

Australian Absolute Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 April 2019



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

The Fund continued its positive performance in April with a 1.2% gain. Equities globally continue to recover, and the Australian market was buoyed by expectations of a rate cut by the RBA.

The a2 Milk Company was our top performer for the month with a 17.2% increase. Lower global interest rates have pushed valuations on growth stocks significantly higher including a2 Milk. We trimmed our position into the strength but retain most of our holding.

Other top performers include Treasury Wine Estate which rallied as the market became more comfortable with the outlook for their Asian division. Our bank shares – Westpac and Commonwealth Bank – were strong performers with 7.4% and 5.5% gains respectively. Again, they benefitted from lower interest rates. We have reduced our position in banks with a cautious view on their upcoming results.

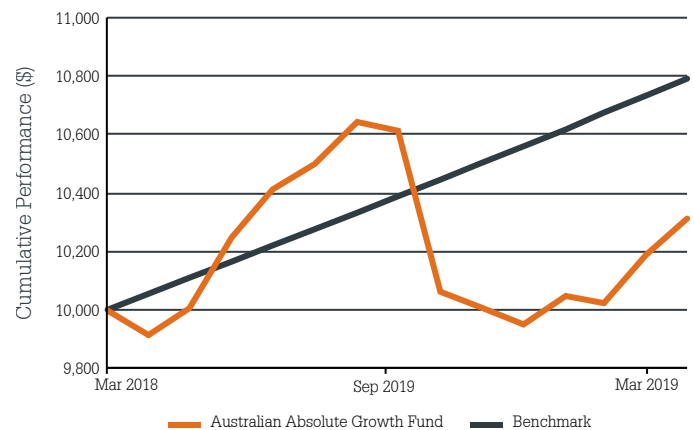
Our worst performer was Evolution Mining which fell 12.8%. After strong performance over the last six months the stock took a breather with the pull back in the price of gold. Our other weaker performers were New Zealand high dividend yield companies Contact Energy (-3.3%) and Spark New Zealand (-3.4%). They both gave back some of their strong gains in recent

months and Spark was impacted by the departure of its CEO. We added three new companies to the portfolio in April (Bapcor, Credit Corp Group and Cochlear) and expect more to be added over the coming months.

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

Objective¹	Absolute returns with an annualised return objective of 5% above the New Zealand Official Cash Rate while seeking to protect capital over rolling three year periods.
Description	Diversified fund that primarily invests in Australasian equities, complemented by selective exposure to international equities, fixed interest securities and cash
Target Allocation	17.5% Income Assets / 82.5% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$142.7 M
Buy-sell Spread	None
Inception Date	1 March 2018

Benchmark	OCR + 5% p.a.
Base Fund Fee²	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.22% (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> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 30 April 2019⁴

Unit Price: \$1.0291

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Australian Absolute Growth Fund (Gross Of Tax)	1.21%	2.64%	3.07%	-	-	2.67%
After Tax 10.50%	1.29%	2.71%	3.16%	-	-	2.69%
After Tax 17.50%	1.34%	2.77%	3.23%	-	-	2.70%
After Tax 28.00%	1.41%	2.84%	3.32%	-	-	2.71%
Benchmark	0.54%	1.60%	6.75%	-	-	6.76%

Top Equity Holdings

Holdings	% of Fund's NAV
CSL	5.08%
Commonwealth Bank	4.07%
Westpac Banking Corp	3.60%
Transurban Group	3.57%
BHP Group	3.43%
Rio Tinto	3.04%
National Australia Bank	2.50%
Contact Energy	2.38%
Evolution Mining	2.28%
Bapcor	2.24%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	12.82%	7.50%
New Zealand Fixed Interest	7.27%	4.00%
International Fixed Interest	8.79%	6.00%
New Zealand Equities	8.26%	7.50%
Australian Equities	61.89%	72.50%
International Equities	0.97%	2.50%
Other	0.00%	0%

Top Fixed Interest Holdings

Holdings	% of Fund's NAV
ANZ Bank Float 2022	1.28%
NAB Float 2024	0.99%
Westpac Float 2022	0.54%
ASB Bank 6.65% 2024	0.40%
NZ Govt. Inflation Indexed 2% 2025	0.38%
ANZ Bank 3.03% 2024	0.35%
ANZ Bank Float 2021	0.33%
Spark New Zealand 3.37% 2024	0.32%
BNZ 3.648% 2023	0.31%
Transpower 2.73% 2024	0.29%

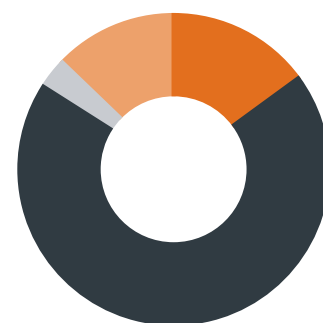
Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Fund Portfolio Mix



Investment Grade Bonds 15.13%
High Yield & Unrated Bonds 0.93%

Country Exposure



New Zealand 14.96%
International 3.18%
Australia 69.04%
Cash and Other 12.82%

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. 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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