

# Trans-Tasman Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 November 2019



## Portfolio Managers



**Sam Trethewey**  
Portfolio Manager



**Wayne Gentle**  
Portfolio Manager

The Fund delivered a strong 4.4% return in November and is now up 29.6% over the past 12 months. The Fund's November return compares to the NZX 50 Gross Index return of 4.9% and the ASX 200 Index return of 3.3%.

Key winners for the Fund included a2 Milk (+19.4%, the Fund's largest holding) and Xero (+17.8%). a2 Milk provided a strong trading update at its annual meeting which helped to reverse margin downgrades from earlier this year and indicated 80% revenue growth for its China label infant formula product. Xero delivered a result that illustrated strong momentum in subscriber growth across Australia and the UK, supported by governments mandating increased tax filing online. Over the month the Fund reduced its holdings in the major Australian banks in favour of resource exposures BHP and Rio Tinto. The Fund also increased its holding in EBOS, participating in the sell down by major shareholder the Zuellig family.

Looking ahead, there have been signs of stabilising economic growth in NZ while the Australian housing market continues to improve. The November results support continued earnings growth in our large cap names. We continue to focus on ensuring the Fund remained positioned in stocks offering attractive returns relative to their risk and away from stocks where we see downside risk to earnings or stretched valuations.

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

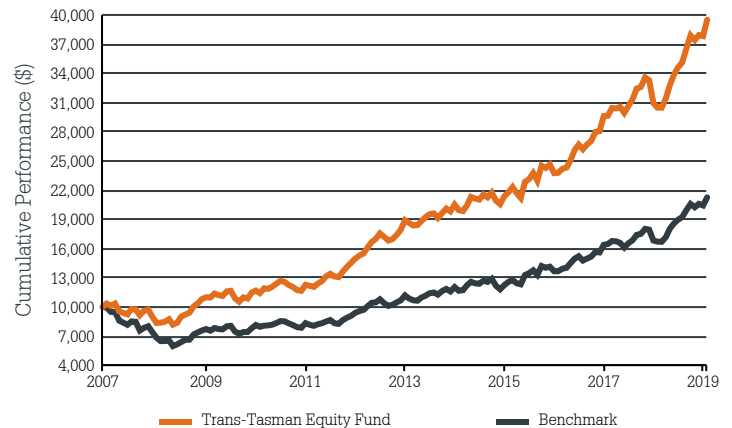
## External Ratings



Milford Trans-Tasman Equity Fund received a Morningstar Analyst Rating™ of 'Silver' on 13-03-2019

## Cumulative Fund Performance

(after fees and before tax)



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

## Key Fund Facts

<b>Objective <sup>1</sup></b>	Capital growth by out-performing a mix of two relevant share market indices over a minimum of five years
<b>Description</b>	Primarily invests in Australasian equities
<b>Target Allocation</b>	5% Income Assets / 95% Growth Assets
<b>Neutral FX Exposure</b>	0%
<b>Net Asset Value (NAV)</b>	\$449.3 M
<b>Buy-sell Spread</b>	None
<b>Inception Date</b>	1 October 2007
<b>Current Distribution</b>	1.5 cents per unit (Biannually)
<b>Benchmark</b>	50% x S&P/ASX 200 Accumulation Index (100% NZD-hedged) + 50% x S&P/NZX 50 Gross Index
<b>Base Fund Fee <sup>2</sup></b>	1.05%
<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>	1.05%
<b>Risk Indicator</b>	<div style="display: flex; justify-content: space-between;"> <span>Lower risk</span> <span>Higher risk</span> </div> <div style="display: flex; justify-content: center; align-items: center;"> <span>1</span> <span>2</span> <span>3</span> <span>4</span> <span style="border: 1px solid black; padding: 2px;">5</span> <span>6</span> <span>7</span> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <span>Potentially lower returns</span> <span>Potentially higher returns</span> </div>



Investment Performance after fees as at 30 November 2019<sup>4</sup>

Unit Price: \$3.2256

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Trans-Tasman Equity Fund (Gross Of Tax)	4.44%	5.60%	29.62%	18.43%	14.64%	11.95%
After Tax 10.50%	4.31%	5.44%	29.18%	18.06%	14.19%	11.50%
After Tax 17.50%	4.23%	5.32%	28.89%	17.81%	13.88%	11.26%
After Tax 28.00%	4.10%	5.15%	28.45%	17.43%	13.43%	10.85%
Benchmark	4.07%	5.03%	27.19%	15.85%	12.75%	6.40%

## Top Security Holdings

Holdings	% of Fund's NAV
a2 Milk Company	8.21%
Fisher & Paykel Healthcare	6.00%
CSL	4.34%
BHP Group	3.58%
Spark New Zealand	3.57%
Ryman Healthcare	3.14%
Mainfreight	3.08%
Auckland Airport	3.01%
Contact Energy	2.92%
National Australia Bank	2.90%

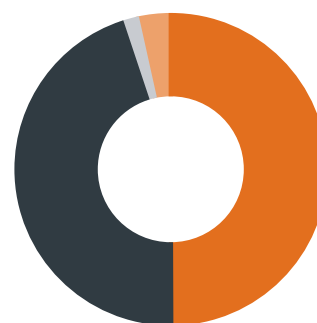
## Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	3.06%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	48.38%	47.50%
Australian Equities	48.14%	47.50%
International Equities	0.00%	0%
Other	0.42%	0%

## Sector Exposure

Allocation	Weight %
Health Care	18.66%
Financials	12.42%
Industrials	11.73%
Consumer Staples	11.09%
Materials	9.00%
Utilities	8.79%
Real Estate	6.78%
Information Technology	6.14%
Other Sectors	11.91%
Cash and Other	3.48%

## Country Exposure



■ New Zealand 49.94%
 ■ Australia 44.94%
 ■ International 1.64%
 ■ Cash and Other 3.48%

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. Assumes the reinvestment of distributions. 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.

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