

KiwiSaver Balanced Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 November 2019



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 1.5% in November, bringing the 1-year return to 15.3%. Fund returns continue to be strong, benefiting from the sustained move higher in share markets.

With interest rates remaining low and signs of improving economic growth investors have been attracted to shares, partly because of the lacklustre returns on offer elsewhere (for example in bonds that currently offer very low yields). This was evident in the performance of the NZ and Australian share markets this month where broad inflows drove these markets up 4.9% and 3.3% respectively. Global share markets also fared well as investors became optimistic on the prospects of a US-China trade deal - alleviating some of the pressure on global trade that has been building over the past 18 months.

Looking ahead, it does appear that some of the dark clouds over the global economy are starting to part. This does leave us more predisposed to share markets, particularly global ones that have more to gain from improved growth and are more reasonably valued than local shares. However, we are also wary that in the short-term markets already reflect an improving growth outlook and so have increased cash levels in the Fund. Medium term, improving growth coupled with low interest rates is a good investing environment but with broad valuations of shares high, stock selection will be key.

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

External Ratings



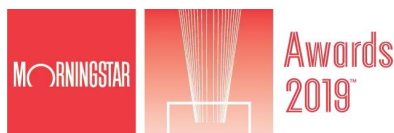
Milford KiwiSaver Balanced Fund received a Morningstar Analyst Rating™ of 'Silver' on 22-04-2019



Milford KiwiSaver Balanced Fund received a FundSource Rating of 'AA' in April 2019



Consumer NZ People's Choice Award – KiwiSaver



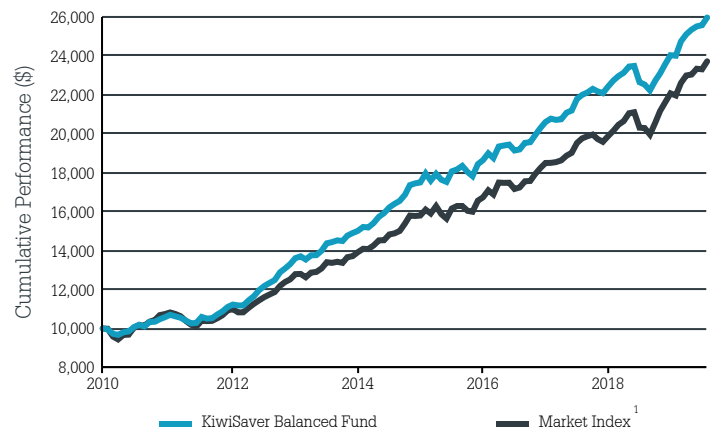
Morningstar Fund Manager of the Year – KiwiSaver Category, NZ



Zenith FundSource - Fund Manager of the Year 2019

Cumulative Fund Performance

(after fees and before tax)



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

Key Fund Facts

Objective²	Capital growth over a minimum of five years
Description	Diversified fund that primarily invests in equities, with a significant allocation to fixed interest securities
Target Allocation	39% Income Assets / 61% Growth Assets
Neutral FX Exposure	13.0%
Net Asset Value (NAV)	\$387.5 M
Buy-sell Spread	None
Inception Date	1 April 2010
Benchmark	Not applicable
Base Fund Fee³	1.07%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees⁴	1.09% (includes an est. performance fee)
Risk Indicator	<div style="display: flex; justify-content: space-between;"> Lower risk Higher risk </div> <div style="text-align: center;"> </div> <div style="display: flex; justify-content: space-between;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 30 November 2019⁵

Unit Price: \$2.5008

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Balanced Fund (Gross Of Tax)	1.54%	2.46%	15.29%	10.61%	9.63%	10.37%
After Tax 10.50%	1.51%	2.32%	14.87%	10.19%	9.13%	9.79%
After Tax 17.50%	1.49%	2.22%	14.59%	9.90%	8.80%	9.41%
After Tax 28.00%	1.46%	2.08%	14.18%	9.48%	8.30%	8.84%
Market Index ¹	1.76%	2.95%	16.89%	11.22%	9.77%	9.35%

Top Equity Holdings

Holdings	% of Fund's NAV
a2 Milk Company	1.73%
Spark New Zealand	1.73%
Contact Energy	1.46%
Microsoft Corp	1.24%
Alphabet	1.15%
Visa	1.09%
Financial Select SPDR	1.06%
Transurban Group	0.94%
HDFC Bank	0.92%
Mastercard	0.90%

Current Asset Allocation

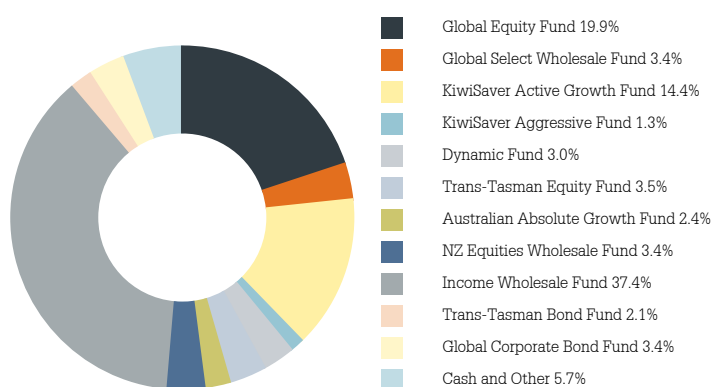
	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	11.43%	8.00%
New Zealand Fixed Interest	6.64%	8.00%
International Fixed Interest	25.22%	23.00%
New Zealand Equities	11.60%	15.00%
Australian Equities	8.60%	14.00%
International Equities	27.22%	26.00%
Listed Property	8.85%	6.00%
Other	0.44%	0%

Top Fixed Interest Holdings

Holdings	% of Fund's NAV
QBE 6.75% 2044	0.73%
Rabobank 4.625% 2025	0.47%
ASB Bank 5.25% 2026	0.46%
JPMorgan 1.09% 2027	0.45%
Mirvac Group 3.625% 2027	0.45%
Bank of America 3.458% 2025	0.43%
IAG Float 2045	0.39%
Westpac 2.22% 2024	0.38%
JPMorgan 5.15% 2023	0.37%
JPMorgan 5% 2024	0.37%

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

Fund Allocation



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 for more information about the data published within this document.

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