

# Global Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 May 2019



## Portfolio Managers



**Felix Fok**  
Portfolio Manager



**Stephen Johnston**  
Co-Portfolio Manager

The Fund lost 3.3% in May, as the tariff battle between the US and China heated up and markets gave back some of the stellar year-to-date performance.

Positive contributors included Indian bank, HDFC (+8.3%), which rallied after incumbent, reformist Prime Minister Narendra Modi emerged victorious from the May election. Modi's pro-growth agenda should support domestic progress and investment in the Indian economy for years to come.

Zillow (+28.8%) surged after reporting a strong Q1 result, with investors beginning to see value in the radical business model shift from being a pure marketplace towards a full-service model, which includes buying and selling homes. We will be meeting the company in Seattle on our June research trip.

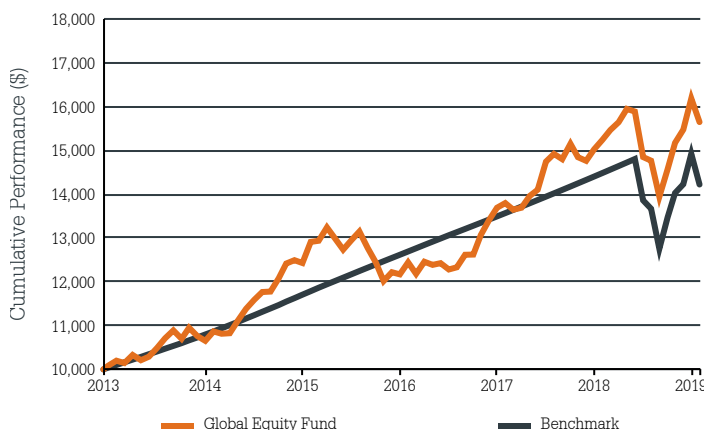
Detractors from performance included the Chinese e-commerce giant Alibaba (-19.6%) and Noah (-29.6%), a leading wealth and asset management service provider in China. Despite being domestic-oriented businesses, both were impacted by the escalating trade tensions between the US and China and concerns that Chinese growth may slow. Managers weren't immune to the broader market sell off, although both Wellington Strategic European (-4.7%) and Vontobel Emerging Markets (-6.4%) outperformed their respective benchmarks.

Overall, although the economic picture remains reasonably healthy, there is more uncertainty in the outlook as geopolitical tensions continue to escalate. The portfolio remains focused on our key investment themes and dominant companies.

To view Milford's June 2019 Market and Economic Review please see [milfordasset.com/fact-sheet](http://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.

## Key Fund Facts

<b>Objective<sup>1</sup></b>	Capital growth by out-performing the relevant share market index over a minimum of five years
<b>Description</b>	Primarily invests in international equities
<b>Target Allocation</b>	5% Income Assets / 95% Growth Assets
<b>Neutral FX Exposure</b>	50.0%
<b>Net Asset Value (NAV)</b>	\$458.8 M
<b>Buy-sell Spread</b>	None
<b>Inception Date</b>	12 April 2013
<b>Benchmark</b>	MSCI World Index with net dividends reinvested (50% NZD-hedged)
<b>Base Fund Fee<sup>2</sup></b>	1.40%
<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>	1.40%
<b>Risk Indicator</b>	<div style="display: flex; justify-content: space-between; align-items: center;"> <span>Lower risk</span> <span>Higher risk</span> </div> <div style="display: flex; justify-content: center; align-items: center; margin: 5px 0;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="font-size: 1.5em; font-weight: bold;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; align-items: center;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>

Investment Performance after fees as at 31 May 2019<sup>4</sup>

Unit Price: \$1.5521

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Global Equity Fund (Gross Of Tax)	-3.33%	3.12%	2.66%	7.94%	7.56%	7.57%
After Tax 10.50%	-3.25%	3.12%	2.52%	7.67%	7.26%	7.29%
After Tax 17.50%	-3.20%	3.12%	2.43%	7.50%	7.07%	7.10%
After Tax 28.00%	-3.12%	3.12%	2.30%	7.24%	6.77%	6.83%
Benchmark	-4.70%	1.38%	-1.81%	3.86%	5.53%	5.91%

## Top Security Holdings

Holdings	% of Fund's NAV
Wellington Strategic Euro	5.24%
Vontobel Sust. EM Leaders	5.20%
Wellington Global Health Care	5.02%
Financial Select SPDR	3.23%
iShares US Real Estate ETF	2.44%
iShares Global Infrastructure	2.27%
Crown Castle	2.24%
Alphabet	2.17%
HDFC Bank	2.06%
Amazon	2.01%

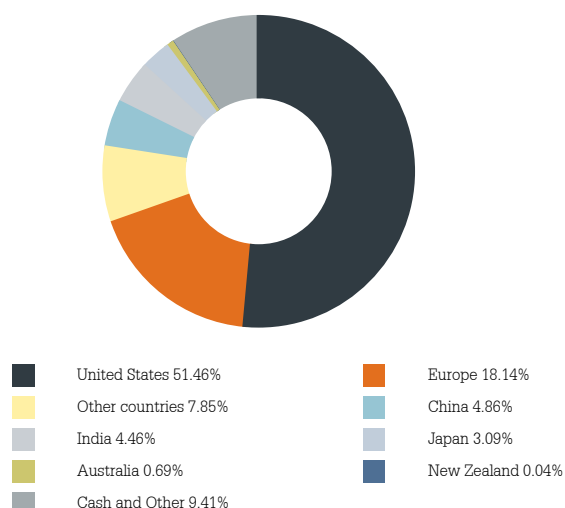
## Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	8.98%	5.00%
New Zealand Fixed Interest	0.00%	0.00%
International Fixed Interest	0.00%	0.00%
New Zealand Equities	0.00%	0.00%
Australian Equities	0.47%	0.00%
International Equities	90.55%	95.00%
Other	0.00%	0.00%

## Sector Exposure

Allocation	Weight %
Information Technology	16.12%
Health Care	13.40%
Financials	12.65%
Consumer Discretionary	10.18%
Industrials	8.86%
Consumer Staples	8.12%
Real Estate	7.54%
Communication Services	7.27%
Other Sectors	6.45%
Cash and Other	9.41%

## Country 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. 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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