

Milford KiwiSaver Plan

KiwiSaver Conservative Fund

Monthly Fact Sheet as at 30 September 2022



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned -1.5% in the month bringing the 1-year return to -6.5%. Shares and bonds continued their path lower in September with both reaching new lows for the year. The Fund's defensive investment position helped cushion the falls. Large cash holdings not only offer a reasonable rate of return (3%+) but also provide shelter from volatility in both share and bond markets.

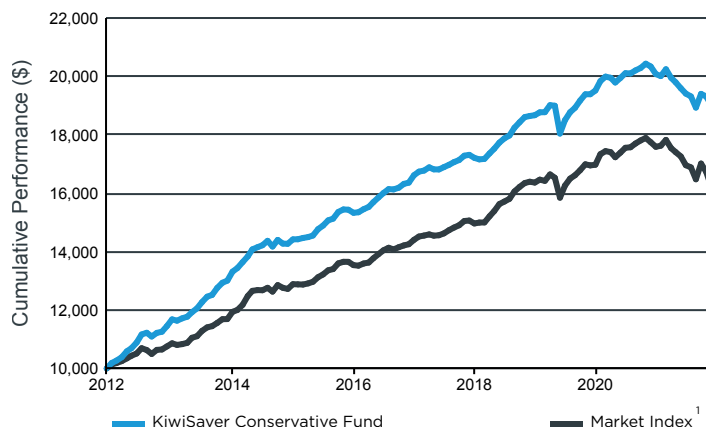
Sharp falls in bonds mean that yields on even government bonds are now looking the most attractive in years - over 4% in the US and NZ. As a result, the Fund has added back some interest rate exposure via government bonds this month. Lower share markets also provided opportunities to slightly increase the exposure to shares to around 10%, still meaningfully below the Fund's neutral level of 18%. We continue to like corporate bonds, many of which are offering yields of 6-10%.

Last month, global central banks maintained their focus on inflation by hiking interest rates at a rapid pace. This is increasingly weighing on the outlook. Accordingly, we will be tentative in adding back exposure to shares in the short term, whilst maintaining confidence in the companies that we do own.

To view Milford's October 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)	\$191.4 M
Yield³	5.00%
Average Credit Rating	BBB+
Duration	2.07 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%

Risk Indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> Lower risk Higher risk </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> Potentially lower returns Potentially higher returns </div>
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KiwiSaver Conservative Fund as at 30 September 2022

Investment Performance after fees as at 30 September 2022⁶

Unit Price: \$1.8988

	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)	-1.50%	0.49%	-6.47%	0.67%	3.06%	6.64%
After Tax 10.50%	-1.46%	0.41%	-5.99%	0.63%	2.83%	6.17%
After Tax 17.50%	-1.43%	0.36%	-5.67%	0.60%	2.68%	5.86%
After Tax 28.00%	-1.39%	0.28%	-5.19%	0.55%	2.45%	5.39%
Market Index ¹	-2.98%	-1.48%	-8.53%	-0.33%	2.64%	4.96%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	0.79%
S&P500 E-Mini Future 2022	0.70%
HCA Holdings	0.45%
Elevance Health	0.44%
Goodman	0.39%
Telstra	0.39%
Shell	0.39%
Getlink	0.38%
Natwest	0.36%
Boston Scientific	0.36%

Current Asset Allocation

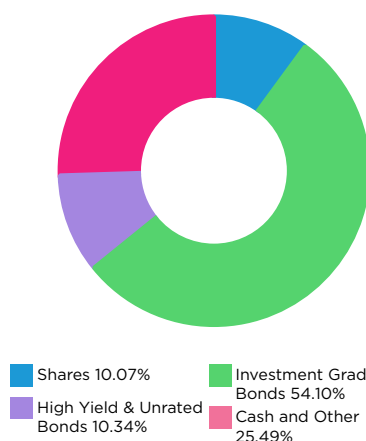
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	25.49%	7.00%
New Zealand Fixed Interest	21.93%	25.00%
International Fixed Interest	42.51%	50.00%
New Zealand Equities	2.21%	1.500%
Australian Equities	1.56%	2.500%
International Equities	3.67%	9.00%
Listed Property	2.63%	5.00%
Other	0.00%	0.0%

The actual cash held by the Fund is 14.85%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

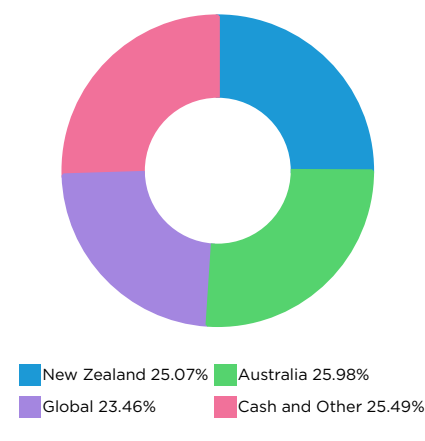
Top Fixed Interest Holdings

Holdings	% of Fund
NZLGFA 1.5% 2026	1.27%
NZLGFA 2.25% 2024	1.19%
NZGBI 2% 2025	1.18%
NBN Co 4.75% 2026	1.18%
NZLGFA 4.5% 2027	0.89%
Genesis 5.66% 2027	0.85%
NZLGFA 2.25% 2031	0.81%
NZLGFA 2.25% 2028	0.80%
Monash University 4.05% 2029	0.79%
IAG 5.32% 2038	0.68%

Fund Portfolio Mix



Region Exposure



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. 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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