

# Trans-Tasman Equity Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 January 2024



## Portfolio Managers



**Sam Trethewey**  
Portfolio Manager



**Wayne Gentle**  
Co-Portfolio Manager

The Fund delivered another strong 1.0% return in January, in what were characteristically quiet local markets. The Fund return compares to a 0.9% return for the NZX 50 index and a 1.2% return for the ASX 200.

Fund performance was led by retirement village operator Summerset (+7.2%), infrastructure investor Infratil (+5.3%) and Australian pharmaceutical company CSL (+5.3%). Summerset reported strong quarterly unit sale metrics, as the company benefitted from an improvement in sales volumes across the local residential property market. Infratil announced that one of its portfolio companies CDC, a data centre developer, had secured several large customer wins. This supports data centre capacity growth and underwrites further development. Importantly for Infratil shareholders it reinforces the strong growth prospects within CDC. Elsewhere, we added to our position in Ryman Healthcare following the strong quarterly sales from Summerset, and reduced exposure to medical equipment company ResMed on strong share price performance.

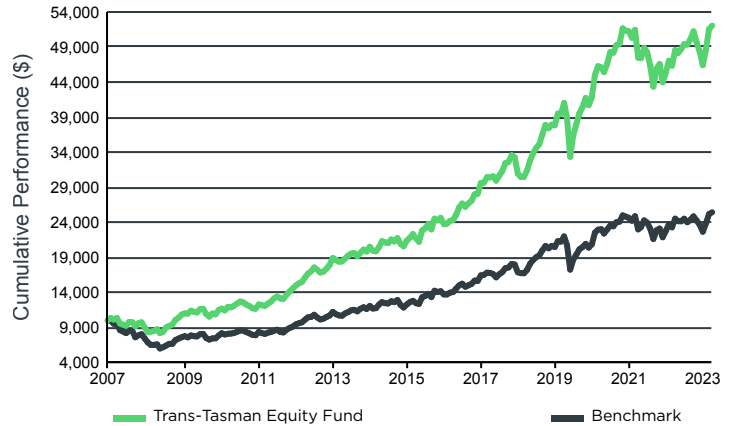
Looking ahead, the possibility of a soft-landing outcome for the global economy continues to look promising and is supporting share markets globally. This has been reflected in recent Fund performance. Risks of persistent inflation as a result of economic strength and full company valuations due to the recent rally, mean we remain more balanced on the outlook. Locally we expect the Australian share market to continue to benefit from a relatively robust economy and strong commodity prices. In NZ we expect the upcoming February earnings season to highlight reduced top line growth as consumer spending slows and cost pressures persist. Regardless of the backdrop, we continue to find investment opportunities, remain confident in our portfolio companies and their ability to produce attractive returns.

To view Milford's January 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, and assumes reinvestment of distribution.

## 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>	\$650.4 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 October 2007
<b>Current Distribution</b>	1.5 cents per unit (Biannually)
<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%

<b>Risk Indicator</b>	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Lower risk</span> <span>1 2 3 4 <b>5</b> 6 7</span> <span>Higher risk</span> </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>
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## 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 January 2024

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

Unit Price: \$4.0566

	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)	1.01%	12.19%	7.20%	4.14%	10.62%	10.63%
After Tax 10.50%	1.01%	12.13%	6.84%	3.79%	10.32%	10.22%
After Tax 17.50%	1.01%	12.09%	6.59%	3.56%	10.12%	9.99%
After Tax 28.00%	1.01%	12.03%	6.23%	3.22%	9.82%	9.62%
Benchmark	1.07%	12.30%	3.73%	3.39%	8.12%	5.88%

### Top Security Holdings

Holdings	% of Fund
BHP	6.01%
Infratil	5.84%
Fisher & Paykel	5.46%
CSL	4.83%
Auckland Airport	4.51%
Spark	3.98%
Xero	3.74%
Contact Energy	3.69%
Summerset	2.82%
NAB	2.77%

### Current Asset Allocation

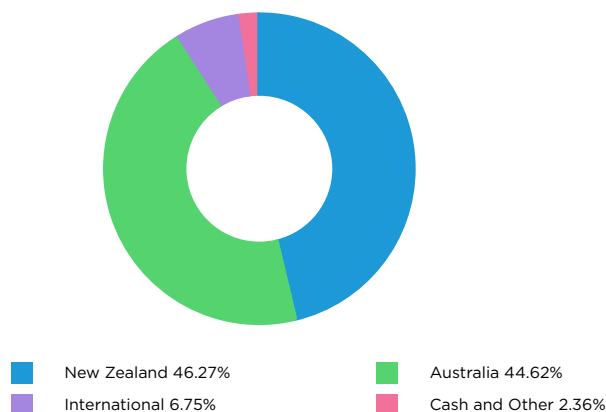
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	1.99%	5%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	45.12%	47.5%
Australian Equities	52.35%	47.5%
International Equities	0.17%	0.0%
Other	0.37%	0.0%

# The actual cash held by the Fund is 3.15%. 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 %
Health Care	18.88%
Industrials	16.96%
Financials	11.96%
Materials	10.84%
Communication Services	9.08%
Utilities	7.17%
Information Technology	6.82%
Energy	5.70%
Other Sectors	10.23%
Cash and Other	2.36%

### 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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