

Global Equity Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 May 2020



Portfolio Managers



Felix Fok
Portfolio Manager



Stephen Johnston
Co-Portfolio Manager

Global Equity gained 6.4% in May and is up 16.2% in the last year. Longer term, the Fund is up 31.7% in the past 3 years.

Key positive contributors included PayPal (+26.0%), for the second month in a row. PayPal is well positioned as Covid-19 accelerates the shift to electronic payments and e-commerce, and away from brick-and-mortar retailing. Still, with the shares having appreciated strongly, the Fund trimmed the position.

Japanese business software company Freee (+39.3%) continued its strong run since its IPO in December 2019. Freee is looking to expand into serving medium-sized businesses as it broadens its cloud-based software solutions beyond accounting and human resourcing for small businesses and the self-employed.

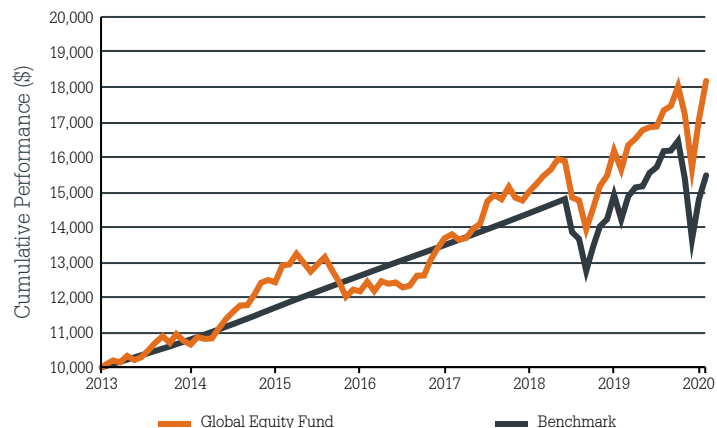
Detractors from performance included emerging market blue chip Taiwan Semiconductor Manufacturing Company (TSMC, -5.3%). This leading global contract manufacturer of high-end computer chips is caught-up in US-China trade tensions. During the month, the US outlined stricter export restrictions relating to Chinese technology companies, some of which are customers of TSMC. More broadly, Chinese companies listed on US exchanges also came under pressure late in the month due to trade tensions, which hurt KFC franchisee Yum China (-4.4%).

The economic backdrop remains challenging notwithstanding signs of recovery off depressed levels. We expect volatility in the short term given uncertainty on the breadth, depth and duration of the disruption. The portfolio remains focused on our key investment themes and dominant companies.

To view Milford's June 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)	\$778.3 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; margin: 5px 0;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; align-items: center;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 31 May 2020⁴

Unit Price: \$1.7995

	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)	6.44%	5.55%	16.16%	9.62%	7.08%	8.73%
After Tax 10.50%	6.42%	5.61%	15.97%	9.42%	6.81%	8.46%
After Tax 17.50%	6.40%	5.65%	15.84%	9.28%	6.64%	8.29%
After Tax 28.00%	6.38%	5.71%	15.65%	9.08%	6.37%	8.02%
Benchmark	4.59%	0.56%	8.86%	4.49%	5.60%	6.31%

Top Security Holdings

Holdings	% of Fund's NAV
Alphabet	4.29%
Microsoft Corp	4.23%
Amazon	4.09%
Apple	3.59%
Paypal Holdings	3.00%
S&P Global	2.83%
Transunion	2.70%
Visa	2.52%
Mastercard	2.40%
ASML Holding	2.37%

Current Asset Allocation

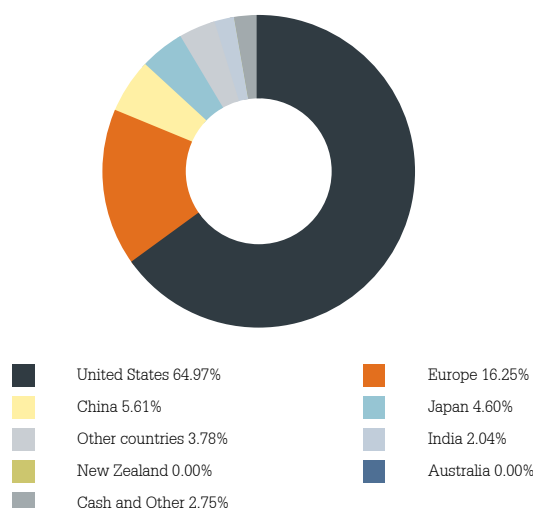
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	2.54%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	0.00%	0%
Australian Equities	0.00%	0%
International Equities	97.25%	95.00%
Other	0.21%	0%

The actual cash held by the Fund is 3.37%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Sector Exposure

Allocation	Weight %
Information Technology	33.41%
Consumer Discretionary	15.26%
Health Care	11.82%
Communication Services	8.95%
Industrials	7.30%
Consumer Staples	6.25%
Financials	4.86%
Materials	3.94%
Other Sectors	5.46%
Cash and Other	2.75%

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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