

# Milford KiwiSaver Plan KiwiSaver Aggressive Fund

## Monthly Fact Sheet as at 30 September 2023



### Portfolio Managers



**Stephen Johnston**  
Portfolio Manager



**Jonathan Windust**  
Co-Portfolio Manager

The Fund fell 3.5% in September. Global share markets were weak in September, with sharply higher bond yields increasing borrowing costs, and rising oil prices heightening inflation concerns. Softness was broad-based across sectors, with energy the only sector ending the month in positive territory.

The top contributor was Shell (+8.1%), benefiting from the oil price rally. Our Sustainable Investing Team recently connected with Shell to discuss its approach to the energy transition and ensure its targets are aligned with the Paris Agreement on climate. Shell has made significant investments in renewable energy, however we are advocating for an absolute scope three emissions reduction target. Teck Resources (+4.5%), was another outperformer, and long term is well placed to benefit from the energy transition. Demand for commodities will increase as the global energy mix shifts to renewables, and electric vehicle adoption accelerates. Other outperformers included Bank of Ireland (+1.0%) and internet giant Meta (+1.5%).

Negative contributors included some of our more defensive holdings. HCA Healthcare (-11.1%), the largest private hospital operator in the United States, was surprisingly weak. Our recent update with the company confirmed the robust fundamentals and we topped up our holding. Other detractors included software companies Nice Ltd (-12.7%) and SS&C Technologies (-8.5%).

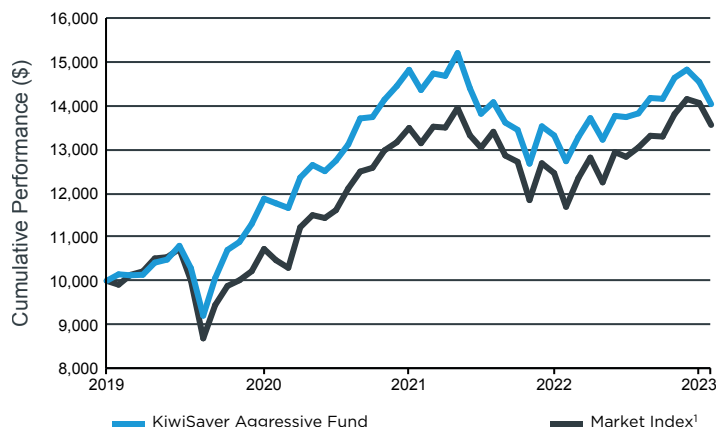
Australasian markets also fell in September with relative outperformers including natural gas producer Santos (+3.0%) and Boss Energy (+39.8%). Negative contributors included biotech company CSL (-7.6%) and lithium and nickel miner IGO (-3.1%).

Looking ahead, we expect sluggish economic growth with high interest rates impacting consumer spending and business investment. While we are close to the tail end of the monetary tightening cycle, share markets will likely remain volatile as interest rates may stay higher for an extended period. The Fund continues to deploy cash into our strongest ideas, that are aligned with our favourite investment themes.

To view Milford's September 2023 Market and Economic Review please see [milfordasset.com/insights](https://milfordasset.com/insights). For previous fund reports see [milfordasset.com/fund-reports](https://milfordasset.com/fund-reports).

### 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>	\$1,084.8 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>	Not applicable
<b>Total Fund Fees<sup>4</sup></b>	1.15%
<b>Risk Indicator</b>	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Lower risk</span> <span>Higher risk</span> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="border: 2px solid blue; border-radius: 50%; padding: 2px 5px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>

# KiwiSaver Aggressive Fund as at 30 September 2023

## Investment Performance after fees as at 30 September 2023<sup>5</sup>

Unit Price: \$1.3948

	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)	-3.49%	-4.12%	10.22%	6.04%	-	8.47%
After Tax 10.50%	-3.57%	-4.19%	9.83%	5.69%	-	8.15%
After Tax 17.50%	-3.62%	-4.24%	9.57%	5.46%	-	7.94%
After Tax 28.00%	-3.70%	-4.32%	9.19%	5.11%	-	7.63%
Market Index <sup>1</sup>	-3.57%	-1.81%	15.98%	9.00%	-	7.58%

## Top Security Holdings

Holdings	% of Fund
Meta Platforms	3.06%
Elevance Health	2.61%
Sony	2.31%
Microsoft	2.30%
Arthur J Gallagher	2.29%
Coca-Cola Europacific Partners	2.25%
Shell	2.22%
Avantor	2.16%
HCA Holdings	2.05%
Servicenow	2.03%

## Current Asset Allocation

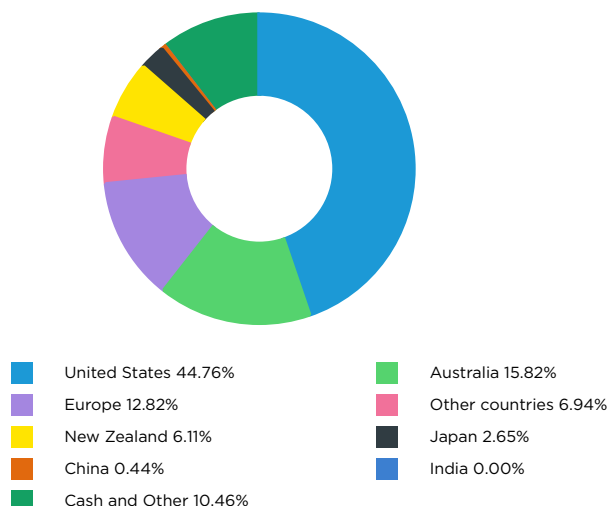
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	10.46%	5%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	5.62%	5%
Australian Equities	17.20%	20%
International Equities	66.72%	70%
Other	0.00%	0.0%

# The actual cash held by the Fund is 10.73%. 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 %
Health Care	15.43%
Industrials	12.06%
Consumer Discretionary	11.53%
Financials	11.34%
Information Technology	10.54%
Materials	7.28%
Energy	6.30%
Consumer Staples	5.82%
Other Sectors	9.24%
Cash and Other	10.46%

## Region Exposure



**PROVIDER OF THE YEAR**  
KIWISAVER 2020 - 2023



**OUTSTANDING VALUE**  
KIWISAVER SCHEME 2020 - 2023

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.

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