

KiwiSaver Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 September 2021



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned -0.9% in the month with one year returns of 16.2%. The global economy is moving beyond the pandemic. Performance of economies and markets since the second quarter of 2020 has been nothing short of spectacular, driven by extraordinary policy support from central banks and governments.

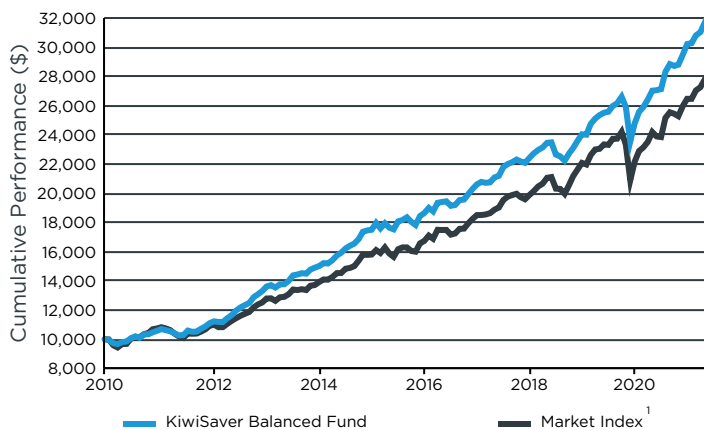
However, as emergency policy settings start to be unwound, the economy will have to stand on its own two feet. There are lots of reasons to be optimistic on this front, unemployment levels are low and falling and global consumers have a significant store of savings. But inflation has spiked and remains high, and this has implications for bonds (whose prices should be lower in an inflationary environment) and companies (some of which will not be able to manage inflation pressures as well as others).

For the Fund, a medium-term reduction in bond holdings (specifically a lower interest rate exposure) is starting to pay off as bond prices fall. On the share side, the underlying portfolio managers have their work cut out to find companies that can navigate this tricky environment - to date they have broadly been successful in doing so. With a reasonable medium-term outlook, the Fund will look for opportunities to increase exposure to shares, whilst being careful to guard against the risk of further volatility in markets.

To view Milford's October 2021 Market and Economic Review please see milfordasset.com/fact-sheet.

Cumulative Fund Performance

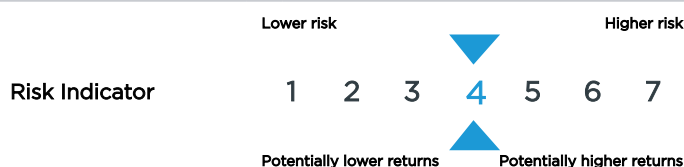
(after fees and before tax)



Assumes the growth of \$10,000 invested at the Fund's inception date.

Key Fund Facts

Objective²	To provide capital growth over the minimum recommended investment timeframe
Description	Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities
Minimum recommended investment timeframe	5 years
Target Allocation	39% Income Assets / 61% Growth Assets
Neutral FX Exposure	13.0%
Net Asset Value (NAV)	\$767.8 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 April 2010
Benchmark	Not applicable
Base Fund Fee³	1.05%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees⁴	1.06% (includes an est. performance fee)



External Ratings



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

KiwiSaver Balanced Fund as at 30 September 2021

Investment Performance after fees as at 30 September 2021⁵

Unit Price: \$3.0162

	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)	-0.86%	2.01%	16.16%	10.20%	10.08%	10.47%
After Tax 10.50%	-0.91%	1.95%	15.77%	9.86%	9.70%	9.93%
After Tax 17.50%	-0.94%	1.91%	15.51%	9.64%	9.44%	9.57%
After Tax 28.00%	-0.99%	1.85%	15.12%	9.31%	9.06%	9.04%
Market Index ¹	-1.24%	1.53%	14.92%	9.16%	9.44%	9.18%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.94%
Fisher & Paykel	1.64%
Alphabet	1.24%
Microsoft	1.21%
Virgin Money	1.10%
Telstra	1.04%
Mainfreight	1.03%
Summerset	1.03%
Charter Hall Retail	0.95%
HCA Holdings	0.95%

Current Asset Allocation

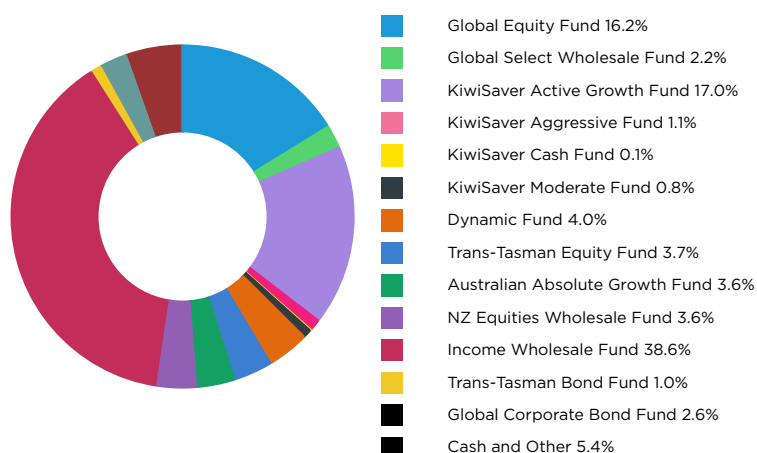
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	15.44%	8.00%
New Zealand Fixed Interest	4.04%	6.00%
International Fixed Interest	22.61%	25.00%
New Zealand Equities	12.19%	12.00%
Australian Equities	12.45%	13.00%
International Equities	27.26%	29.00%
Listed Property	6.01%	7.00%
Other	0.00%	0.00%

The actual cash held by the Fund is 11.13%. 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	0.67%
ING Groep 4.25% Perpetual	0.47%
Kiwibank 1.3% 2022	0.38%
CBA Float 2031	0.35%
Martin Marietta 3.2% 2051	0.35%
ANZ 2.999% 2031	0.35%
Becton Dickinson Euro 0.334% 2028	0.32%
Mirvac Group 3.625% 2027	0.32%
T-Mobile 3.375% 2029	0.31%
ASB 5.25% 2026	0.31%

Fund Allocation



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



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 for more information about the data published within this document.

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