

# KiwiSaver Aggressive Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 November 2019



## Portfolio Managers



**Stephen Johnston**  
Portfolio Manager



**Jonathan Windust**  
Co-Portfolio Manager

The Fund gained 2.7% in November. In general, global share markets made gains buoyed by signs that a preliminary trade deal between China and the US was close, as well as improving economic data. On the research front, the team recently returned from a trip to Japan where we uncovered some quality businesses.

Top performers in November included Alibaba (+13.2%), the Chinese e-commerce giant, that stands out as one of the best ways to tap into the rising wealth of the middle class in China. Alibaba shopping platforms are the go-to option for Chinese shoppers and despite its size, growth remains robust. Alibaba continues to expand its ecosystem by investing in exciting new areas of growth like cloud computing, digital payments and expansion outside of China.

Entertainment powerhouse Disney (+16.7%) performed well, as the launch of its direct-to-consumer ("DTC") service Disney+ started with a "bang", with a reported 10 million subscribers signing up on its first day of availability. Disney+ costs US\$7 a month in the US and includes a number of their hit brands including Star Wars. DTC is now a major focus for Disney as it seeks to take on Netflix and shortly will be launching a bundled DTC product including Disney+ (for families and children), ESPN+ (for sports) & Hulu (for adults).

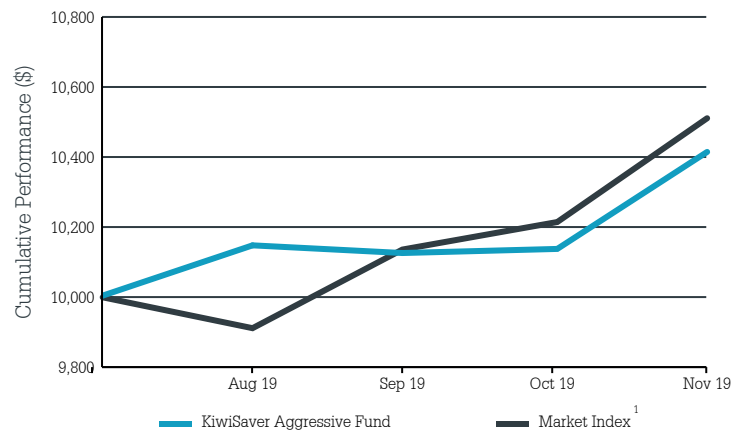
Other key outperformers were software titan Microsoft (+5.9%), and UK life-saving technology company Halma (+12.4%). The largest detractors were Home Depot (the US equivalent of Bunnings) that reported mildly disappointing results and one of our long-term winners IDEXX, the animal diagnostics specialist (-11.7%).

Closer to home, key positive contributors included a2 milk (+19.4%) after posting a positive trading update and cloud accounting company Xero (+17.8%), that released strong six-month results. The global backdrop is gradually improving, with geopolitical tensions easing and central banks around the world cutting interest rates. With this more constructive view, we have been deploying more cash into our best ideas.

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

## Cumulative Fund Performance

(after fees and before tax)



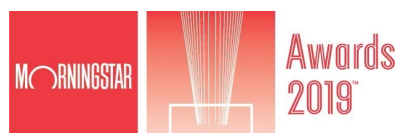
Assumes the growth of \$10,000 invested at the Fund's inception date.

## Key Fund Facts

<b>Objective<sup>2</sup></b>	Maximise capital growth over a minimum of fifteen years
<b>Description</b>	Primarily invests in international equities, with a moderate allocation to Australasian equities
<b>Target Allocation</b>	5% Income Assets / 95% Growth Assets
<b>Neutral FX Exposure</b>	24.5%
<b>Net Asset Value (NAV)</b>	\$51.5 M
<b>Buy-sell Spread</b>	None
<b>Inception Date</b>	1 August 2019
<b>Benchmark</b>	Not applicable
<b>Base Fund Fee<sup>3</sup></b>	1.15%
<b>Performance Fee</b>	The Fund may invest into related Milford funds that charge performance fees.
<b>Total Fund Fees<sup>4</sup></b>	1.15%
<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>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>



Consumer NZ People's Choice Award – KiwiSaver



Morningstar Fund Manager of the Year  
– KiwiSaver Category, NZ



Zenith FundSource - Fund Manager of the Year 2019

## Investment Performance after fees as at 30 November 2019<sup>5</sup>

Unit Price: \$1.041

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford KiwiSaver Aggressive Fund (Gross Of Tax)	2.73%	2.63%	-	-	-	4.15%
After Tax 10.50%	2.67%	2.49%	-	-	-	4.13%
After Tax 17.50%	2.63%	2.40%	-	-	-	4.12%
After Tax 28.00%	2.56%	2.26%	-	-	-	4.11%
Market Index <sup>1</sup>	2.90%	6.04%	-	-	-	5.11%

## Top Security Holdings

Holdings	% of Fund's NAV
Microsoft Corp	3.18%
Alphabet	2.95%
Visa	2.73%
Financial Select SPDR	2.48%
Mastercard	2.11%
Amazon	1.95%
Alibaba Group Holding-Sp ADR	1.94%
HDFC Bank	1.92%
Walt Disney Co/The	1.79%
McDonald's Corp	1.75%

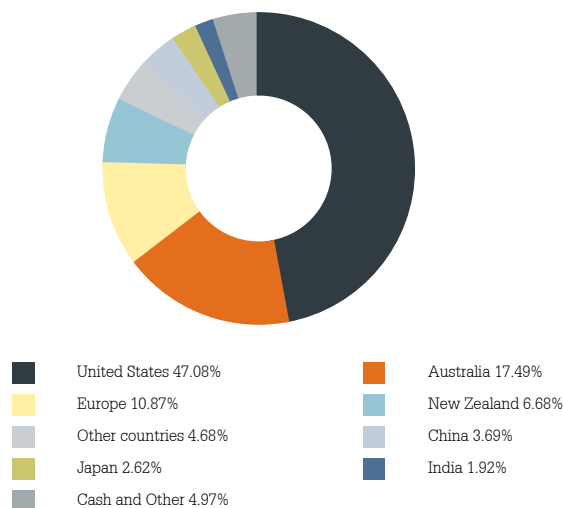
## Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	4.72%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	6.12%	5.00%
Australian Equities	18.54%	20.00%
International Equities	70.37%	70.00%
Other	0.25%	0%

## Sector Exposure

Allocation	Weight %
Information Technology	19.79%
Consumer Discretionary	15.81%
Financials	15.05%
Health Care	9.22%
Consumer Staples	7.82%
Industrials	7.24%
Communication Services	7.02%
Materials	4.78%
Other Sectors	8.30%
Cash and Other	4.97%

## Country Exposure



**1.** The Fund does not have a performance benchmark, hence a market index has been included for comparison purposes. See the Statement of Investment Policy and Objectives for more details on the market index. The market index is a blend of indices that represent the Fund's neutral asset allocation. Note the Fund's investment strategy is designed to achieve its objective, which may mean that at times, the returns of the market index may not be an appropriate measure. **2.** After the base fund fee but before tax and before the performance fee. **3.** Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. **4.** 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. **5.** 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-ks](http://milfordasset.com/fact-sheet-ks) for more information about the data published within this document.

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