

Milford Australian Absolute Growth Fund

April 2020



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

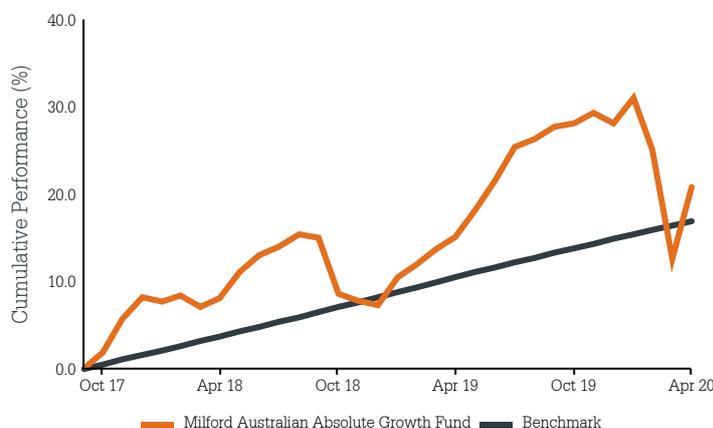
Markets recovered strongly in April with the Fund performing well and returning 7.3% in April, bringing returns over the last 12 months to 6.7%. We were pleased with the Fund's April performance compared to the 8.8% return by the ASX 200 given our continued defensive positioning. We were able to largely keep up due to the strong performance of our gold miners (up 23% on average) and from Sealink (+21.5%), The a2 Milk Company (+9.8%) and Transurban (+14.6%).

Australia has done a good job controlling the spread of the virus and is well placed to ease restrictions in the coming months. In anticipation of this we purchased a collection of businesses that should perform positively as peoples' lives begin to revert to normality. These include Transurban, Tabcorp, Wesfarmers and some of the major banks.

The outlook for banks will be clouded by a degree of uncertainty until this economic crisis is over, however, we feel the market has been pricing in some very negative outcomes and the banks offer reasonable value if the economic outcome is less severe than predicted. We will be closely monitoring developments in the housing markets, as a substantial housing decline would lead to larger loan losses in the medium term than our current expectations.

The overall emphasis remains focussed on capital preservation given the economic uncertainty and our view on the potential duration of this downturn. But as usual we will continue to search and invest in compelling stock specific opportunities while controlling overall portfolio risk.

Investment Performance to April 2020*



* Cumulative performance since inception, after all fees and expenses, and assumes reinvestment of distributions.

Key Fund Facts

Objective	Absolute returns with an annualised return of 5% above the RBA Cash Rate while seeking to preserve investor capital
Description	A diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities, fixed interest securities and cash. May use derivatives and foreign currency hedging.
Benchmark	RBA Cash Rate + 5% p.a.
Redemption Price <small>as at 30 Apr</small>	\$1.1301
NAV <small>as at 30 Apr</small>	\$106 Million
Inception Date	October 2017
Minimum Investment	\$20,000
Recommended Investment Timeframe	5 years +
Buy-sell Spread	+/-0.20%
Entry/Exit Fee	Nil
Distribution Frequency	Annual (30 June)
Management Fee*	1.00%
Capped Expense Recovery*	0.10%
Performance Fee*	15% p.a. of returns above the benchmark subject to achieving the high watermark.
Fund Pricing	Daily

* Fees are stated exclusive of GST.

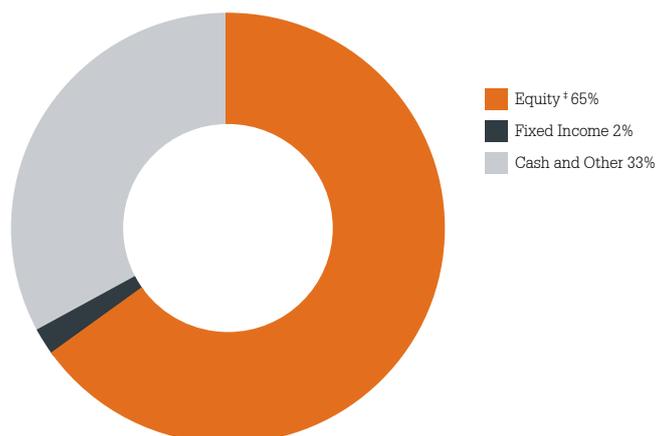
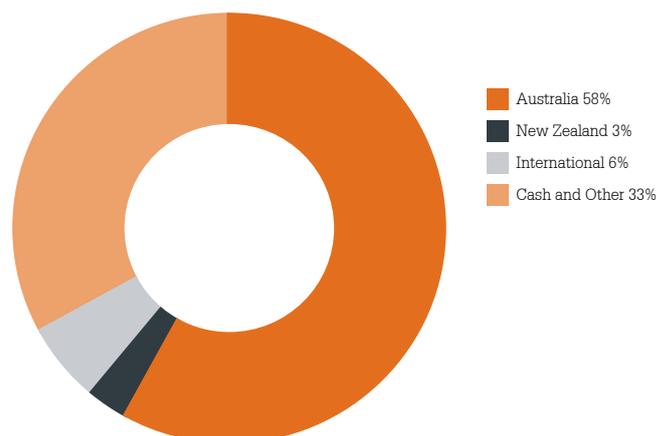
Investment Performance to April 2020*

	1 Month	6 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)**
Milford Australian Absolute Growth Fund	7.29%	-5.70%	4.95%	-	-	7.61%
Benchmark	0.42%	2.76%	5.87%	-	-	6.26%

Past performance is not a reliable indicator of future performance.

* Net performance figures are shown after all fees and expenses, and assumes reinvestment of distributions.

** Inception date of the Fund is 2 October 2017

Current Asset Allocation¹Current Country Allocation¹

Top Security Holdings

Holdings	% of Fund's NAV
National Australia Bank	6.95%
Westpac Banking Corp	5.39%
Woolworths	5.21%
Transurban Group	4.89%
Telstra Corp	4.75%
Evolution Mining	3.69%
Commonwealth Bank	3.00%
Newmont Mining	2.94%
IAG	2.93%
Coles Group	2.62%

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

¹ The actual investment mix incorporates the notional exposure value of equity derivatives and credit default swaps, where applicable.

² Equity will be the net amount, ie the total long less any shorts.

³ Typically the country in which the company issuing the share/bond primarily operates

Fund Changes

There have been no material changes to the below information since the last monthly report:

- The Fund's risk profile
- The Fund's strategy

There have been no changes to the below information since the PDS was issued:

- Key service providers
- Individuals playing a key role in investment

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