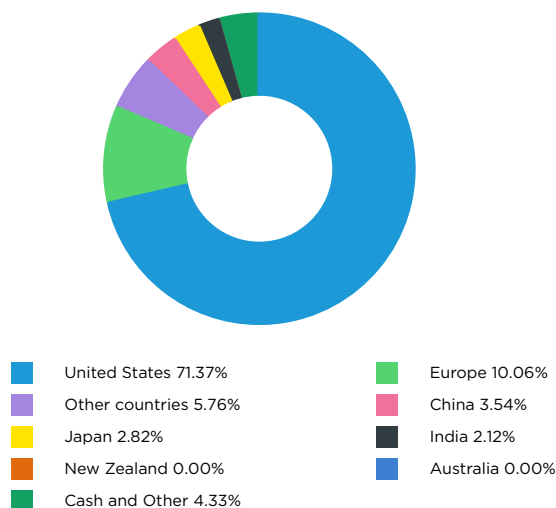
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	4.33%	5.0%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	95.67%	95.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 4.40%. 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 %
Information Technology	31.16%
Financials	12.44%
Consumer Discretionary	12.03%
Health Care	10.88%
Communication Services	8.12%
Industrials	6.99%
Consumer Staples	6.52%
Real Estate	3.87%
Other Sectors	3.66%
Cash and Other	4.33%

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 for more information about the data published within this document.

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