

# KiwiSaver Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 December 2021



## Portfolio Managers



**Mark Riggall**  
Portfolio Manager



**Paul Morris**  
Co-Portfolio Manager

The Fund returned 2.7% in the month, with a one-year return of 12.2%. December returns were strong as local and global share markets shrugged off the latest Covid wave.

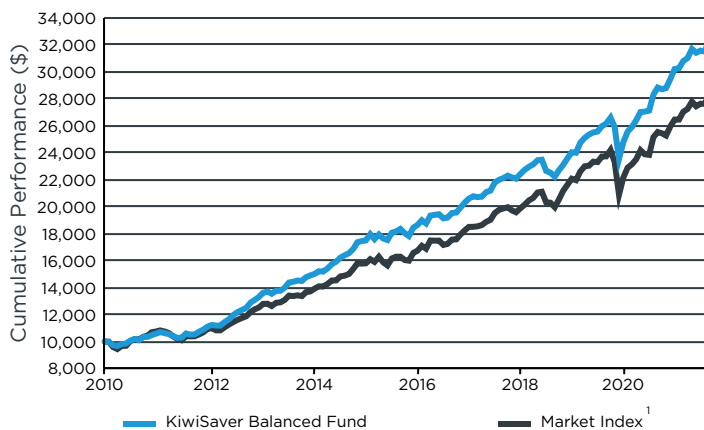
It was a good month for Australian property names such as Goodman Group (+7.9%). On the global side, infrastructure stocks and global cyclical companies, such as banks, recovered from their previous weakness. The Fund's exposure to shares had been increased at the start of the month in anticipation of a strong end to the year but this has now been reduced again back to a more neutral setting.

Returns over the past year have been driven almost entirely by the share portion of the portfolio. Bond returns have been muted and are expected to remain so as global central banks follow the RBNZ's lead and raise interest rates. An environment of rising interest rates will likely mean share market returns will be lower and more volatile going forward. The Fund will navigate this environment by retaining a lower exposure to bonds and being nimble around share market exposure. On the positive side, the economic backdrop remains strong which will continue to provide opportunities to boost returns via good stock selection.

To view Milford's January 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>2</sup></b>	To provide capital growth over the minimum recommended investment timeframe
<b>Description</b>	Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities

<b>Minimum recommended investment timeframe</b>	5 years +
<b>Target Allocation</b>	39% Income Assets / 61% Growth Assets
<b>Neutral FX Exposure</b>	13.0%
<b>Net Asset Value (NAV)</b>	\$840.7 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 April 2010
<b>Benchmark</b>	Not applicable
<b>Base Fund Fee<sup>3</sup></b>	1.05%
<b>Performance Fee</b>	The Fund may invest into related Milford funds that charge performance fees.
<b>Total Fund Fees<sup>4</sup></b>	1.06% (includes an est. performance fee)

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

## External Ratings



Milford KiwiSaver Balanced Fund received a Morningstar Analyst Rating™ of 'Silver' on 13-07-2020

# KiwiSaver Balanced Fund as at 31 December 2021

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

Unit Price: \$3.1046

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Balanced Fund (Gross Of Tax)	2.68%	2.96%	12.19%	13.33%	10.62%	10.50%
After Tax 10.50%	2.65%	2.96%	12.01%	13.00%	10.27%	9.98%
After Tax 17.50%	2.63%	2.95%	11.89%	12.79%	10.03%	9.63%
After Tax 28.00%	2.61%	2.95%	11.71%	12.46%	9.68%	9.11%
Market Index <sup>1</sup>	2.41%	3.06%	10.77%	12.33%	10.01%	9.25%

## Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.86%
Fisher & Paykel	1.33%
Alphabet	1.26%
Microsoft	1.18%
HCA Holdings	0.98%
EBOS Group	0.96%
Telstra	0.93%
Mainfreight	0.92%
Spark	0.92%
Virgin Money	0.91%

## Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	13.02%	8.0%
New Zealand Fixed Interest	3.90%	6.0%
International Fixed Interest	21.68%	25.0%
New Zealand Equities	10.91%	12.0%
Australian Equities	13.43%	13.0%
International Equities	30.13%	29.0%
Listed Property	6.93%	7.0%
Other	0.00%	0.0%

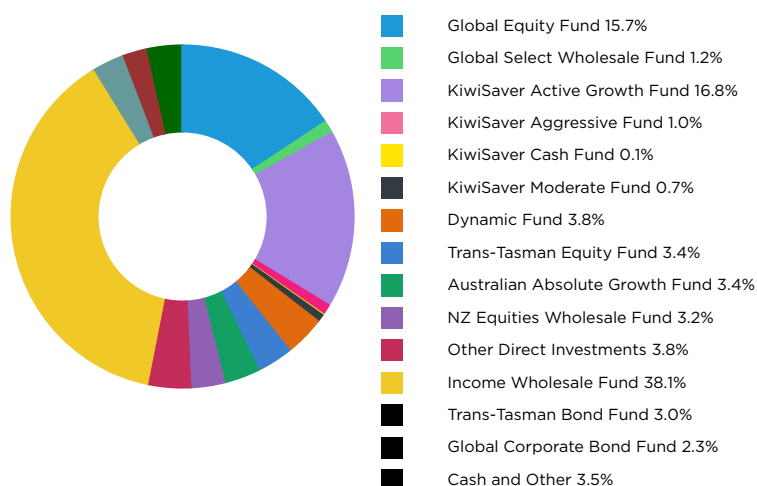
# The actual cash held by the Fund is 11.62%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

## Top Fixed Interest Holdings

Holdings	% of Fund
Scentre Group 5.125% 2080	0.75%
ING Groep 4.25% Perpetual	0.51%
NatWest 5.125% Perpetual	0.50%
JPMorgan 5% 2024	0.36%
Kiwibank 1.3% 2022	0.36%
NZ Govt. 0.5% 2026	0.36%
GAIF 2.584% 2027	0.35%
CBA Float 2031	0.35%
T-Mobile 3.375% 2029	0.34%
Westpac 5% 2027	0.33%

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

## Fund Allocation



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



**OUTSTANDING VALUE**  
KIWISAVER SCHEME 2020 - 2021

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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