

KiwiSaver Aggressive Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 June 2020



Portfolio Managers



Stephen Johnston
Portfolio Manager



Jonathan Windust
Co-Portfolio Manager

The Fund gained 1.7% in June, with share markets globally posting strong gains in the quarter. In fact, the Dow Jones Industrial index that comprises 30 of America's largest companies followed its worst first quarter ever, with the best second quarter performance since 1938, up almost 18% for the quarter. While economic data has improved, there is a worrying increase of new COVID-19 cases in the US and some of the emerging markets that we are monitoring closely.

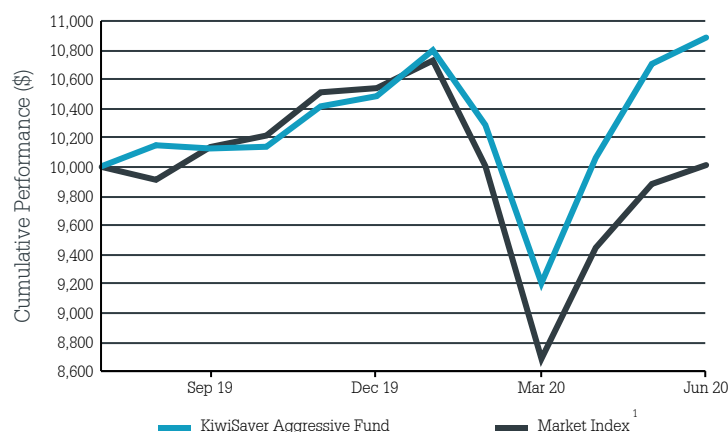
In June, we saw a rotation back into blue chip technology names such as Amazon and Apple that are seen as beneficiaries of the global pandemic. The virus has accelerated the trend towards a more digital world and we don't expect that trend to reverse. For example, Microsoft CEO Satya Nadella emphasised this point by highlighting that we have seen two years of digital transformation in two months. In simple terms, digital transformation is the use of technology into all areas of a business to accelerate growth. The key positive contributor in June was Apple (+14.7%), cementing its position as the world's most valuable company with a market capitalisation of NZ\$2.4 trillion, over 7 times the size of the NZ economy. Fellow US technology giant, Amazon, also performed strongly (+13.0%) as e-commerce goes from strength to strength. Amazon has exceeded our expectations, up a whopping 49.3% year to date. Detractors from performance included Alphabet (-1.1%), which was hurt by the advertising slowdown and increasing pressure from anti-trust regulators concerned about their dominance. Ecolab (-6.2%), the world leader in water and hygiene technologies globally, fell on profit taking after a huge rally off its lows in March. Key positive contributors in Australasia included Collins Foods (+17.8%), the owner of KFC restaurants in Australia and Europe. Also, electronic payments company Smartpay (+27.9%) surged as their capital raising is likely to accelerate growth.

The outlook for the second half of 2020 remains uncertain and we expect volatility to stay elevated. However, we continue to take an opportunistic approach in this market volatility, by identifying high quality businesses that will emerge from this downturn even stronger.

To view Milford's July 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

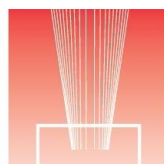
Objective²	Maximise capital growth over a minimum of fifteen years
Description	Primarily invests in international equities, with a moderate allocation to Australasian equities
Target Allocation	5% Income Assets / 95% Growth Assets
Neutral FX Exposure	24.5%
Net Asset Value (NAV)	\$121.5 M
Buy-sell Spread	None
Inception Date	1 August 2019
Benchmark	Not applicable
Base Fund Fee³	1.15%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees⁴	1.15%
Risk Indicator	<div> <div>Lower risk</div> <div>Higher 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



Awards
2019™



Zenith FundSource Fund Manager of the Year

Investment Performance after fees as at 30 June 2020⁵

Unit Price: \$1.087

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford KiwiSaver Aggressive Fund (Gross Of Tax)	1.69%	18.26%	-	-	-	8.86%
After Tax 10.50%	1.50%	17.84%	-	-	-	8.77%
After Tax 17.50%	1.38%	17.56%	-	-	-	8.70%
After Tax 28.00%	1.20%	17.13%	-	-	-	8.61%
Market Index ¹	1.31%	15.26%	-	-	-	0.13%

Top Security Holdings

Holdings	% of Fund's NAV
Microsoft Corp	3.43%
Amazon	3.42%
Alphabet	2.80%
Apple	2.33%
Visa	2.21%
Mastercard	2.07%
Martin Marietta	1.96%
Transunion	1.93%
ANSYS	1.92%
Paypal Holdings	1.85%

Current Asset Allocation

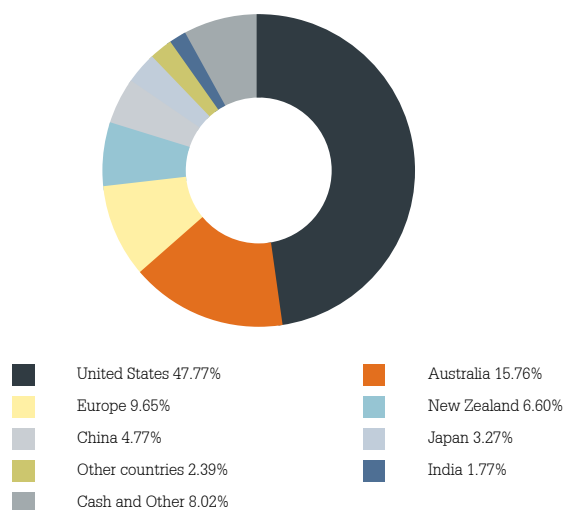
	Actual Investment Mix	Neutral Investment Mix
Effective Cash [#]	6.31%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.00%	0%
New Zealand Equities	6.09%	5.00%
Australian Equities	16.60%	20.00%
International Equities	69.29%	70.00%
Other	1.71%	0%

[#] The actual cash held by the Fund is 7.01%. 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	25.84%
Health Care	12.32%
Consumer Discretionary	11.65%
Financials	8.82%
Communication Services	7.68%
Industrials	6.95%
Materials	6.60%
Consumer Staples	5.67%
Other Sectors	6.45%
Cash and Other	8.02%

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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