

KiwiSaver Moderate Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 May 2021



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.1% in May with a one-year return of 11.6%. After a frenetic 18 months, May was a relatively sedate month in markets. Many of the themes we have been expecting have already largely played out and investors, including ourselves, are waiting to see what will happen next.

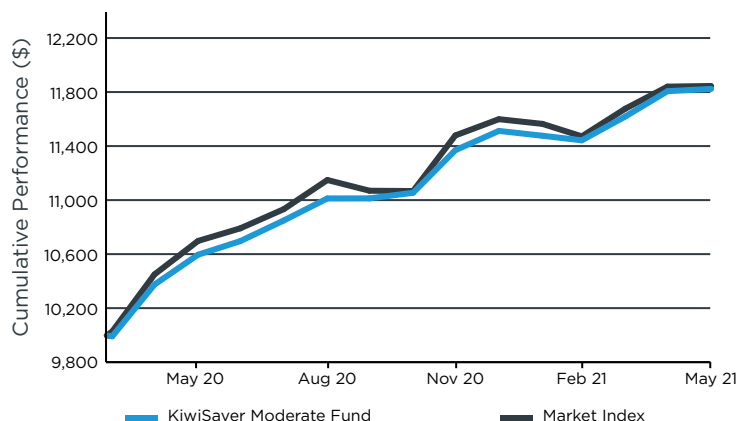
The backdrop remains very supportive, including strong economic growth and policy makers intent on maintaining that strength. On the flip side, surging inflation means central bankers may have to start discussing how they will tighten monetary policy in the next few months. For this reason, bonds remain relatively unattractive investments in the near term.

For the Fund, this has meant an increased exposure to shares and a reduced exposure to longer-dated bonds (that are more sensitive to interest rates). In addition, the predominantly corporate bond exposure of the Fund helps deliver a return above that achievable from unattractive government bonds. Flexibility within the Fund is allowing us to remain invested with plenty of attractive opportunities in shares to try and generate returns going forward.

To view Milford's June 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 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)	\$45.5 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 31 May 2021

Investment Performance after fees as at 31 May 2021

Unit Price: \$1.1815

	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)	0.14%	3.33%	11.60%	-	-	15.30%
After Tax 10.50%	0.13%	3.29%	11.15%	-	-	14.76%
After Tax 17.50%	0.12%	3.25%	10.85%	-	-	14.40%
After Tax 28.00%	0.10%	3.21%	10.40%	-	-	13.86%
Market Index	0.04%	3.26%	10.74%	-	-	15.48%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.41%
Spark	0.99%
Fisher & Paykel	0.80%
Telstra	0.75%
NAB	0.71%
Meridian	0.68%
Alphabet	0.66%
Microsoft	0.61%
Mainfreight	0.54%
Summerset	0.51%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	19.00%	9.00%
New Zealand Fixed Interest	11.60%	15.00%
International Fixed Interest	31.99%	36.00%
New Zealand Equities	7.64%	7.00%
Australian Equities	8.75%	8.00%
International Equities	16.64%	19.00%
Listed Property	3.54%	6.00%
Other	0.84%	0%

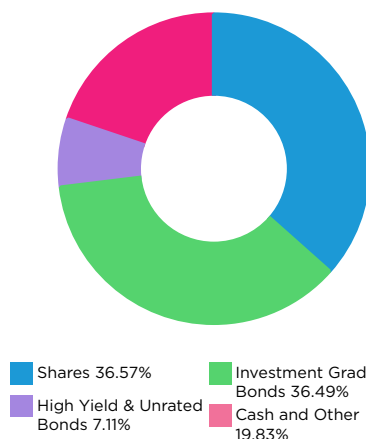
The actual cash held by the Fund is 17.35%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

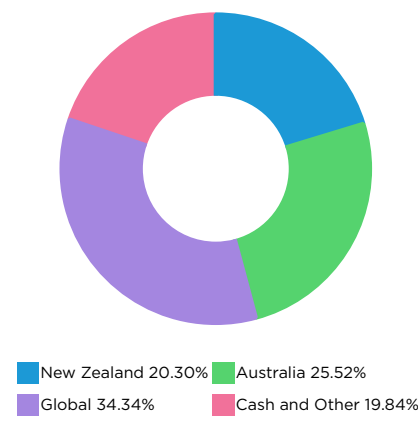
Holdings	% of Fund
NZLGFA 1.5% 2026	1.05%
Scentre Group 5.125% 2080	0.84%
ASB Bank 5.25% 2026	0.49%
Housing NZ 3.36% 2025	0.48%
NZLGFA 1.5% 2029	0.46%
NZLGFA 3.5% 2033	0.42%
Mirvac Group 3.625% 2027	0.41%
Ampol Float 2080	0.41%
John Deere 1.75% 2024	0.40%
Charter Hall 2.787% 2031	0.40%

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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