

# KiwiSaver Aggressive Fund

Portfolio Investment Entity

## Monthly Fact Sheet as at 31 August 2021



### Portfolio Managers



**Stephen Johnston**  
Portfolio Manager



**Jonathan Windust**  
Co-Portfolio Manager

The Fund gained 2.6% in August. Global share markets continued to strengthen on robust earnings reports, as well as reassurance from the world's central banks that they will take a measured approach when reducing quantitative easing and raising interest rates.

The US technology giants Microsoft, Alphabet (parent company of Google) and Apple delivered another strong month, reflecting the power of their business models. Alphabet (+7.6%) rose for an eighth consecutive month and has now generated an astonishing 66% return year to date. Microsoft (+6.2%) also powered ahead, a key beneficiary of the digitalisation trend globally. As companies and consumers move online, there is strong demand for Microsoft products such as cloud-based versions of the Office suite. Despite the outperformance, valuations of these technology giants still look reasonable relative to the broader market.

Another key positive contributor for the month was our favourite Indian bank, HDFC Bank, which made a strong recovery in August (+11.0%), as the Indian economy turns the corner and loan growth looks set to accelerate. MercadoLibre (+19.0%), the Latin American e-commerce and digital payments giant, soared in August with business momentum remaining strong as the company rolls out new products and improves its logistic network.

Detractors from performance included payments network Mastercard (-10.3%), on increased competition, and luxury goods company LVMH (-7.0%), on a potential slowdown in luxury spending due to regulatory tightening in China.

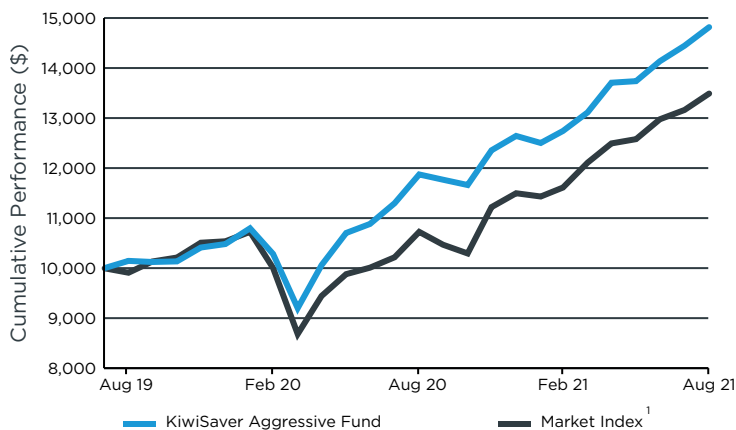
In Australasia, transport company Mainfreight was a standout (+14.6%), as well as Fisher & Paykel Healthcare (+4.9%). Australian conglomerate Seven Group (-8.6%) gave back some of July's strong gains.

Overall, the backdrop remains favourable given supportive policy and the accelerated vaccine rollout. In terms of risks, we continue to closely monitor the spread of the Delta variant and the effectiveness of the vaccines. The other key risk to the outlook would be an inflation surprise that forces central banks to accelerate interest rate rises. We continue to look for opportunities focused on our key investment themes.

To view Milford's September 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>2</sup></b>	To maximise capital growth over the minimum recommended investment timeframe
<b>Description</b>	Primarily invests in international equities, with a moderate allocation to Australasian equities
<b>Minimum recommended investment timeframe</b>	10 years
<b>Target Allocation</b>	5% Income Assets / 95% Growth Assets
<b>Neutral FX Exposure</b>	24.5%
<b>Net Asset Value (NAV)</b>	\$667.7 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<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%

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

# KiwiSaver Aggressive Fund as at 31 August 2021

## Investment Performance after fees as at 31 August 2021<sup>5</sup>

Unit Price: \$1.4776

	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)	2.57%	7.85%	24.77%	-	-	20.73%
After Tax 10.50%	2.50%	7.87%	24.08%	-	-	20.25%
After Tax 17.50%	2.45%	7.89%	23.62%	-	-	19.93%
After Tax 28.00%	2.37%	7.91%	22.94%	-	-	19.45%
Market Index <sup>1</sup>	2.49%	7.24%	25.75%	-	-	15.45%

## Top Security Holdings

Holdings	% of Fund
Alphabet	2.73%
Microsoft	2.70%
Thermo Fisher	1.90%
Mastercard	1.89%
TSMC	1.79%
S&P Global	1.74%
HDFC Bank	1.65%
Charles Schwab	1.58%
Ametek	1.57%
HCA Holdings	1.52%

## Current Asset Allocation

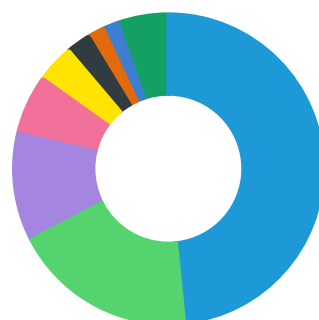
	Actual Investment Mix	Neutral Investment Mix
Effective Cash <sup>#</sup>	4.92%	5%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.05%	0%
New Zealand Equities	6.19%	5%
Australian Equities	20.23%	20%
International Equities	68.21%	70%
Other	0.40%	0%

<sup>#</sup> The actual cash held by the Fund is 8.56%. 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	23.70%
Financials	15.06%
Health Care	12.58%
Industrials	11.25%
Consumer Discretionary	10.60%
Communication Services	6.85%
Materials	6.45%
Consumer Staples	3.46%
Utilities	2.34%
Real Estate	1.58%
Energy	0.81%
Cash and Other	5.32%

## Region Exposure



United States 48.38%	Australia 19.00%
Europe 11.26%	New Zealand 6.22%
Other countries 3.95%	Japan 2.52%
China 1.70%	India 1.65%
Cash and Other 5.32%	



**PROVIDER OF THE YEAR  
KIWISAVER 2020**



**OUTSTANDING VALUE  
KIWISAVER 2020**

1. 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. 2. After the base fund fee but before tax and before the performance fee. 3. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 4. 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. 5. 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.

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.