

Global Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 October 2019



Portfolio Managers



Felix Fok
Portfolio Manager



Stephen Johnston
Co-Portfolio Manager

The Fund edged up 0.1% in October as global share markets traded firmer on the back of corporate earnings and the prospects of a trade deal between the US and China.

Positive contributors included clear plastic braces manufacturer Align Technology (+39.4%). The maker of Invisalign reported strong results as demand rose more than 20% despite Align being a premium product.

Taiwan Semiconductor Manufacturing Company (TSMC) rose 11.1%. TSMC plans to increase capital spending to NZ\$23bn this year, 40% more than earlier plans. Investors read this as a positive sign of future demand from customers involved in smartphones, data centers, and next generation telecommunications.

Detractors from performance included Estee Lauder (-6.4%). The company benefited from strong demand for skincare products as well as increased spending on the beauty category in China. However, shares came under pressure on management's cautious tone and outlook.

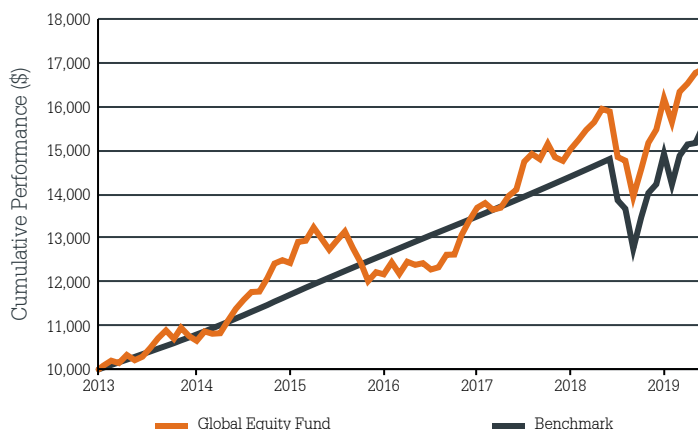
During the month, the Fund divested all external managed fund holdings in preparation to hold all future investments directly. The proceeds from the sales of external funds are being deployed in a portfolio of direct stocks.

Overall, the economic backdrop remains one of slowing economic growth but central banks in the US and Europe have cut interest rates. In this environment, volatility is likely to stay elevated. The portfolio remains focused on our key investment themes and dominant companies.

To view Milford's November 2019 Market and Economic Review please see 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

Objective¹	Capital growth by out-performing the relevant share market index over a minimum of five years
Description	Primarily invests in international equities
Target Allocation	5% Income Assets / 95% Growth Assets
Neutral FX Exposure	50.0%
Net Asset Value (NAV)	\$579.9 M
Buy-sell Spread	None
Inception Date	12 April 2013
Benchmark	MSCI World Index with net dividends reinvested (50% NZD-hedged)
Base Fund Fee²	1.40%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.40%
Risk Indicator	<div style="display: flex; justify-content: space-between;"> Lower risk Higher risk </div> <div style="text-align: center;"> 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 31 October 2019⁴

Unit Price: \$1.6728

	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)	0.13%	2.12%	13.66%	11.18%	7.80%	8.31%
After Tax 10.50%	0.03%	2.03%	13.31%	10.87%	7.50%	8.01%
After Tax 17.50%	-0.04%	1.96%	13.07%	10.67%	7.29%	7.82%
After Tax 28.00%	-0.14%	1.87%	12.73%	10.36%	6.99%	7.52%
Benchmark	1.05%	3.82%	13.38%	6.35%	6.93%	7.14%

Top Security Holdings

Holdings	% of Fund's NAV
Alphabet	3.01%
Financial Select SPDR	2.94%
Microsoft Corp	2.93%
Amazon	2.63%
HDFC Bank	2.57%
Visa	2.48%
CME Group	2.39%
Mastercard	2.30%
Taiwan Semiconductor	2.17%
Crown Castle	1.97%

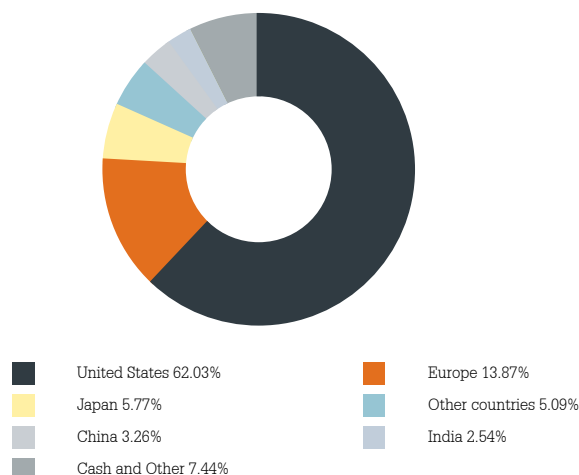
Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	7.44%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	0.00%	0%
Australian Equities	0.00%	0%
International Equities	92.56%	95.00%
Other	0.00%	0%

Sector Exposure

Allocation	Weight %
Information Technology	20.04%
Consumer Discretionary	15.37%
Financials	14.86%
Health Care	10.26%
Consumer Staples	8.67%
Industrials	7.34%
Communication Services	7.20%
Real Estate	4.13%
Other Sectors	4.69%
Cash and Other	7.44%

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 for more information about the data published within this document.

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