

KiwiSaver Moderate Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 30 September 2020



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.0% in the month. After a strong August, share markets saw the most volatility since June as high-flying US technology shares reversed course. The Moderate Fund largely avoided this turmoil as it entered the month carrying higher levels of cash, a lower exposure to US shares and a larger exposure to foreign currencies (the NZ dollar tends to fall when risky assets such as shares also fall).

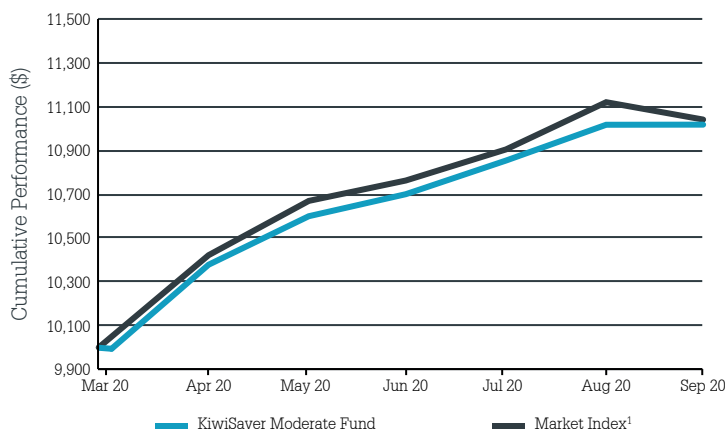
Over the course of the month some cash was put to work - increasing investments in lower-risk, high dividend yielding stocks, as well as selected company bonds that can deliver greater returns than the meagre interest rates that cash offers.

The outlook remains very uncertain, economic growth looks to have peaked after a strong rebound and fiscal support from governments is waning (particularly in the US). Nonetheless, with interest rates very low, this makes shares and company bonds more attractive and these will continue to deliver better returns than cash in the long run.

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

Cumulative Fund Performance

(after fees and before tax)



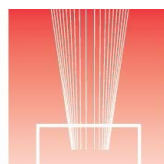
Assumes the growth of \$10,000 invested at the Fund's inception date.

Key Fund Facts

Objective²	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)	\$22.4 M
Buy-sell Spread	None - swing pricing applies (see PDS for details)
Inception Date	27 March 2020
Benchmark	Not applicable
Base Fund Fee³	0.95%
Performance Fee	The Fund may invest into related Milford funds that charge performance fees.
Total Fund Fees⁴	0.96% (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

Investment Performance after fees as at 30 September 2020⁵

Unit Price: \$1.1011

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception
Milford KiwiSaver Moderate Fund (Gross Of Tax)	0.01%	2.97%	-	-	-	10.17%
After Tax 10.50%	-0.03%	2.86%	-	-	-	9.82%
After Tax 17.50%	-0.06%	2.79%	-	-	-	9.59%
After Tax 28.00%	-0.10%	2.69%	-	-	-	9.24%
Market Index ¹	-0.71%	2.59%	-	-	-	2.52%

Top Equity Holdings

Holdings	% of Fund's NAV
Spark New Zealand	1.38%
Contact Energy	1.07%
Fisher & Paykel Healthcare	1.00%
Transurban Group	0.77%
Woolworths	0.74%
Amazon	0.68%
a2 Milk Company	0.67%
Microsoft Corp	0.65%
Meridian Energy	0.60%
Alphabet	0.60%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	12.57%	9.00%
New Zealand Fixed Interest	14.65%	15.00%
International Fixed Interest	37.24%	36.00%
New Zealand Equities	7.96%	7.00%
Australian Equities	6.96%	8.00%
International Equities	15.31%	19.00%
Listed Property	5.31%	6.00%
Other	0.00%	0%

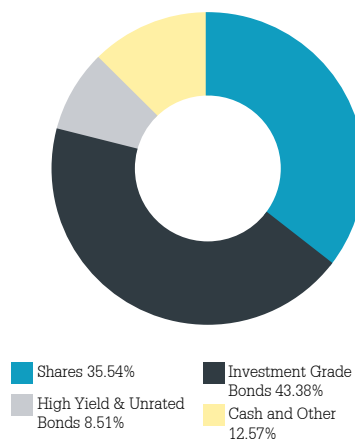
The actual cash held by the Fund is 7.73%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

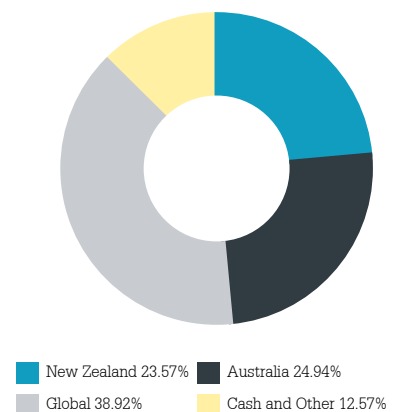
Holdings	% of Fund's NAV
Scentre Group 5.125% 2080	1.20%
NZLGFA 1.5% 2029	0.81%
CBA Float 2030	0.76%
AusNet Float 2080	0.76%
NZLGFA 1.5% 2026	0.73%
Housing NZ 3.36% 2025	0.64%
NZLGFA 3.5% 2033	0.62%
Westpac 2.22% 2024	0.60%
UBS Float 2025	0.57%
Lendlease 4.5% 2026	0.54%

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

