

KiwiSaver Moderate Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2021



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned -0.5% in the month with a one-year return of 8.8%. The Fund has been navigating some stiff headwinds that accelerated in October, namely falling bond prices.

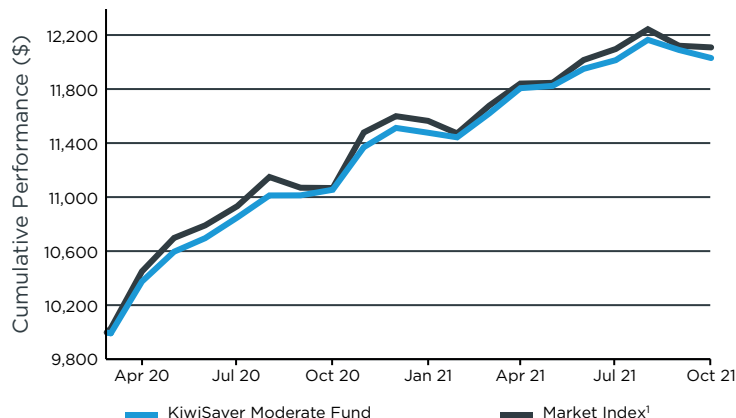
As global inflation has surged, the bond market is increasingly questioning the appropriateness of the very low interest rates set by central banks. The bond market now expects central banks to raise interest rates sharply over the coming year, despite central banks cautious approach to date. This has seen bond markets fall recently and whilst the Fund has reduced exposure to bonds, it is difficult to completely avoid exposure to the Fund's core asset.

Positively, global share investment performance helped offset some of the bond losses in the month. Google parent Alphabet and Microsoft were standout performers, up 11.3% and 17.6% respectively. Looking ahead, bond prices are now more attractive and at least hold the prospect of positive future returns. Share markets do look expensive but we are still able to find some attractive companies to invest into.

To view Milford's November 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)	\$79.0 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)

	Lower risk					Higher risk	
Risk Indicator	1	2	3	4	5	6	7
	Potentially lower returns				Potentially higher returns		

KiwiSaver Moderate Fund as at 31 October 2021

Investment Performance after fees as at 31 October 2021⁵

Unit Price: \$1.2016

	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)	-0.49%	0.13%	8.84%	-	-	12.29%
After Tax 10.50%	-0.42%	0.18%	8.70%	-	-	11.94%
After Tax 17.50%	-0.37%	0.21%	8.61%	-	-	11.71%
After Tax 28.00%	-0.30%	0.26%	8.48%	-	-	11.37%
Market Index	-0.10%	0.10%	9.42%	-	-	12.75%

Top Equity Holdings

Holdings	% of Fund
Contact Energy	1.24%
Alphabet	0.81%
Fisher & Paykel	0.81%
Microsoft	0.80%
Santos	0.72%
Sydney Airport	0.71%
Telstra	0.70%
Charter Hall Retail	0.62%
HCA Holdings	0.61%
Spark	0.60%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	13.15%	9%
New Zealand Fixed Interest	13.07%	15%
International Fixed Interest	33.22%	36.00%
New Zealand Equities	7.46%	7%
Australian Equities	7.07%	8%
International Equities	20.01%	19%
Listed Property	4.91%	6%
Other	1.11%	0%

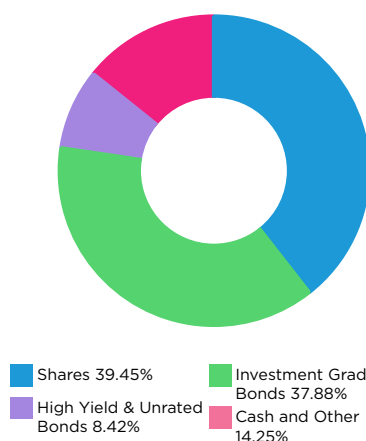
The actual cash held by the Fund is 11.84%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

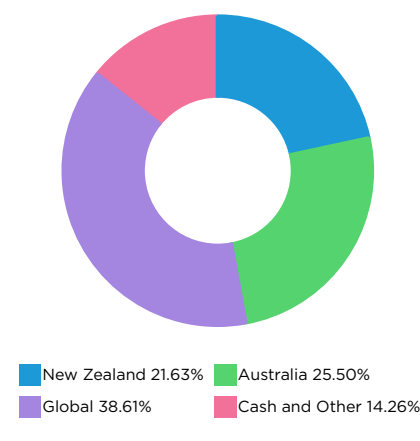
Holdings	% of Fund
Kiwibank 1.3% 2022	1.25%
NZLGFA 1.5% 2026	0.94%
ANZ 1.45% 2022	0.93%
ANZ 2.999% 2031	0.80%
Scentre Group 5.125% 2080	0.62%
Bank of Queensland Float 2026	0.61%
Wesfarmers 1.941% 2028	0.49%
ASB 5.25% 2026	0.46%
Scentre Group 4.75% 2080	0.44%
CBA Float 2031	0.43%

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 - 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 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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