

Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 September 2019



Portfolio Managers



Jonathan Windust
Portfolio Manager



William Curtayne
Co-Portfolio Manager

The Fund rose 0.9% in September driven by good returns from share market indices; New Zealand (+1.6%), Australia (+1.8%) and global (+2.3%). Within the share markets there were mixed company performances with many of this year's strong performers reversing some of their gains.

Key company performers during the month included retirement villages Summerset (+9.6%) and Arvida (+11.7%) which benefited from optimism that rate cuts will help support housing markets. Summerset announced the acquisition of land for its first village in Australia which it believes provides an attractive growth opportunity.

During the month the Fund added to a2 milk. The share price fell after its recent result which disappointed analysts as the company sacrifices margin to pursue what it believes is a large revenue opportunity. Whilst not without risk, we believe a2 is attractively valued relative to its growth prospects.

The outlook for shares remains supported by low rates, reasonable dividends and positive (albeit slowing economic growth). Key headwinds are relatively high valuations, slowing company earnings growth and political uncertainty. The strategy of the Fund is to remain active to take advantage of market volatility to purchase companies with strong return prospects.

To view Milford's October 2019 Market and Economic Review please see milfordasset.com/fact-sheet.

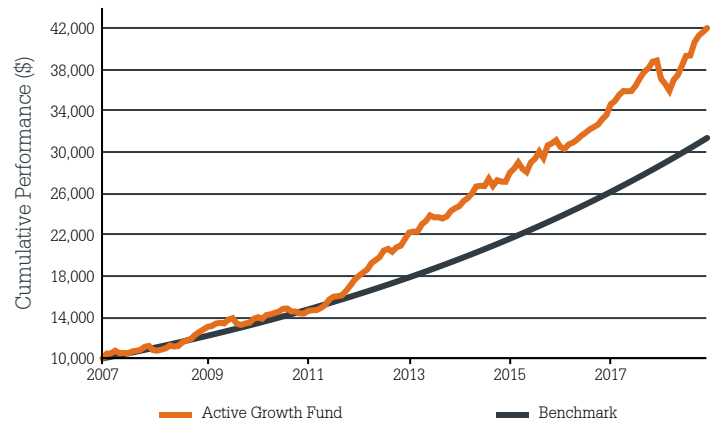
External Ratings



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

Objective¹	Annual returns of 10% over a minimum of five years
Description	Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities
Target Allocation	20% Income Assets / 80% Growth Assets
Neutral FX Exposure	14.0%
Net Asset Value (NAV)	\$1,133.2 M
Buy-sell Spread	None
Inception Date	1 October 2007
Status	Closed to new investors
Benchmark	10% p.a.
Base Fund Fee²	1.06%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.39% (includes an est. performance fee)
Risk Indicator	<div style="display: flex; justify-content: space-between;"> Lower risk Higher risk </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </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 September 2019⁴

Unit Price: \$3.9285

	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)	0.93%	3.42%	8.13%	10.50%	11.34%	12.71%
After Tax 10.50%	0.89%	3.39%	7.83%	10.20%	11.01%	12.17%
After Tax 17.50%	0.87%	3.37%	7.64%	10.01%	10.79%	11.97%
After Tax 28.00%	0.83%	3.33%	7.35%	9.71%	10.46%	11.54%
Benchmark	0.79%	2.43%	10.00%	10.00%	10.00%	10.00%

Top Equity Holdings

Holdings	% of Fund's NAV
Contact Energy	4.46%
a2 Milk Company	3.45%
Spark New Zealand	3.38%
iShares MSCI EAFE Min Vol ETF	3.15%
Visa	1.64%
Transurban Group	1.47%
HCA Holdings	1.44%
Microsoft Corp	1.35%
Alphabet	1.29%
Kiwi Property Group	1.22%

Current Asset Allocation

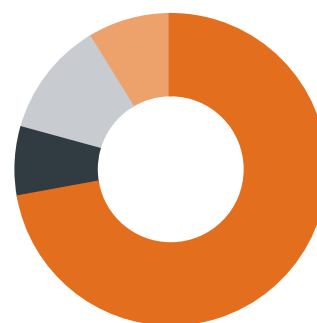
	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	8.82%	6.00%
New Zealand Fixed Interest	2.33%	4.00%
International Fixed Interest	16.74%	10.00%
New Zealand Equities	26.74%	30.00%
Australian Equities	17.39%	22.00%
International Equities	27.98%	28.00%
Other	0.00%	0%

Top Fixed Interest Holdings

Holdings	% of Fund's NAV
CYBG 8% 2049	1.41%
Westpac 5% 2027	1.17%
CYBG 7.875% 2028	0.78%
Crown Resorts 5.795% 2075	0.76%
Vodafone Group 6.25% 2078	0.73%
Rabobank 4.625% 2025	0.70%
IAG Float 2045	0.64%
Credit Suisse 7.5% 2023	0.62%
JPMorgan 5% 2024	0.61%
ASB Bank 5.25% 2026	0.57%

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

Fund Portfolio Mix



Shares 72.11%
High Yield & Unrated Bonds 11.93%
Investment Grade Bonds 7.14%
Cash and Other 8.82%

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' at milfordasset.com/fact-sheet for more information about the data published within this document.

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