

KiwiSaver Moderate Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 July 2020



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 1.4% in July, driven by strong performances across the underlying assets.

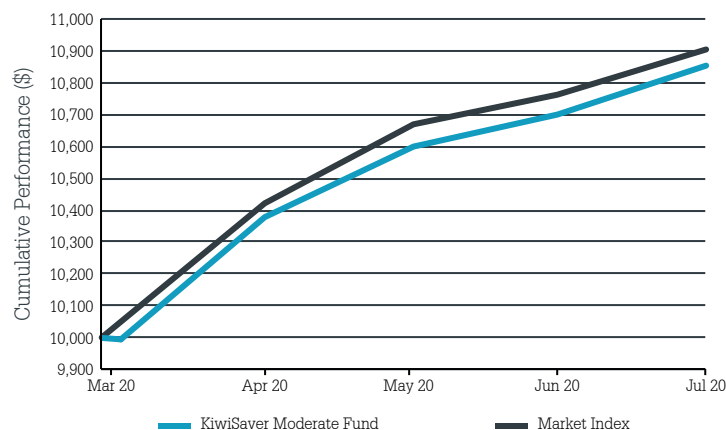
Global shares had a notably good month, owing to a concentration of positions in the Technology sector. This sector is a beneficiary of the current environment as consumers and businesses operate more in the virtual space. The NZ and Australian share Funds delivered returns in excess of local market performance due to holdings such as Summerset (+21.5%) and Mainfreight (+20.4%) in NZ and HUB24 (a wealth management platform, +43.4%) and gold mining stocks in Australia. The income portfolio also had strong returns as corporate bonds continue to recover strongly from their March sell-off.

Looking forward, we believe policy support should underpin Fund returns but given the extent of recent price appreciation across bonds and shares, near term we may see a period of consolidation which could translate into a moderation of returns. Although the Funds invested position has increased slowly over the past few months, the Fund retains a mildly cautious setting as risks and uncertainty remain elevated. Stock and bond selection has delivered strong returns over the past few months and it is security selection, not invested position that is likely to continue to deliver good returns going forward.

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

Cumulative Fund Performance

(after fees and before tax)



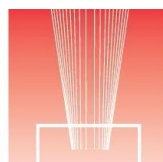
Assumes the growth of \$10,000 invested at the Fund's inception date.

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)	\$14.2 M
Buy-sell Spread	None
Inception Date	27 March 2020
Benchmark	Not applicable
Base Fund Fee	0.95%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees	0.96% (includes an est. performance fee)
Risk Indicator	<div>Lower risk<div>1234567</div>Higher risk</div> <div>Potentially lower returnsPotentially higher returns</div>



Consumer NZ People's Choice Award - KiwiSaver



Morningstar Fund Manager of the Year
- KiwiSaver Category, NZ



Zenith FundSource Fund Manager of the Year

Investment Performance after fees as at 31 July 2020

Unit Price: \$1.0851

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford KiwiSaver Moderate Fund (Gross Of Tax)	1.43%	4.58%	-	-	-	8.53%
After Tax 10.50%	1.39%	4.41%	-	-	-	8.25%
After Tax 17.50%	1.35%	4.29%	-	-	-	8.06%
After Tax 28.00%	1.31%	4.12%	-	-	-	7.77%
Market Index	1.32%	4.63%	-	-	-	9.37%

Top Equity Holdings

Holdings	% of Fund's NAV
Spark New Zealand	1.05%
Fisher & Paykel Healthcare	0.82%
Contact Energy	0.76%
a2 Milk Company	0.75%
Transurban Group	0.65%
Microsoft Corp	0.65%
Woolworths	0.65%
Apple	0.60%
American Waters Works	0.58%
Alphabet	0.58%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	23.79%	9.00%
New Zealand Fixed Interest	13.73%	20.00%
International Fixed Interest	33.23%	31.00%
New Zealand Equities	6.46%	9.00%
Australian Equities	6.18%	8.00%
International Equities	12.42%	18.00%
Listed Property	3.88%	5.00%
Other	0.31%	0%

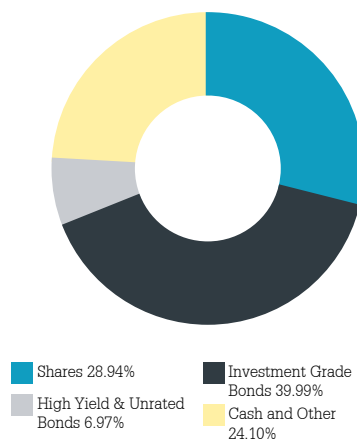
The actual cash held by the Fund is 18.74%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

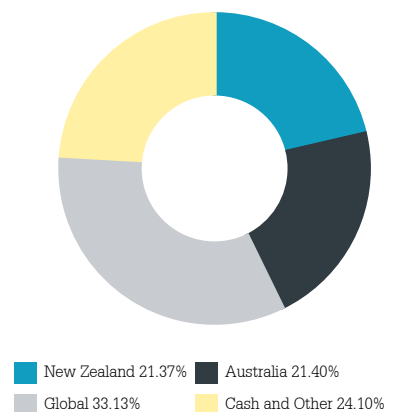
Holdings	% of Fund's NAV
NZLGFA 1.5% 2029	0.74%
NZLGFA 1.5% 2026	0.65%
Housing NZ 3.36% 2025	0.65%
ASB Bank 1.83% 2024	0.63%
UBS Float 2025	0.59%
NZLGFA 3.5% 2033	0.56%
Westpac 2.22% 2024	0.55%
ANZ Bank 3.03% 2024	0.50%
Commonwealth of Australia 1.75% 2051	0.49%
Credit Suisse Float 2023	0.49%

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.

Level 28, 48 Shortland Street, Auckland
PO Box 960, Shortland Street, Auckland 1140
Free phone 0800 662 346
milfordasset.com

