

Active Growth Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 July 2020



Portfolio Managers



Jonathan Windust
Portfolio Manager



William Curtayne
Co-Portfolio Manager

The Fund rose 3.1% in July benefitting from the strong performance of share and fixed income markets. Shares continue to benefit from strong support from governments and central banks to contain the impacts of the virus. Strong retail investor demand and better than expected US company results also boosted shares. The Fund performed ahead of its underlying investment markets due to the strong performance of the companies the Fund has invested in.

Key positive company investments during the month were NZ retirement operator Summerset (+21.5%), Gold companies Newcrest (+11.6%) and Newmont Mining (+12.1%), US home builder DR Horton (+19.3%) and US hospital company HCA Healthcare (+30.5%). DR Horton is the US's largest home builder with a focus on affordable homes and is benefitting from strong housing demand as a result of very low interest rates. DR Horton delivered a strong earnings result with profits up 37% on the previous year. Summerset benefitting from a strong update on the number of retirement unit sales. Very low interest rates (negative after inflation) and large amounts of money creation helped the gold price and gold companies as investors look for an alternative store of wealth.

The Fund remained active during the month with lots of opportunities created by the COVID-19 winners and losers. During the month we added to healthcare company Thermo Fisher which is a direct beneficiary in the short-term due to the production of tests, medium-term in the development and production of vaccines and long-term due to increased healthcare spending. Looking forward we believe markets are likely to remain volatile given the very uncertain impacts of the virus on economies and company earnings. To date government stimulus has helped cushion impacts on economies and central bank policies, including low rates and bond buying, have helped support markets. On balance the Fund remains cautious given the uncertain environment and the recent rise in share market valuations. The Fund has a lower than average allocation to shares of around 72% however, we remain excited that this market will provide opportunities for active management.

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

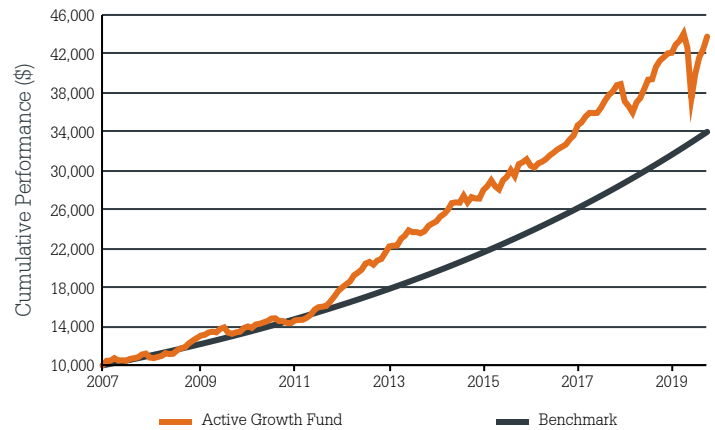
External Ratings



Milford Active Growth Fund received a Morningstar Analyst Rating™ of 'Silver' on 29-05-2018

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	Annual returns of 10% over a minimum of five years
Description	Diversified fund that primarily invests in equities, with a moderate allocation to fixed interest securities
Target Allocation	22% Income Assets / 78% Growth Assets
Neutral FX Exposure	16.0%
Net Asset Value (NAV)	\$1,233.4 M
Buy-sell Spread	None
Inception Date	1 October 2007
Status	Closed to new investors
Benchmark	10% p.a.
Base Fund Fee²	1.05%
Performance Fee	15% of the Fund's returns above the Benchmark ¹ , subject to the high watermark.
Total Fund Fees³	1.30% (includes an est. performance fee)
Risk Indicator	<div style="display: flex; justify-content: space-between;"> Lower risk Higher risk </div> <div style="text-align: center;"> </div> <div style="display: flex; justify-content: space-between;"> Potentially lower returns Potentially higher returns </div>

Investment Performance after fees as at 31 July 2020⁴

Unit Price: \$4.0822

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Active Growth Fund (Gross Of Tax)	3.07%	9.61%	5.97%	10.23%	9.91%	12.19%
After Tax 10.50%	3.01%	9.45%	5.72%	9.94%	9.59%	11.67%
After Tax 17.50%	2.97%	9.35%	5.55%	9.75%	9.37%	11.47%
After Tax 28.00%	2.90%	9.20%	5.30%	9.46%	9.05%	11.05%
Benchmark	0.81%	2.43%	10.00%	10.00%	10.00%	10.00%

Top Equity Holdings

Holdings	% of Fund's NAV
Fisher & Paykel Healthcare	4.10%
Spark New Zealand	3.86%
a2 Milk Company	2.96%
Summerset Group Holdings	2.16%
Contact Energy	1.97%
Newmont Mining	1.96%
Microsoft Corp	1.94%
Thermo Fisher Scientific	1.79%
Electronic Arts	1.51%
Alphabet	1.42%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	13.55%	6.00%
New Zealand Fixed Interest	1.56%	4.00%
International Fixed Interest	11.35%	12.00%
New Zealand Equities	24.52%	26.00%
Australian Equities	17.68%	20.00%
International Equities	29.94%	32.00%
Other	1.40%	0%

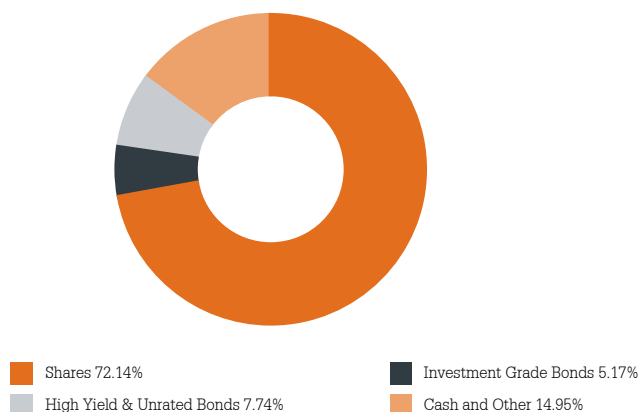
The actual cash held by the Fund is 5.68%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund's NAV
CYBG 8% 2049	1.17%
RBS 6% PERP	0.76%
Crown Resorts 5.795% 2075	0.63%
Vodafone Group 6.25% 2078	0.62%
LLOY 5.125% PERP	0.60%
CYBG 7.875% 2028	0.55%
Credit Suisse 7.5% 2023	0.51%
Woolworths 2.8% 2030	0.51%
ASB Bank 5.25% 2026	0.51%
Barclays 5.875% 2024	0.48%

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

Fund Portfolio Mix



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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