

Milford Australian Absolute Growth Fund

(available to Australian tax residents only)

December 2019



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

The Fund lost 0.9% ending a strong run of consecutive monthly gains.

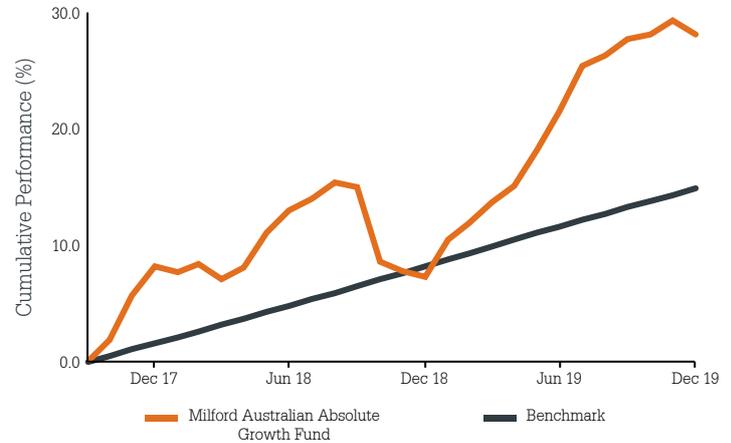
The devastating Australian fires have been the most significant domestic event over the last month. There has been an enormous humanitarian and environmental impact on large parts of rural Australia which will have long lasting effects on many of those areas.

From a wider Australian economic point of view, we may see a small impact on consumption as people appear to have travelled less over the break and many have donated to supporting charities. Prime Minister Scott Morrison's handling of the crisis has been poor, and his popularity has taken a hit which may see some political instability emerge this year.

However, none of this is substantial enough for us to change our strategy or positive view on Australian equities. On an individual stock basis, Sealink Travel Group may be impacted as it operates the ferry service to Kangaroo Island which has been severely impacted by the fires. The shares have sold off in January and we purchased more into this weakness.

The Fund is currently more fully positioned as we see the current environment as reasonably favourable for equities. We have a larger allocation to commodity and oil stocks which we expect to do well with a recovery in global growth prospects in 2020.

Investment Performance to December 2019*



* Cumulative performance since inception, after all fees and expenses, and assumes reinvestment of distributions.

Key Fund Facts

Objective	Absolute returns with an annualised return of 5% above the RBA Cash Rate while seeking to preserve investor capital
Description	A diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities, fixed interest securities and cash. May use derivatives and foreign currency hedging.
Benchmark	RBA Cash Rate + 5% p.a.
Redemption Price <small>as at 31 Dec</small>	\$1.1984
NAV <small>as at 31 Dec</small>	\$106 Million
Inception Date	October 2017
Minimum Investment	\$20,000
Recommended Investment Timeframe	5 years +
Buy-sell Spread	+/-0.20%
Entry/Exit Fee	Nil
Distribution Frequency	Annual (30 June)
Management Fee*	1.00%
Capped Expense Recovery*	0.10%
Performance Fee*	15% p.a. of returns above the benchmark subject to achieving the high watermark.
Fund Pricing	Daily

* Fees are stated exclusive of GST.

Investment Performance to December 2019¹

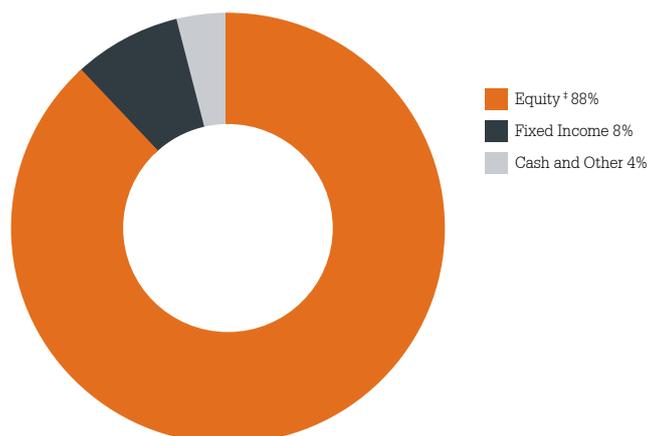
	1 Month	6 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)**
Milford Australian Absolute Growth Fund	-0.89%	5.46%	19.40%	-	-	11.66%
Benchmark	0.48%	2.92%	6.17%	-	-	6.36%

Past performance is not a reliable indicator of future performance.

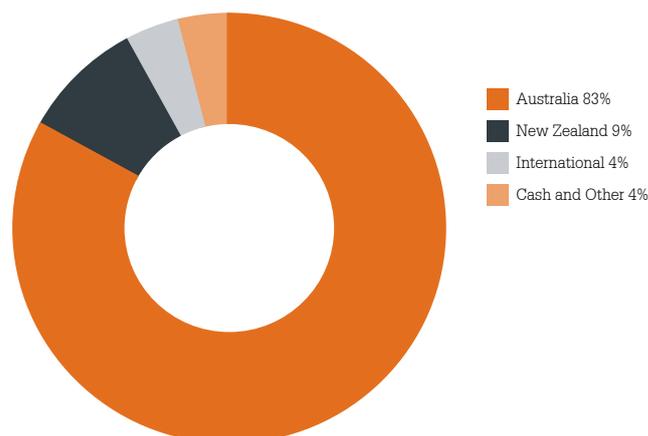
* Net performance figures are shown after all fees and expenses, and assumes reinvestment of distributions.

** Inception date of the Fund is 2 October 2017

Current Asset Allocation¹



Current Country Allocation¹



Top Security Holdings

Holdings	% of Fund's NAV
BHP Group	5.97%
Woodside Petroleum	4.73%
National Australia Bank	3.35%
CSL	3.30%
Charter Hall Group	3.10%
a2 Milk Company	2.67%
Australian Finance Group	2.34%
Macquarie Group	2.33%
Santos	2.20%
Aristocrat Leisure	2.20%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

¹ The actual investment mix incorporates the notional exposure value of equity derivatives and credit default swaps, where applicable.

² Equity will be the net amount, ie the total long less any shorts.

³ Typically the country in which the company issuing the share/bond primarily operates

Fund Changes

There have been no material changes to the below information since the last monthly report:

- The Fund's risk profile
- The Fund's strategy

There have been no changes to the below information since the PDS was issued:

- Key service providers
- Individuals playing a key role in investment

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