

KiwiSaver Moderate Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 August 2021



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 1.3% in the month with a 1-year return of 10.5%. Share markets continue to drive higher and August saw strong gains in shares across the board. Despite a lower neutral allocation to shares, returns from shares are delivering the bulk of performance for the Fund. Whilst bond returns in the past year have been positive, this month they detracted slightly from Fund returns.

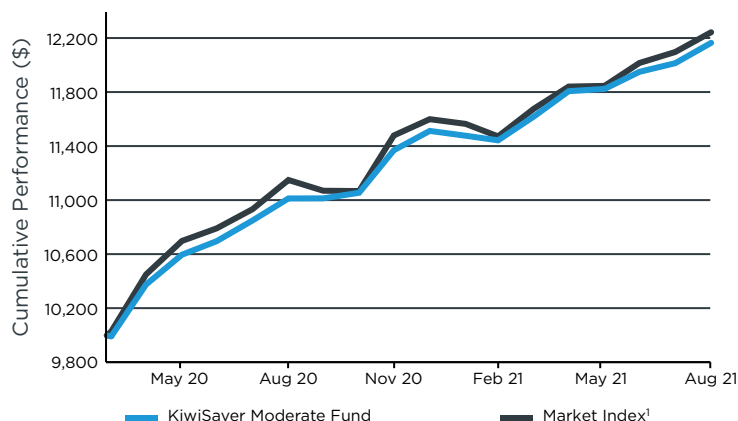
NZ shares were a standout, with a strong market return, as well as good stock selection, boosting returns. On the back of reporting better than expected profit outcomes, key holdings of Summerset and EBOS delivered gains of 17.1% and 15.9% respectively. With returns on bonds so low, we continue to find attractive opportunities from investing in high quality dividend paying stocks. Last month saw other investors follow suit and the Australian property sector delivered gains of over 6%.

We continue to find reasonably valued opportunities in shares to invest in. Coupled with the constructive medium-term outlook, the Fund is likely to remain fully invested in shares for the foreseeable future. We are wary that returns on offer from bonds look very low. They will likely guard the Fund against the volatility that shares can deliver and so will remain a core investment for the Fund.

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

Cumulative Fund Performance

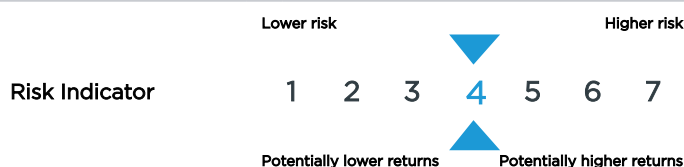
(after fees and before tax)



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

Key Fund Facts

Objective²	To provide moderate returns and capital growth over the minimum recommended investment timeframe
Description	Diversified fund that primarily invests in fixed interest securities, with a significant allocation to equities
Minimum recommended investment timeframe	4 years
Target Allocation	60% Income Assets / 40% Growth Assets
Neutral FX Exposure	6.0%
Net Asset Value (NAV)	\$66.9 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	27 March 2020
Benchmark	Not applicable
Base Fund Fee³	0.95%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees⁴	0.96% (includes an est. performance fee)





KiwiSaver Moderate Fund as at 31 August 2021

Investment Performance after fees as at 31 August 2021⁵

Unit Price: \$1.2153

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Moderate Fund (Gross Of Tax)	1.25%	2.89%	10.47%	-	-	14.71%
After Tax 10.50%	1.24%	2.89%	10.17%	-	-	14.27%
After Tax 17.50%	1.24%	2.89%	9.97%	-	-	13.97%
After Tax 28.00%	1.22%	2.90%	9.67%	-	-	13.53%
Market Index	1.21%	3.36%	9.83%	-	-	15.22%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.19%
Fisher & Paykel	0.88%
Alphabet	0.78%
Microsoft	0.73%
Telstra	0.69%
Spark	0.69%
Meridian	0.65%
Charter Hall Retail	0.65%
Mainfreight	0.61%
Virgin Money	0.59%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	19.61%	9%
New Zealand Fixed Interest	11.54%	15%
International Fixed Interest	30.85%	36.00%
New Zealand Equities	7.23%	7%
Australian Equities	7.44%	8%
International Equities	18.19%	19%
Listed Property	4.33%	6%
Other	0.81%	0%

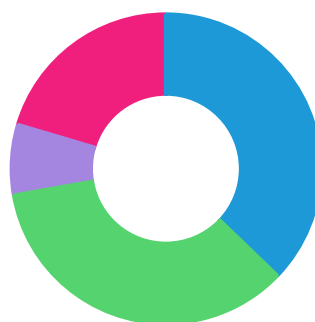
The actual cash held by the Fund is 16.46%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
Kiwibank 1.3% 2022	1.22%
NZLGFA 1.5% 2026	0.97%
NAB Float 2026	0.61%
Scentre Group 5.125% 2080	0.53%
Wesfarmers 1.941% 2028	0.50%
NZ Govt. 0.5% 2026	0.49%
ASB Bank 5.25% 2026	0.45%
Scentre Group 4.75% 2080	0.45%
Housing NZ 3.36% 2025	0.44%
NZLGFA 1.5% 2029	0.43%

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

Fund Portfolio Mix



■ Shares 37.19%
■ Investment Grade Bonds 35.03%
■ High Yield & Unrated Bonds 7.36%
■ Cash and Other 20.42%

Region Exposure



■ New Zealand 19.51%
■ Australia 25.15%
■ Global 34.92%
■ Cash and Other 20.42%



**PROVIDER OF THE YEAR
KIWISAVER 2020**



**OUTSTANDING VALUE
KIWISAVER 2020**

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.

Disclaimer: The Milford Fund Fact Sheet has been prepared by Milford Funds Limited. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. No reproduction of any material either in part or in full is permitted without prior permission. For more information about the Fund, please refer to the Production Disclosure Statement or the latest Quarterly Fund Update.