

Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 April 2019



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 1.9% in the month, with a 1-year return of 7.0%. News of stronger global economic growth saw growth assets perform well in April, delivering the bulk of the performance.

Global shares rallied with technology company shares benefiting from stronger profits reported in April. Milford's Global Equity Fund has significant exposure to tech companies such as Microsoft (+10.7%) and Amazon.com (+8.2%) which were standout performers.

In domestic markets, growth companies were similarly strong with a2 Milk (+17.2%) driving performance for the local share portfolio. Australian small caps also outperformed. The income portfolio saw positive returns with Milford's higher exposure to company bonds paying off as they outperformed government bonds in the month.

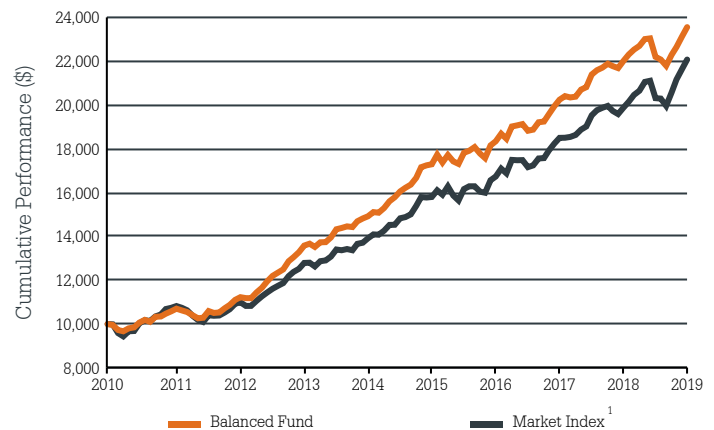
In recent weeks the Fund has been adding back exposure to growth assets and the Fund is now largely fully invested. The risks of a sharp economic slowdown in the near term have abated and with interest rates remaining contained (due to prevailing lower inflation) this provides a supportive investment backdrop. However, it is unlikely that we will see a sharp acceleration in growth or asset prices from here and so

expect the pace of returns to be lower going forward. We remain on alert for further US-China trade news in addition to monitoring the evolution of this current growth upswing.

To view Milford's May 2019 Market and Economic Review please [click here](#).

Cumulative Fund Performance

(after fees and before tax)



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

Key Fund Facts

Objective²	Capital growth over a minimum of five years
Description	Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities
Target Allocation	39% Income Assets / 61% Growth Assets
Neutral FX Exposure	12.5%
Net Asset Value (NAV)	\$615.4 M
Buy-sell Spread	None
Inception Date	1 April 2010

Benchmark	Not applicable
Base Fund Fee³	1.07%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees⁴	1.26% (includes an est. performance fee)
Risk Indicator	<div style="display: flex; justify-content: space-between;"> Lower risk Higher risk </div> <div style="text-align: center;"> </div>

Investment Performance after fees as at 30 April 2019⁵

Unit Price: \$2.2716

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Balanced Fund (Gross Of Tax)	1.89%	5.68%	7.04%	8.70%	9.56%	9.89%
After Tax 10.50%	1.87%	5.61%	6.80%	8.25%	9.06%	9.32%
After Tax 17.50%	1.86%	5.56%	6.64%	7.95%	8.73%	8.94%
After Tax 28.00%	1.85%	5.48%	6.40%	7.50%	8.23%	8.39%
Market Index ¹	2.06%	7.32%	11.09%	9.67%	9.67%	9.11%

Top Equity Holdings

Holdings	% of Fund's NAV
iShares MSCI EAFE Min Vol ETF	2.50%
Contact Energy	2.34%
a2 Milk Company	1.83%
Spark New Zealand	1.55%
Meridian Energy	1.10%
Vontobel Sust. EM Leaders	0.96%
Wellington Strategic Euro	0.95%
Wellington Global Health Care	0.91%
Fisher & Paykel Healthcare	0.87%
Financial Select SPDR	0.84%

Current Asset Allocation

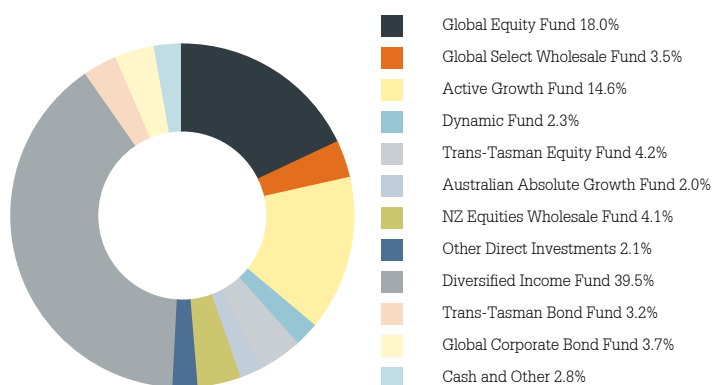
	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	7.06%	8.00%
New Zealand Fixed Interest	9.42%	8.00%
International Fixed Interest	25.50%	23.00%
New Zealand Equities	13.65%	15.00%
Australian Equities	7.48%	15.00%
International Equities	28.07%	25.00%
Listed Property	8.82%	6.00%
Other	0.00%	0%

Top Fixed Interest Holdings

Holdings	% of Fund's NAV
ASB Bank 5.25% 2026	0.80%
ANZ Bank Float 2022	0.80%
QBE 6.75% 2044	0.79%
Westpac 4.695% 2026	0.62%
NAB Float 2024	0.61%
Rabobank 4.625% 2025	0.57%
ASB Bank Float 2022	0.56%
ANZ 2.91% 2019	0.53%
IAG Float 2045	0.51%
ANZ Bank 3.03% 2024	0.47%

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

Fund Allocation



1. The Fund does not have a performance benchmark, hence a market index has been included for comparison purposes. See the Statement of Investment Policy and Objectives for more details on the market index. The market index is a blend of indices that represent the Fund's neutral asset allocation. Note the Fund's investment strategy is designed to achieve its objective, which may mean that at times, the returns of the market index may not be an appropriate measure. 2. After the base fund fee but before tax and before the performance fee. 3. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 4. 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. 5. Please note past performance is not a guarantee of future returns.

Please refer to the 'Glossary for the Monthly Fact Sheet' [here](#) for more information about the data published within this document.

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