

Trans-Tasman Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 September 2022



Portfolio Managers



Sam Trethewey
Portfolio Manager



Wayne Gentle
Co-Portfolio Manager

The Fund fell 5.6% in September. This compares to a 4.3% decline in the NZX 50 and a 6.2% fall in the ASX 200 as local markets followed the global risk-off moves.

Performance was led this month by our exposure to the healthcare sector, namely EBOS and ResMed which remain sought after by the market for their defensive growth characteristics. ResMed is a global leader in the treatment of sleep apnea. ResMed has a long growth runway and is set to take significant market share following a product recall by their largest competitor Phillips. Elsewhere we added to Auckland Airport on weakness driven by the market volatility and trimmed our holding in Infratil which rallied following inclusion in a major index.

Looking ahead, we expect the short term to remain volatile. We continue to watch the economic situation closely as the path for interest rates and earnings evolves, in particular the labour and housing markets, and will adjust the Fund as necessary.

The Fund remains positioned defensively and away from areas where we expect upcoming pressure on valuations or profit margins. Cash is elevated at present which puts us in a position to take advantage of stock opportunities as they occur.

To view Milford's October 2022 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, and assumes reinvestment of distribution.

Key Fund Facts

Objective¹

To provide capital growth by out-performing a mix of two relevant share market indices over the minimum recommended investment timeframe

Description

Primarily invests in Australasian equities

Minimum recommended investment timeframe

8 years +

Target Allocation

5% Income Assets / 95% Growth Assets

Neutral FX Exposure

0%

Net Asset Value (NAV)

\$695.2 M

Buy-sell Spread

None - swing pricing applies (See PDS for details)

Inception Date

1 October 2007

Current Distribution

1.5 cents per unit (Biannually)

Benchmark

50% x S&P/ASX 200 Total Return Index (100% NZD-hedged) + 50% x S&P/NZX 50 Gross Index

Base Fund Fee²

1.05%

Performance Fee

15% of the Fund's returns above the Benchmark¹, subject to the high watermark.

Total Fund Fees³

1.05%

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

External Ratings



Milford Trans-Tasman Equity Fund received a Morningstar Analyst Rating™ of 'Silver' on 19-05-2021

Trans-Tasman Equity Fund as at 30 September 2022

Investment Performance after fees as at 30 September 2022⁴

Unit Price: \$3.4688

	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)	-5.62%	1.43%	-14.35%	5.04%	9.40%	10.37%
After Tax 10.50%	-5.70%	1.31%	-14.49%	4.83%	9.15%	9.97%
After Tax 17.50%	-5.75%	1.23%	-14.59%	4.68%	8.98%	9.76%
After Tax 28.00%	-5.83%	1.11%	-14.73%	4.46%	8.73%	9.40%
Benchmark	-5.41%	1.15%	-11.89%	1.94%	6.93%	5.34%

Top Security Holdings

Holdings	% of Fund
CSL	6.34%
BHP	5.13%
Spark	4.27%
EBOS Group	4.23%
Fisher & Paykel	4.09%
Infratil	4.09%
Contact Energy	3.83%
CBA	3.74%
Auckland Airport	3.64%
Mainfreight	3.30%

Current Asset Allocation

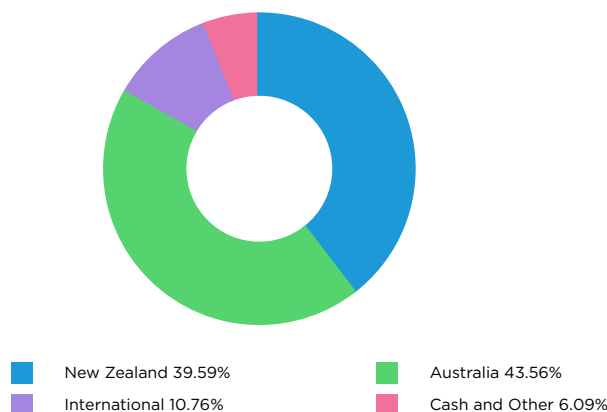
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	6.09%	5.00%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	0.00%	0.0%
New Zealand Equities	42.98%	47.500%
Australian Equities	50.93%	47.500%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 6.86%. 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	19.04%
Utilities	11.12%
Materials	11.11%
Financials	10.99%
Industrials	10.66%
Communication Services	9.82%
Energy	5.23%
Consumer Staples	5.06%
Other Sectors	10.88%
Cash and Other	6.09%

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 for more information about the data published within this document.

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