

KiwiSaver Moderate Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 June 2021



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 1.1% in June, bringing the one-year return to 11.7%. The Fund's strategy has remained broadly stable for the past few months. The biggest tilt is a significantly reduced exposure to interest rates as we think there is a risk interest rates rise from here. Global growth is surging and inflation with it. Despite that, the bond market has been relatively well behaved thus far, enabling other assets such as shares to perform well. Higher bond yields would pose a risk to share valuations, so the Fund retains its reduced interest rate exposure.

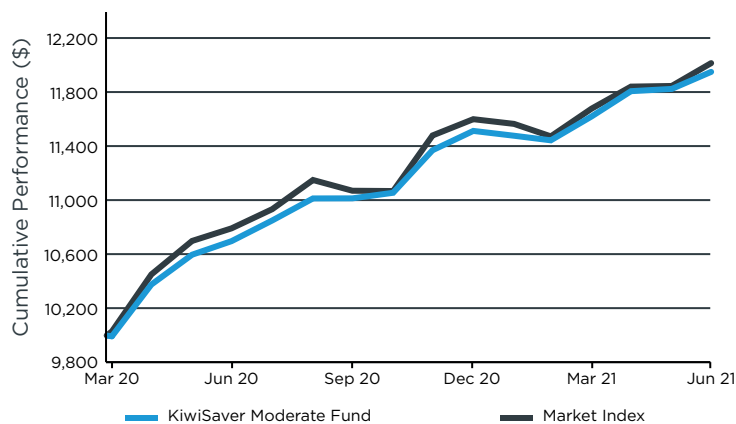
The bulk of the return in the month was delivered by global shares. These were led by the 'growth' companies such as online shopping platforms Shopify (+17.5%) and Amazon (+6.7%). Our local stocks picks were boosted by respirator companies ResMed (+20.8%) and Fisher & Paykel Healthcare (+4.5%) that rallied on the back of a product recall by a competitor.

Going forward we expect our increased holdings in banks in Australia and the UK to perform well. Earnings should improve as economies reopen and banks tend to benefit as interest rates rise. Looking ahead we continue to stick to our playbook. Growth is peaking and market interest rates should drift higher. This only slightly dulls what remains a very favourable backdrop for investing.

To view Milford's July 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

Objective

Moderate returns and capital growth over a minimum of four 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)	\$52.8 M
Buy-sell Spread	None - swing pricing applies (See PDS for details)
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)



KiwiSaver Moderate Fund as at 30 June 2021

Investment Performance after fees as at 30 June 2021

Unit Price: \$1.194

	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)	1.07%	2.84%	11.73%	-	-	15.20%
After Tax 10.50%	1.09%	2.82%	11.38%	-	-	14.71%
After Tax 17.50%	1.10%	2.81%	11.14%	-	-	14.39%
After Tax 28.00%	1.12%	2.78%	10.79%	-	-	13.91%
Market Index	1.43%	2.90%	11.36%	-	-	15.70%

Top Equity Holdings

Holdings	% of Fund
Fisher & Paykel	14.94%
Mainfreight	9.89%
Infratil	7.80%
Summerset	6.27%
Contact Energy	6.13%
Meridian	5.81%
Xero	5.51%
Ryman Healthcare	4.69%
Fletcher Building	4.50%
Auckland Airport	4.12%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	18.94%	9.00%
New Zealand Fixed Interest	10.91%	15.00%
International Fixed Interest	33.03%	36.00%
New Zealand Equities	7.28%	7.00%
Australian Equities	8.22%	8.00%
International Equities	17.90%	19.00%
Listed Property	3.72%	6.00%
Other	0.00%	0%

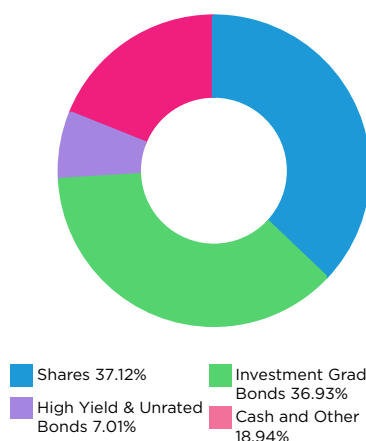
The actual cash held by the Fund is 17.05%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

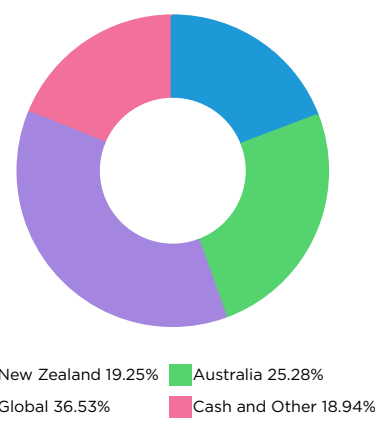
Holdings	% of Fund
NZLGFA 1.5% 2026	1.01%
Scentre Group 5.125% 2080	0.85%
Wesfarmers 1.941% 2028	0.56%
ASB Bank 5.25% 2026	0.47%
Housing NZ 3.36% 2025	0.46%
NZLGFA 1.5% 2029	0.45%
Mirvac Group 3.625% 2027	0.41%
NZLGFA 3.5% 2033	0.41%
Ampol Float 2080	0.40%
Charter Hall 2.787% 2031	0.39%

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**



**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.

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