

KiwiSaver Moderate Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 May 2020



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The rebound in risky assets continued in May with strong performances from both shares and corporate bonds. This helped the Fund deliver a 2.1% return in the month. The Fund has remained on a defensive footing during May, but some key changes helped performance in a month where it was important to be in the right assets.

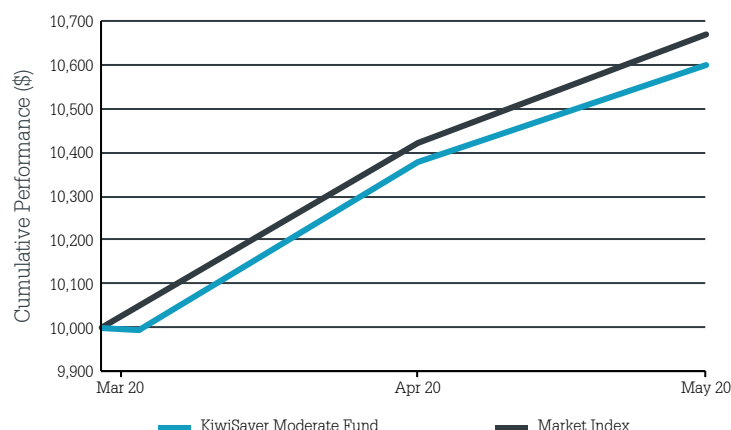
On the bond side, the Fund increased its exposure to global corporate bonds. The increase in bonds remained in better credit rated bonds which are closer to central bank support but still offer attractive returns compared to government bonds. On the equity side, higher conviction in the recovery of the Australian economy and better relative value meant the Fund could increase its exposure to Australian shares. In turn, some exposure to global shares was reduced after a strong run.

Looking ahead, we believe share markets are too optimistic on the outlook and valuations are becoming stretched in the face of a wide range of economic outcomes. Increasing geopolitical risks and chance of a second wave of the virus mean the Fund retains its cautious stance with a reduced exposure to shares in general and a focus on investing in higher quality corporate bonds.

To view Milford's June 2020 Market and Economic Review please see milfordasset.com/fact-sheet.

Cumulative Fund Performance

(after fees and before tax)



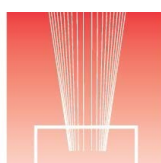
Assumes the growth of \$10,000 invested at the Fund's inception date.

Key Fund Facts

Objective	Moderate returns and capital growth over a minimum of five years
Description	Diversified fund that primarily invests in fixed interest securities, with a significant allocation to equities
Target Allocation	60% Income Assets / 40% Growth Assets
Neutral FX Exposure	6.0%
Net Asset Value (NAV)	\$9.9 M
Buy-sell Spread	None
Inception Date	27 March 2020
Benchmark	Not applicable
Base Fund Fee	0.96%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees	0.97% (includes an est. performance fee)
Risk Indicator	<div> <div>Lower risk</div> <div>1 2 3 4 5 6 7</div> <div>Potentially lower returns Potentially higher returns</div> </div>



Consumer NZ People's Choice Award – KiwiSaver



Morningstar Fund Manager of the Year -
KiwiSaver Category, NZ



Zenith FundSource - Fund Manager of the Year 2019

Investment Performance after fees as at 31 May 2020

Unit Price: \$1.0598

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford KiwiSaver Moderate Fund (Gross Of Tax)	2.13%	-	-	-	-	5.99%
After Tax 10.50%	2.08%	-	-	-	-	5.83%
After Tax 17.50%	2.04%	-	-	-	-	5.73%
After Tax 28.00%	1.99%	-	-	-	-	5.57%
Market Index	2.38%	-	-	-	-	7.01%

Top Equity Holdings

Holdings	% of Fund's NAV
Spark New Zealand	0.96%
a2 Milk Company	0.77%
Transurban Group	0.70%
Contact Energy	0.69%
Alphabet	0.66%
Microsoft Corp	0.66%
Amazon	0.61%
Fisher & Paykel Healthcare	0.57%
Woolworths	0.55%
American Waters Works	0.55%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	27.33%	9.00%
New Zealand Fixed Interest	15.10%	20.00%
International Fixed Interest	30.05%	31.00%
New Zealand Equities	5.46%	9.00%
Australian Equities	6.51%	8.00%
International Equities	12.00%	18.00%
Listed Property	3.41%	5.00%
Other	0.14%	0%

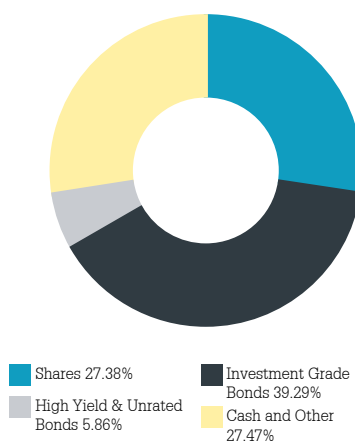
The actual cash held by the Fund is 18.63%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

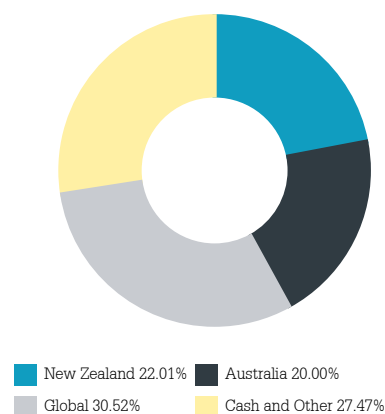
Holdings	% of Fund's NAV
NZLGFA 1.5% 2029	0.78%
Housing NZ 3.36% 2025	0.69%
NZLGFA 1.5% 2026	0.69%
ASB Bank 1.83% 2024	0.66%
John Deere 1.75% 2024	0.63%
Westpac 2.22% 2024	0.58%
Lendlease 4.5% 2026	0.56%
Mirvac Group 3.625% 2027	0.52%
ANZ Bank 3.03% 2024	0.52%
Credit Suisse Float 2023	0.51%

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

Fund Portfolio Mix



Region Exposure



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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