

Milford KiwiSaver Plan
 KiwiSaver Conservative Fund
 Monthly Fact Sheet as at 30 April 2022



Portfolio Managers



Paul Morris
Portfolio Manager



Mark Riggall
Co-Portfolio Manager

Bonds and shares broadly remain under pressure. Market interest rates continued to rise as central banks signal significant policy tightening will be required to tame inflation. This extended one of the worst routs in history for bond markets, the Fund's predominant exposure. Shares were also under pressure as valuations adjust to higher interest rates, risks to profit margins and the growing tail risk that policy makers could cause a recession.

Unfortunately, and irrespective of cautious positioning (less bonds and shares), the Fund still posted a negative return of 0.9% in the month. There were some bright spots however with defensive sectors such as infrastructure and utilities outperforming. This included Atlantia (European roads and airport operator) which was up 20.8% post a takeover offer, reiterating the attractive long-term investment properties of these types of assets.

We have recently outlined a view that market interest rates are approaching long-run fair value. Thus far, we have been very selective in adding back to bonds, mindful risks remain skewed for further moves higher in interest rates. Nevertheless, we added to shorter-dated NZ Dollar bonds (where we think market expectations for rate hikes are too high), including via a new Precinct Property 6yr Green Bond.

We are still wary share markets have not fully adjusted to the headwind of higher market interest rates and higher economic uncertainty, including higher inflation. We have therefore retained share exposure lower than in recent quarters.

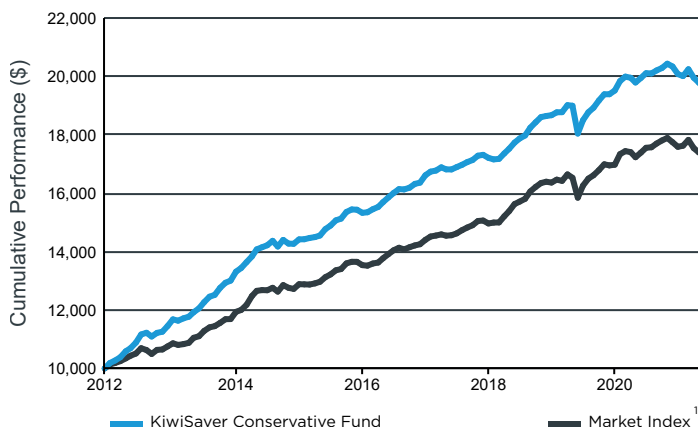
Looking ahead, near-term Fund returns may remain volatile but given market interest rates are now closer to fair value, over the medium term the Fund should be better placed to deliver moderate returns in line with its objective.

Finally, the lead portfolio manager of the Fund will now transfer to Mark Riggall, previously co-manager, with Paul Morris remaining as co-manager.

To view Milford's May 2022 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 moderate returns and protect capital over the minimum recommended investment timeframe

Description Diversified fund that primarily invests in fixed interest securities, with a moderate allocation to equities

Minimum recommended investment timeframe	3 years +
Target Allocation	82% Income Assets / 18% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$186.5 M
Yield³	4.09%
Average Credit Rating	A-
Duration	2.47 years
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 October 2012
Benchmark	Not applicable
Base Fund Fee⁴	0.95%
Performance Fee	Not applicable
Total Fund Fees⁵	0.95%

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



KiwiSaver Conservative Fund as at 30 April 2022

Investment Performance after fees as at 30 April 2022⁶

Unit Price: \$1.9084

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Conservative Fund (Gross Of Tax)	-0.93%	-2.71%	-3.47%	2.78%	3.93%	7.17%
After Tax 10.50%	-0.83%	-2.46%	-3.00%	2.62%	3.64%	6.67%
After Tax 17.50%	-0.77%	-2.29%	-2.69%	2.51%	3.45%	6.34%
After Tax 28.00%	-0.67%	-2.04%	-2.21%	2.35%	3.17%	5.85%
Market Index ¹	-1.74%	-3.33%	-3.39%	2.57%	3.84%	5.67%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	0.64%
Anthem	0.43%
HCA Holdings	0.42%
Spark	0.42%
Goodman	0.41%
Transurban	0.40%
Telstra	0.39%
Atlantia	0.38%
Getlink	0.38%
Cheniere Energy	0.34%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	21.90%	7.0%
New Zealand Fixed Interest	21.57%	25.0%
International Fixed Interest	43.86%	50.0%
New Zealand Equities	2.16%	1.5%
Australian Equities	2.53%	2.5%
International Equities	4.49%	9.0%
Listed Property	3.49%	5.0%
Other	0.00%	0.0%

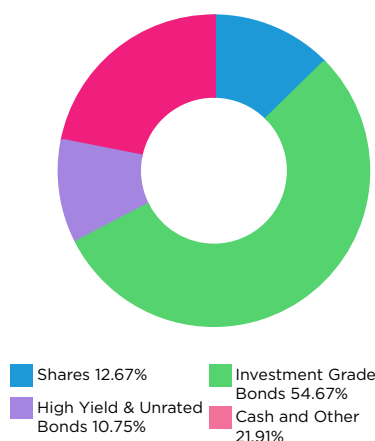
The actual cash held by the Fund is 13.62%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

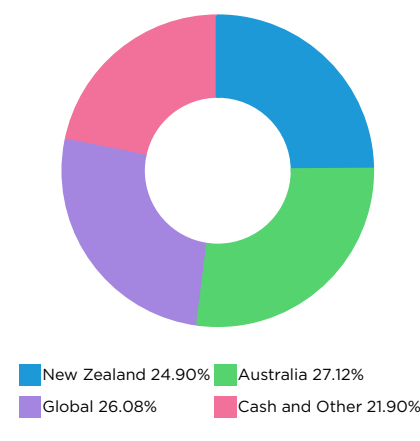
Holdings	% of Fund
NZLGFA 2.25% 2028	1.53%
NZLGFA 1.5% 2026	1.35%
NZLGFA 2.25% 2024	1.25%
NZGBI 2% 2025	1.18%
NZLGFA 4.5% 2027	0.90%
CBA 2.552% 2027	0.78%
IAG 5.32% 2038	0.74%
Housing NZ 3.36% 2025	0.68%
McDonald's 3.45% 2026	0.66%
John Deere 1.75% 2024	0.66%

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

Fund Portfolio Mix



Region Exposure



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. 3. Yield (before tax and fees) for underlying investments in the Fund. 4. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 5. 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. 6. 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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