

Global Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 January 2020



Portfolio Managers



Felix Fok
Portfolio Manager



Stephen Johnston
Co-Portfolio Manager

Global Equity climbed 3.2% in January, outperforming the market by 1.5%. The Fund is 50% exposed to major overseas currencies and during the month a weak NZ dollar added to gains from international shares.

In a mixed month for global shares, large cap technology companies were in favour again as investors rotated back into growth companies, including Microsoft (+7.9%), Google-parent company Alphabet (+7.3%), and Amazon (+8.7%). Both Microsoft and Amazon also reported strong quarterly results during the month.

Visa (+5.9%) and Mastercard (+5.9%) continue to benefit from healthy consumer spending and growth in digital transactions around the world. These dominant business models have a privileged position, sitting in between banks, consumers and merchants.

The largest detractor was Indian private bank HDFC Bank (-9.6%), despite releasing better than expected quarterly results, with earnings growing 31%, the highest in eight years. HDFC bank is in the process of appointing a successor to current CEO Aditya Puri, whose tenure ends in October after 27 years at the helm.

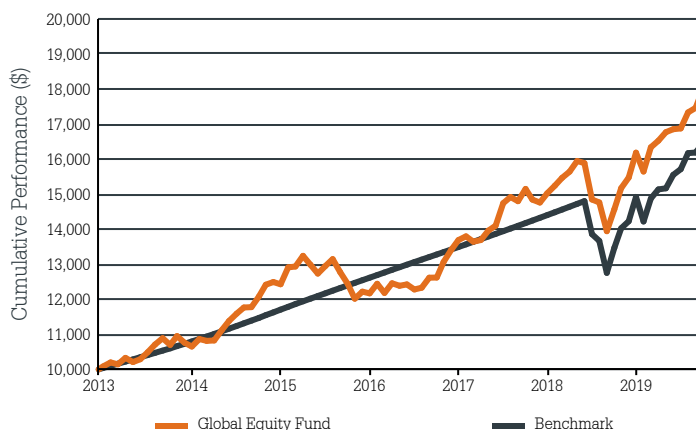
After a strong December, EOG Resources (-12.7%) reversed course in January as crude oil prices fell to a three-month low, in response to coronavirus travel bans intensifying seasonal weakness in crude oil demand.

The economic backdrop remains one of slow economic growth, although lower interest rates are supporting share markets. We expect some volatility in the short term given the uncertainty surrounding the potential impact of the coronavirus. The portfolio remains focused on our key investment themes and dominant companies.

To view Milford's February 2020 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)	\$683.7 M
Buy-sell Spread	None
Inception Date	12 April 2013
Benchmark	MSCI World Index with net dividends reinvested (50% NZD-hedged)
Base Fund Fee²	1.35%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.35%
Risk Indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> 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: center; align-items: center; gap: 10px; margin-top: 5px;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 31 January 2020⁴

Unit Price: \$1.7853

	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)	3.19%	6.78%	23.68%	12.61%	8.32%	9.04%
After Tax 10.50%	3.22%	6.68%	23.29%	12.30%	8.03%	8.74%
After Tax 17.50%	3.25%	6.62%	23.04%	12.09%	7.84%	8.53%
After Tax 28.00%	3.28%	6.52%	22.65%	11.78%	7.55%	8.23%
Benchmark	1.68%	4.75%	22.19%	7.42%	7.49%	7.60%

Top Security Holdings

Holdings	% of Fund's NAV
Microsoft Corp	4.05%
Alphabet	3.91%
Amazon	3.49%
Mastercard	3.42%
Visa	3.32%
CME Group	2.86%
Apple	2.77%
HDFC Bank	2.67%
Taiwan Semiconductor	2.39%
Martin Marietta	2.26%

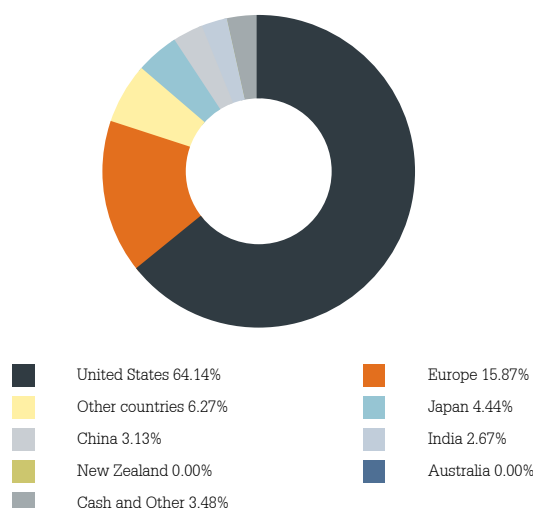
Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Cash and Cash Equivalents	3.12%	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	96.52%	95.00%
Other	0.36%	0%

Sector Exposure

Allocation	Weight %
Information Technology	31.08%
Consumer Discretionary	19.61%
Financials	10.61%
Health Care	9.26%
Consumer Staples	7.80%
Communication Services	5.69%
Industrials	4.50%
Real Estate	3.83%
Other Sectors	4.14%
Cash and Other	3.48%

Region 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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