

Milford KiwiSaver Plan  
 KiwiSaver Active Growth Fund  
 Monthly Fact Sheet as at 31 May 2022



### Portfolio Managers



**Jonathan Windust**  
 Portfolio Manager



**William Curtayne**  
 Co-Portfolio Manager

The Fund fell 1.1% in May in what was another volatile month for share market indices (New Zealand -4.9%, Australia -2.6%, global -0.2%). Share markets continue to be impacted by uncertainty due to the war in Ukraine, high inflation, rising interest rates and the economic outlook. The New Zealand share market fell in response to rises in interest rates which put pressure on company valuations and company earnings. The Reserve Bank of New Zealand lifted the official cash rate by 0.5% to 2.0% during the month and forecast rates going to 3.9% in the middle of next year. The Fund out-performed market returns due to having more defensive strategies in place including lower weights toward shares and avoiding companies with stretched valuations.

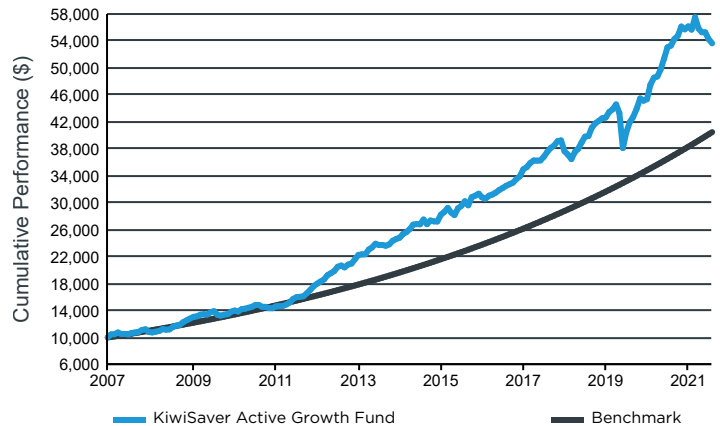
Key company performers during the month included energy companies; EOG (+17.3%) and Shell (+11.8%) and global banks Barclays (+14.1%) and JP Morgan (+10.8%). Energy companies continue to benefit from high oil prices and the strong cashflows that they generate. Global banks are a beneficiary of higher interest rates as they are able to deploy their assets at higher yields. During the month the Fund added to our holding in small business accounting and tax software company Intuit. Intuit reported a strong quarterly result with revenues up 35%. We believe Intuit is attractively valued, well managed and has a long runway for future growth.

The short-term outlook for shares remains uncertain with headwinds of higher inflation and higher interest rates which are likely to slow medium-term company growth prospects. Share market valuations have generally improved following market falls and in many cases now reflect a more difficult earnings outlook and high levels of uncertainty. Given the uncertain environment, the Fund remains more defensively positioned than typical, with a lower weight towards shares. The Fund has increased its holdings in fixed income securities which we believe are reflecting the possibility of higher interest rates. The Fund remains active to isolate those companies which we believe have strong risk adjusted return prospects.

To view Milford's June 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 annual returns of 10% over the minimum recommended investment timeframe
<b>Description</b>	Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities
<b>Minimum recommended investment timeframe</b>	7 years +
<b>Target Allocation</b>	22% Income Assets / 78% Growth Assets
<b>Neutral FX Exposure</b>	16.0%
<b>Net Asset Value (NAV)</b>	\$3,051.2 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 October 2007
<b>Benchmark</b>	10% p.a.
<b>Base Fund Fee<sup>2</sup></b>	1.05%
<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>	1.20% (includes an est. performance fee)

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

### External Ratings



Milford KiwiSaver Active Growth Fund received a Morningstar Analyst Rating™ of 'Silver' on 07-07-2020

# KiwiSaver Active Growth Fund as at 31 May 2022

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

Unit Price: \$4.9792

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Active Growth Fund (Gross Of Tax)	-1.14%	-2.98%	0.62%	10.38%	10.54%	12.13%
After Tax 10.50%	-1.14%	-2.94%	0.57%	10.11%	10.26%	11.64%
After Tax 17.50%	-1.14%	-2.91%	0.54%	9.94%	10.07%	11.43%
After Tax 28.00%	-1.14%	-2.87%	0.50%	9.67%	9.79%	11.02%
Benchmark	0.81%	2.43%	10.0%	10.0%	10.0%	10.0%

## Top Equity Holdings

Holdings	% of Fund
Contact Energy	3.65%
Virgin Money	2.37%
Shell	2.17%
CRH	2.05%
JPMorgan	1.93%
Natwest	1.82%
Boston Scientific	1.81%
Microsoft	1.80%
EOG Resources	1.61%
Intuit	1.60%

## Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	23.74%	6.0%
New Zealand Fixed Interest	1.71%	2.0%
International Fixed Interest	17.32%	14.0%
New Zealand Equities	13.43%	16.0%
Australian Equities	11.85%	18.0%
International Equities	31.95%	44.0%
Other	0.00%	0.0%

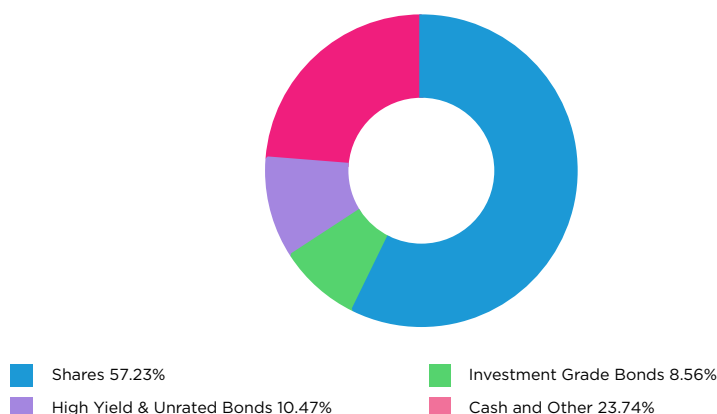
# The actual cash held by the Fund is 8.37%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

## Top Fixed Interest Holdings

Holdings	% of Fund
NatWest 5.125% Perpetual	1.78%
ING Groep 4.25% Perpetual	1.26%
Westpac 5% 2027	1.17%
Barclays 4.375% Perpetual	0.98%
JPMorgan 5% 2024	0.79%
Lloyds Bank 5.125% Perpetual	0.77%
Deutsche Bank 6.75% Perpetual	0.69%
Scentre Group 5.125% 2080	0.68%
NatWest 6% Perpetual	0.64%
Woolworths 2.8% 2030	0.60%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

## Fund Portfolio Mix



**PROVIDER OF THE YEAR**  
KIWISAVER 2020 - 2021



**OUTSTANDING VALUE**  
KIWISAVER SCHEME 2020 - 2021

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. This is based on the performance of the AonSaver AMT Milford Aggressive Fund until 31 March 2010 and the Milford KiwiSaver Active Growth Fund from 1 April 2010. 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-ks](http://milfordasset.com/fact-sheet-ks) for more information about the data published within this document.

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