

# Global Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 July 2019



## Portfolio Managers



**Felix Fok**  
Portfolio Manager



**Stephen Johnston**  
Co-Portfolio Manager

The Fund gained 1.1% in July in what was a mixed month for global share markets.

Positive contributors included mega-cap Alphabet (+12.6%), the parent company of Google, which sprang back to life after reporting a resurgence in its core advertising business. Google Cloud (outsourced computing) also continues to grow at a significant rate, reaching an \$8bn revenue run rate which is double that of late 2017.

Globally, consumer spending remained a bright spot in July, as coffee giant Starbucks (+13.0%) highlighted the strongest traffic growth in three years following a roll out of cold beverage innovation and focusing on digital engagement.

Detractors from performance included Indian bank HDFC, which fell 11.4% after reporting a moderation in loan growth and pointing to a general macro consumption slowdown which could impact asset quality. We remain positive on the long-term outlook for the Indian economy and believe HDFC Bank is an excellent way to tap into the growth.

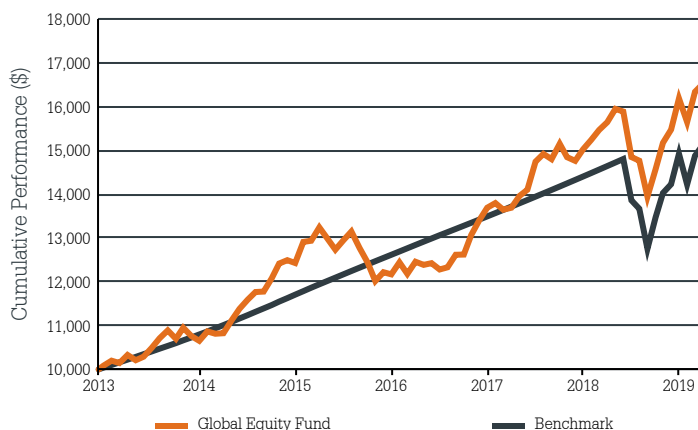
Amongst managers, emerging market specialist MTX continued its outperformance of its benchmark, now ahead over 5% year to date. Healthcare specialist Wellington Global Healthcare also had a good relative month and is ahead over 4% versus its benchmark year to date.

Overall, although the economic picture remains reasonably healthy, we continue to monitor closely geopolitical tensions. The portfolio remains focused on our key investment themes and dominant companies.

To view Milford's August 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>	\$533.8 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;"> <span>Lower risk</span> <span>Higher risk</span> </div> <div style="display: flex; justify-content: center; align-items: center;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="border: 1px solid black; padding: 2px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>

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

Unit Price: \$1.6386

	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)	1.15%	2.10%	5.64%	9.88%	8.83%	8.29%
After Tax 10.50%	1.15%	2.07%	5.41%	9.60%	8.51%	8.00%
After Tax 17.50%	1.16%	2.05%	5.26%	9.41%	8.29%	7.81%
After Tax 28.00%	1.16%	2.02%	5.03%	9.13%	7.97%	7.52%
Benchmark	1.74%	1.43%	3.37%	5.63%	6.57%	6.80%

## Top Security Holdings

Holdings	% of Fund's NAV
Vontobel Sust. EM Leaders	4.72%
Wellington Strategic Euro	4.65%
Wellington Global Health Care	4.58%
Financial Select SPDR	4.22%
Euro Stoxx 50 ETF SPDR	2.48%
Microsoft Corp	2.27%
iShares US Real Estate ETF	2.25%
Consumer Discretionary Selt	2.20%
Alphabet	2.18%
iShares Global Infrastructure	2.08%

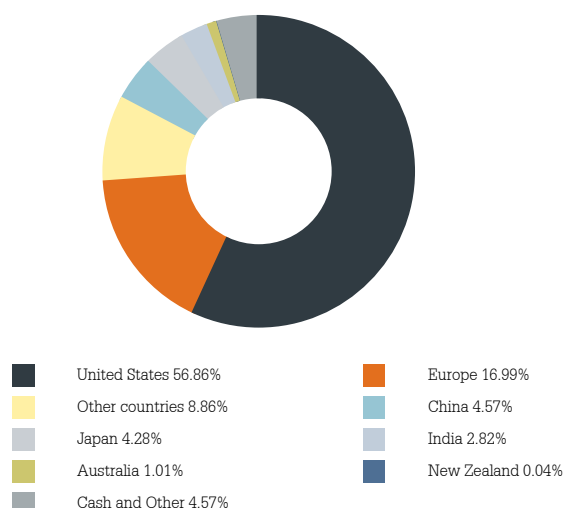
## Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	4.30%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	0.00%	0%
Australian Equities	0.78%	0%
International Equities	94.92%	95.00%
Other	0.00%	0%

## Sector Exposure

Allocation	Weight %
Information Technology	15.29%
Financials	14.50%
Health Care	13.72%
Consumer Discretionary	13.28%
Industrials	8.85%
Communication Services	8.08%
Consumer Staples	8.07%
Real Estate	6.56%
Other Sectors	7.08%
Cash and Other	4.57%

## 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.

Level 28, 48 Shortland Street, Auckland  
PO Box 960, Shortland Street, Auckland 1140  
Free phone 0800 662 345  
[milfordasset.com](http://milfordasset.com)

