

# Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 August 2019



## Portfolio Managers



**Jonathan Windust**  
Portfolio Manager



**William Curtayne**  
Co-Portfolio Manager

The Fund rose 0.9% in August which was a good result given falls in Australian (-2.4%), New Zealand (-0.9%) and global (-1.9%) share market indices. Shares fell in response to escalating trade tensions and softening global growth. Falls were cushioned by strong returns from bond markets, the fall in the NZ dollar, good company selection and cautious positioning.

The performance of the Fund's investment in the Dynamic Fund was particularly strong rising 3.0%, compared to a 3.1% fall for the Australian Small Industrials Index. Key company performers during the month included Contact Energy (+11.3%) and Spark (+11.1%), which benefited from good results announcements and the low interest rate environment.

During the month, the Fund took advantage of market falls to increase exposure to Australian and global share markets. Looking forward we believe shares will be supported by low rates, reasonable dividends and positive economic growth (whilst we expect growth to slow, we do not forecast a recession). Key headwinds for shares are relatively high valuations, slowing company earnings growth and political uncertainty.

In this environment the strategy of the Fund is to remain active to take advantage of market volatility and opportunities. We remain focused on identifying those companies that offer strong risk adjusted returns.

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

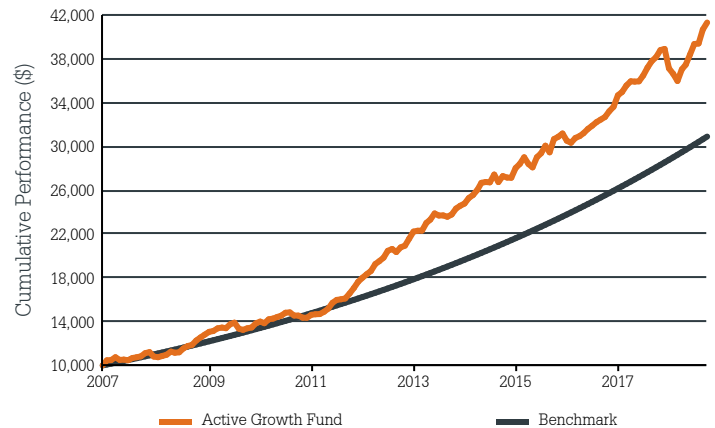
## External Ratings



Milford Active Growth Fund received a Morningstar Analyst Rating™ of 'Silver' on 29-05-2018

## 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>	Annual returns of 10% over a minimum of five years
<b>Description</b>	Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities
<b>Target Allocation</b>	20% Income Assets / 80% Growth Assets
<b>Neutral FX Exposure</b>	14.0%
<b>Net Asset Value (NAV)</b>	\$1,113.3 M
<b>Buy-sell Spread</b>	None
<b>Inception Date</b>	1 October 2007
<b>Status</b>	Closed to new investors
<b>Benchmark</b>	10% p.a.
<b>Base Fund Fee<sup>2</sup></b>	1.06%
<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>	1.39% (includes an est. performance fee)
<b>Risk Indicator</b>	<div style="display: flex; justify-content: space-between;"> <span>Lower risk</span> <span>Higher risk</span> </div> <div style="text-align: center;"> <span>1</span> <span>2</span> <span>3</span> <span style="color: orange;">4</span> <span>5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>

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

Unit Price: \$3.8946

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Active Growth Fund (Gross Of Tax)	0.88%	5.79%	7.42%	10.52%	11.37%	12.72%
After Tax 10.50%	0.87%	5.71%	7.09%	10.20%	11.00%	12.18%
After Tax 17.50%	0.86%	5.66%	6.87%	9.99%	10.75%	11.97%
After Tax 28.00%	0.85%	5.59%	6.53%	9.68%	10.38%	11.54%
Benchmark	0.81%	2.43%	10.00%	10.00%	10.00%	10.00%

## Top Equity Holdings

Holdings	% of Fund's NAV
Contact Energy	4.32%
Spark New Zealand	3.45%
iShares MSCI EAFE Min Vol ETF	3.13%
a2 Milk Company	3.09%
Alphabet	1.56%
Visa	1.45%
Transurban Group	1.36%
HCA Holdings	1.27%
Microsoft Corp	1.20%
Kiwi Property Group	1.13%

## Current Asset Allocation

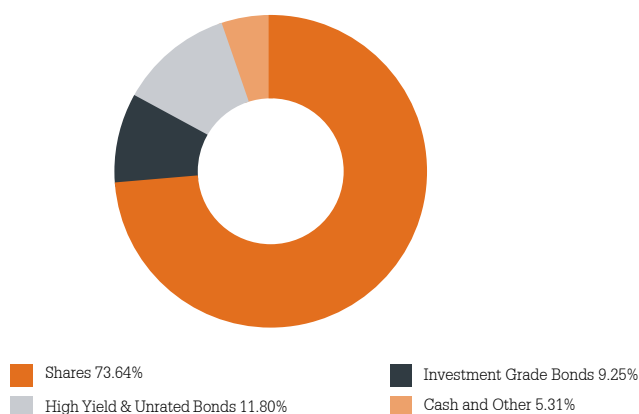
	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	5.31%	6.00%
New Zealand Fixed Interest	2.46%	4.00%
International Fixed Interest	18.58%	10.00%
New Zealand Equities	26.74%	30.00%
Australian Equities	17.59%	22.00%
International Equities	29.32%	28.00%
Other	0.00%	0%

## Top Fixed Interest Holdings

Holdings	% of Fund's NAV
CYBG 8% 2049	1.39%
Westpac 5% 2027	1.21%
Crown Resorts 5.795% 2075	0.78%
CYBG 7.875% 2028	0.77%
Vodafone Group 6.25% 2078	0.73%
Rabobank 4.625% 2025	0.73%
IAG Float 2045	0.66%
JPMorgan 5% 2024	0.63%
Credit Suisse 7.5% 2023	0.62%
ASB Bank 5.25% 2026	0.60%

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

## Fund Portfolio Mix



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)

