

Milford KiwiSaver Plan  
 KiwiSaver Balanced Fund  
 Monthly Fact Sheet as at 31 July 2022



**Portfolio Managers**



**Mark Riggall**  
 Portfolio Manager



**Paul Morris**  
 Co-Portfolio Manager

The Fund returned 4.2% in July bringing the 1-year return to -1.8%. Strong rebounds in both bond and share markets in July allowed the Fund to recoup the losses seen in June. Whilst this is a welcome respite from the string of weaker markets seen this year, we remain concerned about the outlook and retain a cautious stance in the Fund.

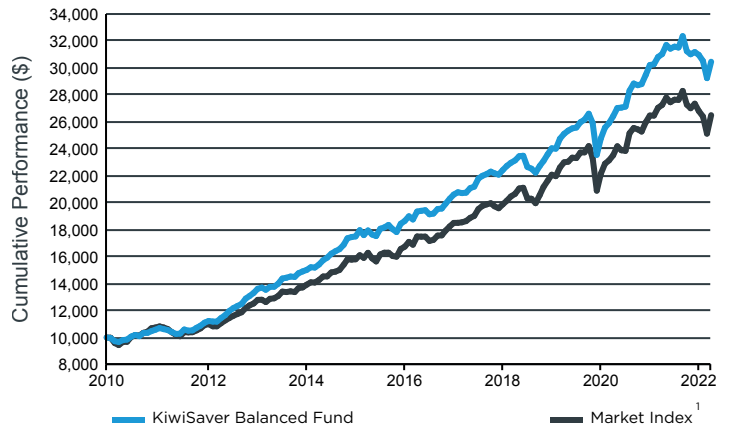
Performance in July was supercharged by some strong returns from some key shareholdings such as HCA Healthcare and Intuit, up 26.4% and 18.5% respectively, on the back of reporting strong results. The broad strength in financial markets was attributed to company profit reports that were not as bad as feared, coupled with expectations that we are close to the end of interest rate hikes in this cycle. On both these fronts we are more sceptical.

Company profits are likely to be under pressure for some time owing to the weaker economic outlook and margin squeezes. Meanwhile, inflation is unlikely to dissipate as quickly as market participants expect. As a result, we will be using any strength in shares to reduce general exposure, whilst retaining confidence in the companies that we do own. We still prefer to own corporate bonds for their reasonable return outlook but here too we will be patient before adding to our positions. The road ahead will continue to be bumpy.

To view Milford's August 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>	\$937.7 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 <b>4</b> 5   6   7 Higher risk Potentially lower returns   Potentially higher returns
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**External Ratings**



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

# KiwiSaver Balanced Fund as at 31 July 2022

## Investment Performance after fees as at 31 July 2022<sup>5</sup>

Unit Price: \$2.9196

	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)	4.17%	-1.64%	-1.83%	6.65%	7.98%	9.45%
After Tax 10.50%	4.13%	-1.66%	-1.96%	6.40%	7.70%	8.95%
After Tax 17.50%	4.09%	-1.68%	-2.04%	6.24%	7.51%	8.61%
After Tax 28.00%	4.05%	-1.70%	-2.17%	5.99%	7.22%	8.12%
Market Index <sup>1</sup>	5.47%	-1.15%	-2.78%	4.84%	7.29%	8.22%

## Top Equity Holdings

Holdings	% of Fund
Contact Energy	2.17%
HCA Holdings	1.26%
Boston Scientific	1.01%
Natwest	0.94%
Charter Hall Retail	0.91%
Bristol-Myers Squibb	0.86%
Microsoft	0.86%
Elevance Health	0.85%
Intuit	0.85%
Goodman	0.82%

## Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	27.68%	8.0%
New Zealand Fixed Interest	7.29%	6.0%
International Fixed Interest	25.27%	25.0%
New Zealand Equities	7.40%	11.0%
Australian Equities	6.30%	13.0%
International Equities	19.87%	30.0%
Listed Property	6.19%	7.0%
Other	0.00%	0.0%

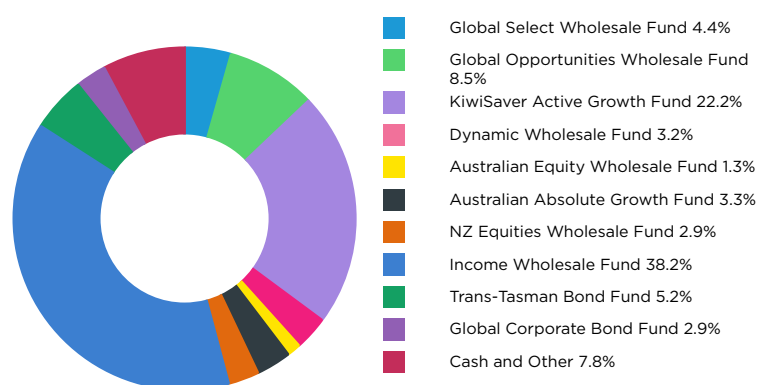
# The actual cash held by the Fund is 12.96%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

## Top Fixed Interest Holdings

Holdings	% of Fund
NZGBI 2% 2025	1.35%
Scentre Group 5.125% 2080	0.74%
NatWest 5.125% Perpetual	0.72%
ING Groep 4.25% Perpetual	0.55%
NAB 6.322% 03/08/2032	0.49%
Macquarie 6.082% 2032	0.47%
Voyage Float 2029	0.43%
Genesis 5.66% 2027	0.40%
Westpac 5% 2027	0.40%
CBA Float 2031	0.37%

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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