

# KiwiSaver Aggressive Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 January 2021



## Portfolio Managers



**Stephen Johnston**  
Portfolio Manager



**Jonathan Windust**  
Co-Portfolio Manager

The Fund fell 1.1% in January and is up 15.8% over the last year. It was shaping up to be a solid month for global share markets, but an abrupt sell-off in the last week wiped out the monthly gains.

Key positive contributors for the month included Chinese internet company Tencent (+20.8%), as business momentum remains strong across Tencent's various business segments. Taiwanese chipmaker TSMC (+11.4%) continued its impressive run and has now more than doubled in the last year. The company is by far the world's largest chip foundry with over 50% market share and we believe the technology edge it has over its competitors continues to widen. DR Horton (+11.4%) the largest homebuilder in the US bounced back from a weak December, as the US housing market fundamentals remain strong.

Detractors from performance included US payment networks Visa (-11.6%) and Mastercard (-11.3%), as the continued lack of international travel, hurts their most profitable cross border businesses. Despite the recent weakness, the payment network companies remain well positioned for a strong earnings recovery as vaccine distribution accelerates and travel recovers. Japanese entertainment company Nintendo (-8.0%) was a drag on performance in January, despite posting impressive earnings and raising guidance.

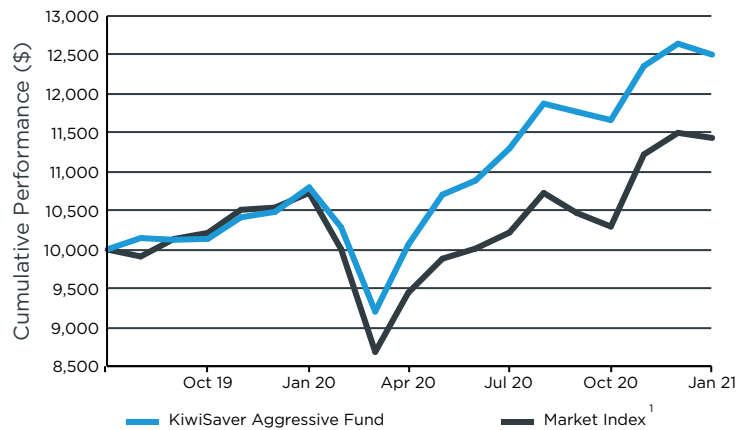
Positive contributors in Australasia included Fisher & Paykel Healthcare (+5.1%) on robust earnings and finance platform Hub24 (+14.6%). Accounting software company Xero (-11.5%) was a key detractor.

Despite the volatile start, we are reasonably constructive on the outlook for 2021 given the positive vaccine developments and continued supportive policy backdrop. In terms of portfolio activity, we have been adding to companies aligned with our long-term investment themes, as well as cyclically exposed companies which are key beneficiaries of the economic recovery.

To view Milford's February 2021 Market and Economic Review please see [milfordasset.com/fact-sheet](http://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

<b>Objective<sup>2</sup></b>	Maximise capital growth over a minimum of fifteen years
<b>Description</b>	Primarily invests in international equities, with a moderate allocation to Australasian equities
<b>Target Allocation</b>	5% Income Assets / 95% Growth Assets
<b>Neutral FX Exposure</b>	24.5%
<b>Net Asset Value (NAV)</b>	\$310.4 M
<b>Buy-sell Spread</b>	None - swing pricing applies (See PDS for details)
<b>Inception Date</b>	1 August 2019
<b>Benchmark</b>	Not applicable
<b>Base Fund Fee<sup>3</sup></b>	1.15%
<b>Performance Fee</b>	The Fund may invest into related Milford funds that charge performance fees.
<b>Total Fund Fees<sup>4</sup></b>	1.15%

	Lower risk						Higher risk
<b>Risk Indicator</b>	1	2	3	4	5	6	7
	Potentially lower returns					Potentially higher returns	

# KiwiSaver Aggressive Fund as at 31 January 2021

## Investment Performance after fees as at 31 January 2021<sup>5</sup>

Unit Price: \$1.2477

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Aggressive Fund (Gross Of Tax)	-1.11%	7.20%	15.78%	-	-	15.99%
After Tax 10.50%	-1.15%	6.73%	15.12%	-	-	15.46%
After Tax 17.50%	-1.18%	6.42%	14.69%	-	-	15.11%
After Tax 28.00%	-1.22%	5.96%	14.03%	-	-	14.59%
Market Index <sup>1</sup>	-0.57%	11.05%	6.57%	-	-	9.33%

## Top Security Holdings

Holdings	% of Fund
Microsoft	2.41%
Amazon	2.28%
Alphabet	2.18%
Intercontinental Exchange	1.94%
HDFC Bank	1.73%
TSMC	1.73%
Martin Marietta	1.70%
Thermo Fisher	1.70%
Apple	1.64%
Nintendo	1.63%

## Current Asset Allocation

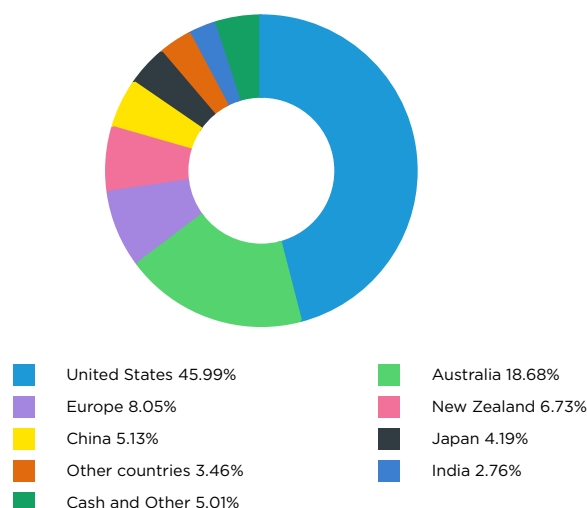
	Actual Investment Mix	Neutral Investment Mix
Effective Cash <sup>#</sup>	4.83%	5.00%
New Zealand Fixed Interest	0.00%	0%
International Fixed Interest	0.03%	0%
New Zealand Equities	6.14%	5.00%
Australian Equities	20.11%	20.00%
International Equities	68.71%	70.00%
Other	0.18%	0%

<sup>#</sup> The actual cash held by the Fund is 9.38%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

## Sector Allocation

Allocation	Weight %
Information Technology	20.55%
Financials	14.23%
Health Care	12.65%
Consumer Discretionary	12.26%
Industrials	9.85%
Materials	7.88%
Communication Services	7.74%
Consumer Staples	3.66%
Real Estate	2.91%
Utilities	2.60%
Energy	0.65%
Government	0.01%
Cash and Other	5.01%

## Region Exposure



**PROVIDER OF THE YEAR  
KIWISAVER 2020**



**OUTSTANDING VALUE  
KIWISAVER 2020**

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](http://milfordasset.com/fact-sheet-ks) for more information about the data published within this document.

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