

KiwiSaver Moderate Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 August 2020



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 1.5% in August. Performance was driven by positive returns from most of the investments in the Fund.

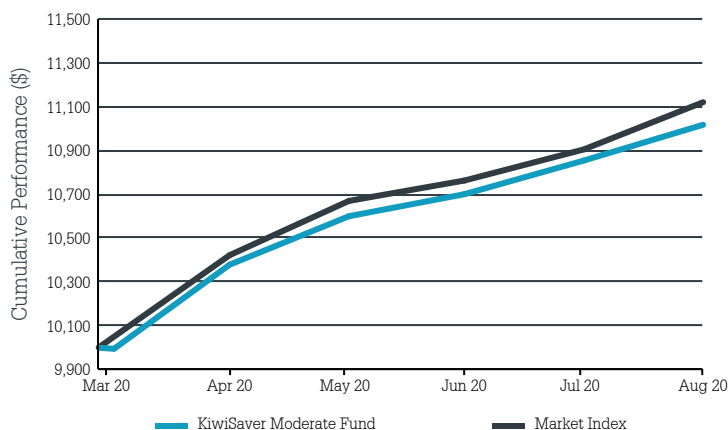
Investments in US growth companies and Australian small companies delivered high returns, helping performance despite the modest exposure to these assets. Larger investments in Australian property stocks delivered solid gains whilst NZ utility companies also performed well, recovering from the news of the Tiwai aluminium smelter closure. Global government bond markets were broadly weaker but the Fund's exposure is mainly to corporate bonds which outperformed. These bonds continue to recover from March weakness and enabled the bond part of the Fund to deliver positive returns in the month. NZ bonds were relatively strong in August owing to continued support from the Reserve Bank of New Zealand's supportive monetary policy.

Broad exposure to shares increased in the month, particularly to shares that will benefit from a more sustained economic expansion and those that offer higher dividends. Looking ahead, the stretched valuations of both bond and share markets justify a slightly cautious investment approach. However, given low interest rates and support from government policy, we continue to look for attractively valued companies that can benefit as the global economy gets back on its feet.

To view Milford's September 2020 Market and Economic Review please see milfordasset.com/fact-sheet.

Cumulative Fund Performance

(after fees and before tax)



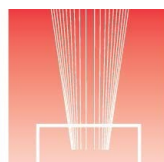
Assumes the growth of \$10,000 invested at the Fund's inception date.

Key Fund Facts

Objective	Moderate returns and capital growth over a minimum of five years
Description	Diversified fund that primarily invests in fixed interest securities, with a significant allocation to equities
Target Allocation	60% Income Assets / 40% Growth Assets
Neutral FX Exposure	6.0%
Net Asset Value (NAV)	\$19.5 M
Buy-sell Spread	None
Inception Date	27 March 2020
Benchmark	Not applicable
Base Fund Fee	0.95%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees	0.96% (includes an est. performance fee)
Risk Indicator	<div>Lower risk<div>1234567</div>Higher risk</div> <div>Potentially lower returnsPotentially higher returns</div>



Consumer NZ People's Choice Award - KiwiSaver



Morningstar Fund Manager of the Year
- KiwiSaver Category, NZ



Zenith FundSource Fund Manager of the Year

Investment Performance after fees as at 31 August 2020

Unit Price: \$1.1013

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford KiwiSaver Moderate Fund (Gross Of Tax)	1.51%	3.94%	-	-	-	10.17%
After Tax 10.50%	1.49%	3.80%	-	-	-	9.86%
After Tax 17.50%	1.48%	3.71%	-	-	-	9.66%
After Tax 28.00%	1.46%	3.58%	-	-	-	9.35%
Market Index	1.98%	4.22%	-	-	-	11.53%

Top Equity Holdings

Holdings	% of Fund's NAV
Spark New Zealand	1.07%
Contact Energy	0.78%
Fisher & Paykel Healthcare	0.76%
Woolworths	0.70%
Transurban Group	0.67%
Apple	0.62%
Amazon	0.61%
Alphabet	0.61%
a2 Milk Company	0.61%
Microsoft Corp	0.60%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	26.13%	9.00%
New Zealand Fixed Interest	12.68%	15.00%
International Fixed Interest	31.59%	36.00%
New Zealand Equities	6.40%	7.00%
Australian Equities	6.24%	8.00%
International Equities	12.05%	19.00%
Listed Property	4.72%	6.00%
Other	0.19%	0%

The actual cash held by the Fund is 20.73%. 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's NAV
NZLGFA 1.5% 2029	0.72%
NZLGFA 1.5% 2026	0.65%
ASB Bank 1.83% 2024	0.60%
Housing NZ 3.36% 2025	0.57%
NZLGFA 3.5% 2033	0.55%
Westpac 2.22% 2024	0.53%
UBS Float 2025	0.51%
ING Group 1.45% 2024	0.47%
Lendlease 4.5% 2026	0.47%
Transpower 1.735% 2025	0.46%

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

Fund Portfolio Mix



■ Shares 29.41%
■ Investment Grade Bonds 37.08%
■ High Yield & Unrated Bonds 7.20%
■ Cash and Other 26.31%

Region Exposure



■ New Zealand 19.70%
■ Australia 22.97%
■ Global 31.01%
■ Cash and Other 26.32%

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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