

# KiwiSaver Aggressive Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 August 2020



## Portfolio Managers



**Stephen Johnston**  
Portfolio Manager



**Jonathan Windust**  
Co-Portfolio Manager

The Fund gained 5.1% in August and is up 17.0% in the last year. Share markets positively surprised in August, supported by gradually improving economies and most importantly, vaccine optimism.

Key positive contributors included Apple (+21.7%) which surged to another record high. Incredibly, the Apple share price has now doubled in the last five months. Apple will launch a 5G iPhone later this year and looks to be one company that will emerge from this crisis even stronger. US software company Salesforce (+39.9%) also performed well after releasing strong second quarter results and raising their guidance for the year. Salesforce traded up 26% the day following its results, no small feat for a company with a market capitalisation of over US\$200bn. Electronic payments giant Mastercard (+16.1%) also contributed positively amid signs that consumer spending is rebounding as lockdowns ease. Elsewhere, Alibaba (+14.3%) climbed following strong results, and plans to list its financial services arm, Ant Financial, this year.

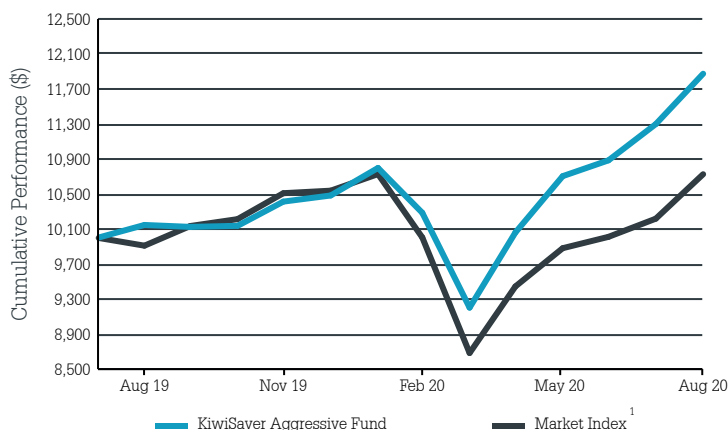
Detractors included leading credit bureau TransUnion (-3.1%) as investors took profits after strong gains, American Water Works (-3.7%), provider of water-related services in North America, and US telecommunication tower play American Tower (-4.7%), also contributed negatively. Although these companies are essential parts of US infrastructure and not impacted by the pandemic, they are sensitive to rising interest rates which we saw in August. Positives in Australasia included financial platform HUB24 (+21.3%) that beat earnings expectations, and Xero (+12.3%), the cloud-based accounting software company. Our gold miners Evolution (-3.8%) and Northern Star (-11.7%) detracted from performance on profit taking.

The economic outlook remains uncertain but given the policy support, the backdrop is very favourable for stock picking. We continue to take an opportunistic approach in this market volatility, by identifying high quality businesses that will emerge from this downturn even stronger.

To view Milford's September 2020 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

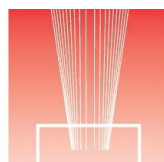
<b>Objective <sup>2</sup></b>	Maximise capital growth over a minimum of fifteen years
<b>Description</b>	Primarily invests in international equities, with a moderate allocation to Australasian equities
<b>Target Allocation</b>	5% Income Assets / 95% Growth Assets
<b>Neutral FX Exposure</b>	24.5%
<b>Net Asset Value (NAV)</b>	\$164.5 M
<b>Buy-sell Spread</b>	None
<b>Inception Date</b>	1 August 2019
<b>Benchmark</b>	Not applicable
<b>Base Fund Fee <sup>3</sup></b>	1.15%
<b>Performance Fee</b>	The Fund may invest into related Milford funds that charge performance fees.
<b>Total Fund Fees <sup>4</sup></b>	1.15%
<b>Risk Indicator</b>	<div> <div>Lower risk</div> <div>Higher risk</div> <div>1 2 3 4 5 6 7</div> <div>Potentially lower returns Potentially higher returns</div> </div>



Consumer NZ People's Choice Award – KiwiSaver



Morningstar Fund Manager of the Year  
- KiwiSaver Category, NZ



Awards  
2019



Zenith FundSource Fund Manager of the Year

Investment Performance after fees as at 31 August 2020<sup>5</sup>

Unit Price: \$1.1855

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Aggressive Fund (Gross Of Tax)	5.09%	10.92%	17.01%	-	-	17.12%
After Tax 10.50%	5.02%	10.50%	16.54%	-	-	16.82%
After Tax 17.50%	4.97%	10.23%	16.23%	-	-	16.62%
After Tax 28.00%	4.90%	9.82%	15.77%	-	-	16.32%
Market Index <sup>1</sup>	4.96%	8.54%	8.23%	-	-	6.69%

## Top Security Holdings

Holdings	% of Fund's NAV
Amazon	3.05%
Alphabet	2.87%
Microsoft Corp	2.79%
Apple	2.66%
Thermo Fisher Scientific	1.82%
Mastercard	1.77%
Home Depot	1.77%
Transunion	1.70%
Alibaba Group	1.68%
ANSYS	1.65%

## Current Asset Allocation

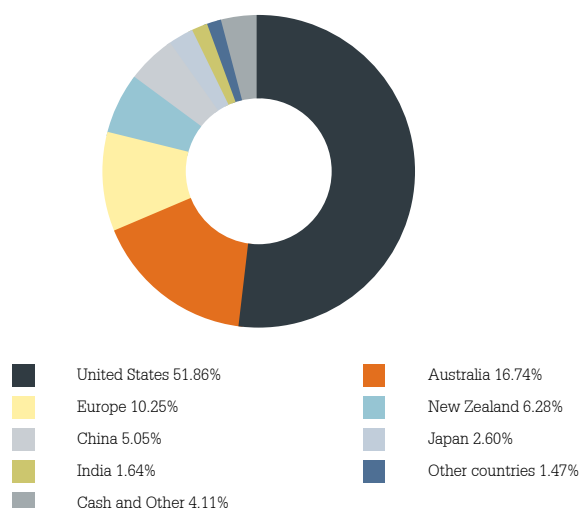
	Actual Investment Mix	Neutral Investment Mix
Effective Cash <sup>#</sup>	4.05%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	5.82%	5.00%
Australian Equities	17.25%	20.00%
International Equities	72.82%	70.00%
Other	0.06%	0%

<sup>#</sup> The actual cash held by the Fund is 8.07%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

## Sector Exposure

Allocation	Weight %
Information Technology	23.22%
Consumer Discretionary	15.32%
Health Care	13.47%
Financials	10.73%
Industrials	8.37%
Communication Services	7.18%
Materials	6.54%
Consumer Staples	5.09%
Other Sectors	5.97%
Cash and Other	4.11%

## Region Exposure



<sup>1</sup> The Fund does not have a performance benchmark, hence a market index has been included for comparison purposes. See the Statement of Investment Policy and Objectives for more details on the market index. The market index is a blend of indices that represent the Fund's neutral asset allocation. Note the Fund's investment strategy is designed to achieve its objective, which may mean that at times, the returns of the market index may not be an appropriate measure. <sup>2</sup> After the base fund fee but before tax and before the performance fee. <sup>3</sup> Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. <sup>4</sup> 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. <sup>5</sup> 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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