

# KiwiSaver Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 28 February 2021



## Portfolio Managers



**Jonathan Windust**  
Portfolio Manager



**William Curtayne**  
Co-Portfolio Manager

The Fund rose 2.1% in February. Global share markets ended up 2.7% having given back some earlier gains as markets became concerned about rising bond yields and the impact on highly valued companies. The NZ share market ended the month down 6.9% with sharply negative returns from utilities and large cap companies Fisher & Paykel Healthcare and a2 Milk. The Fund performed strongly relative to the markets it invests in due to strong company selection and strategies to protect against rising bond yields.

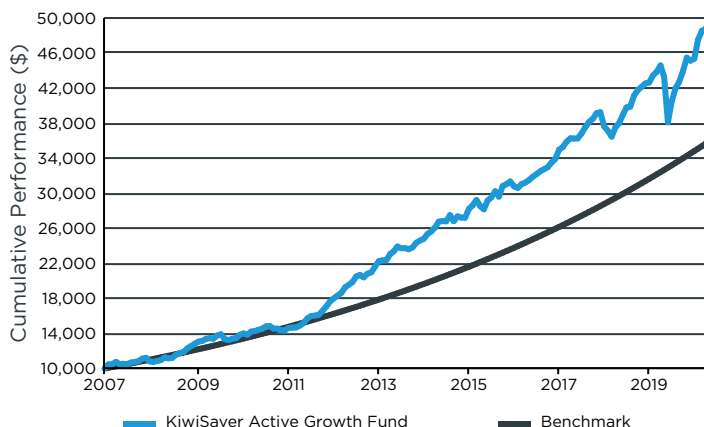
Key positives during the month included global Banks; Virgin Money UK (+39.5%), Lloyds (+18.2%) and JP Morgan (+14.4%). Banks benefitted from a combination of lower bad debts and higher interest rates on their investments. Materials companies also generated good gains including Australian miners BHP (+12.8%), RIO Tinto (+15.3%) and US aggregates company Martin Marietta (+17.4%). Materials companies are benefitting from strong demand and higher commodity prices. During the month the Fund added to our holdings in Alphabet, the parent company of Google. Alphabet delivered a strong quarterly result with revenues rising 23% and profits 44% on the previous year. We believe Alphabet is well positioned to continue to grow as economies reopen and as Cloud computing grows. Importantly we think that Google is attractively valued.

The outlook for share markets is supported by the expectation of an economic rebound in 2021 and an improvement in company earnings (as Covid headwinds subside), low interest rates and high levels of liquidity. The key headwind for markets is relatively high market valuations, generally optimistic investor sentiment and the prospect of rising interest rates. On balance we retain a positive outlook for shares over 2021 but given high levels of optimism we remain selective in our investments and look to avoid over-hyped companies and those sensitive to rising long-term interest rates.

To view Milford's March 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

**Objective<sup>1</sup>** Annual returns of 10% over a minimum of five years

**Description** Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities

**Target Allocation** 22% Income Assets / 78% Growth Assets

**Neutral FX Exposure** 15.0%

**Net Asset Value (NAV)** \$2,093.9 M

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

**Inception Date** 1 October 2007

**Benchmark** 10% p.a.

**Base Fund Fee<sup>2</sup>** 1.05%

**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>** 1.20% (includes an est. performance fee)



## External Ratings



Milford KiwiSaver Active Growth Fund received a Morningstar Analyst Rating™ of 'Silver' on 29-05-2018

# KiwiSaver Active Growth Fund as at 28 February 2021

## Investment Performance after fees as at 28 February 2021<sup>4</sup>

Unit Price: \$4.6325

	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)	2.08%	4.71%	14.91%	11.14%	12.06%	12.70%
After Tax 10.50%	1.98%	4.50%	14.51%	10.79%	11.69%	12.16%
After Tax 17.50%	1.91%	4.35%	14.24%	10.55%	11.45%	11.94%
After Tax 28.00%	1.81%	4.14%	13.84%	10.20%	11.08%	11.50%
Benchmark	0.73%	2.37%	10.00%	10.00%	10.00%	10.00%

## Top Equity Holdings

Holdings	% of Fund
Fisher & Paykel	3.93%
Spark	3.39%
Summerset	2.72%
Virgin Money	2.10%
Alphabet	2.02%
Dr Horton	2.01%
Microsoft	1.92%
Charter Hall Retail	1.76%
HCA Holdings	1.56%
Contact Energy	1.55%

## Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	15.78%	6.00%
New Zealand Fixed Interest	1.03%	2.00%
International Fixed Interest	8.21%	14.00%
New Zealand Equities	24.08%	22.00%
Australian Equities	19.87%	18.00%
International Equities	30.95%	38.00%
Other	0.08%	0%

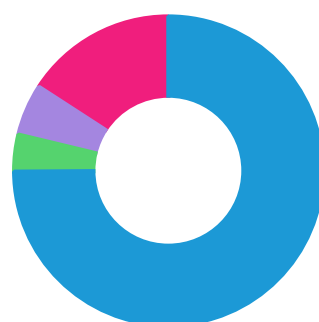
# The actual cash held by the Fund is 9.24%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

## Top Fixed Interest Holdings

Holdings	% of Fund
CYBG 8% 2049	1.07%
Scentre Group 5.125% 2080	0.96%
NatWest 6% Perpetual	0.60%
Lloyds Bank 5.125% Perpetual	0.54%
Crown Resorts 5.795% 2075	0.49%
CYBG 7.875% 2028	0.48%
Barclays 5.875% 2024	0.43%
Lloyds Bank 7.5% Perpetual	0.33%
Barclays 7.75% Perpetual	0.32%
NatWest 5.125% Perpetual	0.29%

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

## Fund Portfolio Mix



Shares 74.90%	Investment Grade Bonds 3.86%
High Yield & Unrated Bonds 5.39%	Cash and Other 15.85%



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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