

# Trans-Tasman Equity Fund

## Portfolio Investment Entity

### Monthly Fact Sheet as at 31 January 2025



## Portfolio Managers



**Sam Trethewey**  
Portfolio Manager



**Wayne Gentle**  
Co-Portfolio Manager

The Fund rallied 1.7% in January and has now returned 13.1% over the past year. January is typically a quiet month for news flow however the change in AI landscape via the latest DeepSeek model did have an impact on the local market and our Fund.

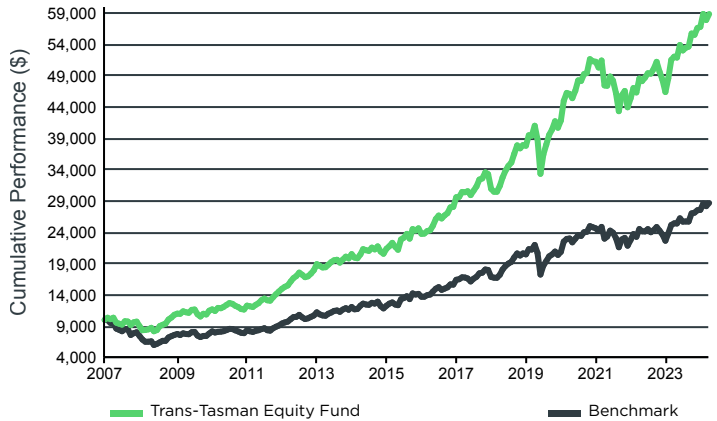
Fund performance was led by technology stocks Xero (+8.7%) and Vista Group (+4.5%), while Infratil (-11.0%) detracted due to its AI exposure via data centre developer CDC. While it is not a surprise to see innovation in AI, the DeepSeek model did raise some questions about AI from here and the market reacted swiftly. For software companies like Xero, the potential reduction in compute cost is a material benefit as they look to serve their customers increasingly with AI based tools. For a data centre operator like CDC, it left the market questioning the extent of future demand for data centres. We think this a relevant question to ask for data centres generally, however we believe that CDC's earnings are well insulated due to long-term customer contracts and limited exposure to AI training workloads. We reduced Xero on the share price strength and added modestly to payments platform Block, Inc. on weakness.

Looking ahead, we are yet to see any material change in the NZ economy from lower interest rates other than a mild improvement in sentiment. In Australia, recent inflation data has softened to within the RBA's target range suggesting a reduction in interest rates may be on the horizon. This is likely to be welcomed against a backdrop of a soft local housing market and consumer sentiment. Regardless of the economic backdrop, we continue to find attractive investment opportunities and remain confident in the ability of our portfolio companies to produce attractive risk-adjusted returns over time.

To view Milford's January 2025 Market and Economic Review please see [milfordasset.com/insights](http://milfordasset.com/insights).

For previous fund reports see [milfordasset.com/fund-reports](http://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>	\$789.7 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 12-11-2024

# Trans-Tasman Equity Fund as at 31 January 2025

## Investment Performance after fees as at 31 January 2025<sup>4</sup>

Unit Price: \$4.555

	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)	1.67%	3.61%	13.09%	7.45%	7.49%	10.76%
After Tax 10.50%	1.66%	3.59%	12.85%	7.09%	7.23%	10.36%
After Tax 17.50%	1.65%	3.58%	12.69%	6.86%	7.05%	10.14%
After Tax 28.00%	1.64%	3.57%	12.44%	6.50%	6.79%	9.78%
Benchmark	1.84%	4.00%	12.79%	7.67%	5.47%	6.27%

## Top Security Holdings

Holdings	% of Fund
Fisher & Paykel	8.09%
Infratil	5.39%
BHP	4.24%
CBA	3.93%
CSL	3.92%
Contact Energy	3.65%
Xero	3.40%
Auckland Airport	2.92%
Mainfreight	2.86%
Summerset	2.61%

## Current Asset Allocation

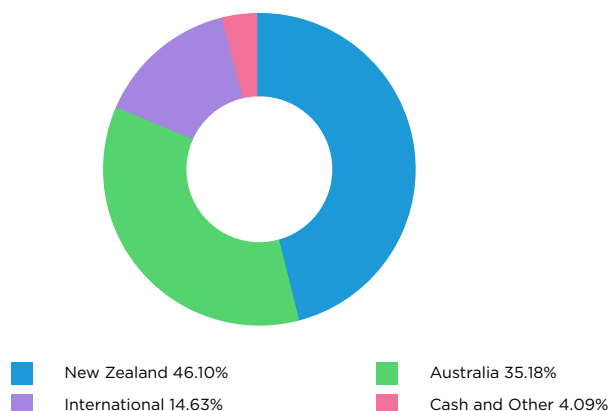
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	4.01%	5%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	45.09%	47.5%
Australian Equities	46.20%	47.5%
International Equities	4.62%	0.0%
Other	0.08%	0.0%

# The actual cash held by the Fund is 4.95%. 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	21.42%
Health Care	19.87%
Information Technology	12.39%
Industrials	7.82%
Materials	7.11%
Utilities	6.72%
Communication Services	6.42%
Real Estate	5.45%
Other Sectors	8.71%
Cash and Other	4.09%

## Region Exposure



Note: This shows where the entities' main operations are based. This can differ from the Current Asset Allocation which is based on the exchange it is listed on.

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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