

# Trans-Tasman Equity Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 August 2024



## Portfolio Managers



**Sam Trethewey**  
Portfolio Manager



**Wayne Gentle**  
Co-Portfolio Manager

The Fund returned -0.4% in August and has now returned 11.9% over the past year. This performance was against the backdrop of a volatile August reporting season. Domestic-orientated businesses disappointed market expectations, and management teams spoke to a tough six month trading period ahead, hopeful of recovery in 2025.

Fund highlights from reporting season included Vista, a cinema software business (+24.1%), Life360, a family location safety app (+15.5%) and Fisher & Paykel Healthcare (+10.0%). Vista reported a solid result but, most importantly, upgraded its outlook for the year ahead and spoke optimistically about box office recovery. Vista is also attracting private equity interest via Australian based Potentia Capital who acquired a 19% stake.

Life360 released a standout result that demonstrated strong subscriber momentum within its family tracking platform and upgraded its outlook. Finally, Fisher & Paykel Healthcare provided a positive trading update ahead of its annual meeting. It commented all regions and products have started the year strongly and revised up their full year profit guidance.

a2 Milk (-23.3%) was the key detractor. a2 Milk had been a strong performer recently and provided a result which met market expectations. However, management flagged a weaker outlook due to a supply chain issue at Synlait Milk. We believe the issue is one-off in nature and will be rectified quickly.

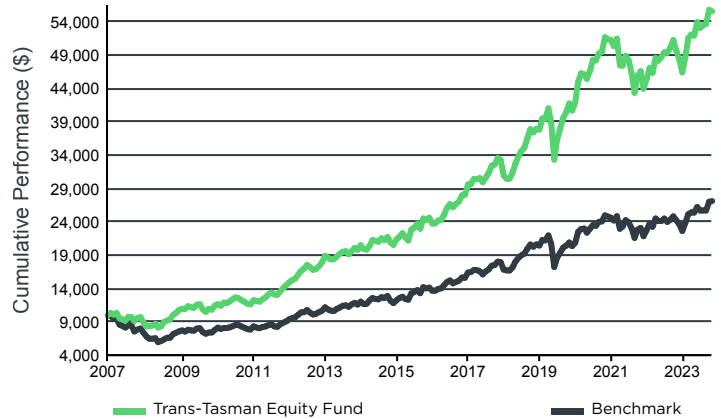
Over the month we continued to add to interest rate sensitive stocks in NZ and to cyclical businesses where we have conviction in the companies' outlooks, while moving more defensive in Australia. The outlook for the NZ economy remains challenged in the near term, but following the change in stance by the RBNZ, there is potential for this to change. Regardless of the economic backdrop, we continue to find attractive investment opportunities and remain confident in our portfolio companies' ability to produce attractive risk-adjusted returns over time.

To view Milford's August 2024 Market and Economic Review please see [milfordasset.com/insights](https://milfordasset.com/insights).

For previous fund reports see [milfordasset.com/fund-reports](https://milfordasset.com/fund-reports).

## Cumulative Fund Performance

(after fees and before tax)



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

## Key Fund Facts

<b>Objective<sup>1</sup></b>	To provide capital growth by out-performing a mix of two relevant share market indices over the minimum recommended investment timeframe
<b>Description</b>	Primarily invests in Australasian equities with the ability to invest in international equities opportunistically

<b>Minimum recommended investment timeframe</b>	8 years +
<b>Target Allocation</b>	5% Income Assets / 95% Growth Assets
<b>Neutral FX Exposure</b>	0%
<b>Net Asset Value (NAV)</b>	\$726.2 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 October 2007
<b>Benchmark</b>	50% x S&P/ASX 200 Total Return Index (100% NZD-hedged) + 50% x S&P/NZX 50 Gross Index
<b>Base Fund Fee<sup>2</sup></b>	1.05%
<b>Performance Fee</b>	15% of the Fund's returns above the Benchmark <sup>1</sup> , subject to the high watermark.
<b>Total Fund Fees<sup>3</sup></b>	1.05%

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

## External Ratings



The Milford Trans-Tasman Equity Fund has a Morningstar Medalist Rating™ of 'Silver' as of 19-09-2023

# Trans-Tasman Equity Fund as at 31 August 2024

## Investment Performance after fees as at 31 August 2024<sup>4</sup>

Unit Price: \$4.3034

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Trans-Tasman Equity Fund (Gross Of Tax)	-0.39%	3.85%	11.92%	2.44%	8.22%	10.66%
After Tax 10.50%	-0.43%	3.79%	11.58%	2.12%	7.92%	10.26%
After Tax 17.50%	-0.46%	3.76%	11.35%	1.90%	7.72%	10.03%
After Tax 28.00%	-0.50%	3.70%	11.01%	1.57%	7.41%	9.66%
Benchmark	0.42%	5.45%	11.90%	2.79%	5.99%	6.08%

## Top Security Holdings

Holdings	% of Fund
Fisher & Paykel	7.74%
Infratil	5.41%
CSL	4.45%
BHP	4.37%
Xero	3.59%
CBA	3.44%
Contact Energy	3.09%
Mainfreight	3.08%
a2 Milk	2.76%
Meridian	2.59%

## Current Asset Allocation

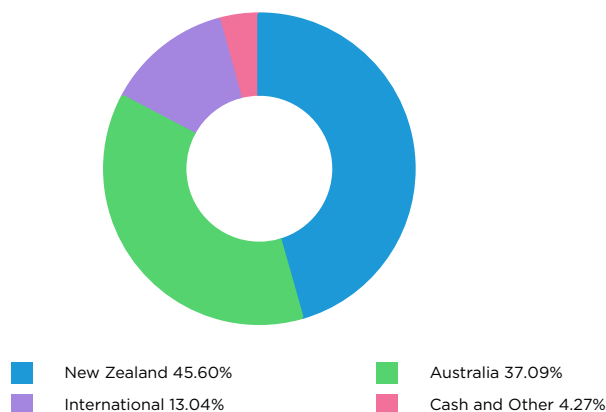
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	3.23%	5%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	44.18%	47.5%
Australian Equities	47.42%	47.5%
International Equities	4.13%	0.0%
Other	1.04%	0.0%

# The actual cash held by the Fund is 2.92%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

## Sector Allocation

Allocation	Weight %
Financials	20.07%
Health Care	18.15%
Information Technology	10.79%
Utilities	8.26%
Materials	8.00%
Communication Services	6.56%
Industrials	6.54%
Consumer Staples	4.87%
Other Sectors	12.49%
Cash and Other	4.27%

## Region Exposure



1. After the Base Fund Fee but before tax and before the performance fee. 2. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 3. 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. 4. Assumes the reinvestment of distributions. 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](http://milfordasset.com/fact-sheet) for more information about the data published within this document.

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