

Milford

Monthly Fund Overview

June 2024

The politics behind performance

The performance of global share markets diverged in June as global politics dominated the headlines and investors weighed a raft of economic data and central bank decisions. Milford's funds delivered mixed returns for the month, underpinned by US shares and a solid performance from bond holdings, which benefited from lower market interest rates.

The funds' exposure to European investments was a source of weakness. The French President called a snap election following the success of the far-right National Rally in the EU Parliamentary elections early in the month. This caused a sell-off in European markets, as political risk weighed on investor sentiment towards the region. This is creating attractive valuations for quality holdings like Renault (-10.7%) and telecommunication company Cellnex Telecom (-9.4%), however, the team is being patient with uncertainty remaining.

Conversely, US markets continued to perform, a source of strength for the Milford funds as we have concentrated our exposures in the region, attracted to its superior economic growth. Investments such as Uber (+12.6%) and Microsoft (+7.7%) continue to outperform. US economic data was more mixed during the month, reflecting the impact on the real economy of the realisation that the US Federal Funds Rate will remain higher for longer than expected at the start of the year.

However, the US Federal Reserve confirmed at its June meeting that it expects to cut US rates materially in 2025, providing support to the US economic outlook. US markets are not immune to political risk however, with the Presidential debate

between the Republican and Democrat nominees on the last day of the month creating volatility in the share prices of companies exposed to the specific policies of both parties.

The New Zealand share market was once again lacklustre, with the NZX 50 index delivering a -1.2% return in June. We remain focused on selective opportunities in New Zealand, and participated in a capital raise by infrastructure company Infratil, a significant holding for a number of Milford funds. The company raised money to fund future investment opportunities in data centres and renewable energy generation, and the share price ended the month 7.1% above the issue price.

Careful stock selection will be key in coming months. While our base case for a soft economic landing is a constructive backdrop for investment returns, the UK, French and US elections will likely drive uncertainty that could impact markets in the short-term. These risks will also create opportunities, and the funds are well placed to take advantage of attractive company-level opportunities, while protecting performance from any market volatility driven by these events.



MILFORD
INVESTED IN YOU

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Milford Fund Performance as at 30 June 2024

Milford Investment Funds

	Past month	1 year	3 years (p.a.)	5 years (p.a.)	Since Fund Inception (p.a.)	Unit price \$	Fund size \$
Multi-Asset Funds							
Conservative Fund [†]	0.28%	7.18%	1.72%	3.15%	4.72%	1.2257	536.0 M
Diversified Income Fund [†]	0.49%	8.15%	3.16%	4.23%	9.00%	1.8955	2,661.1 M
Balanced Fund	0.33%	8.93%	4.14%	6.95%	8.94%	3.2376	1,721.2 M
Active Growth Fund	-0.05%	11.67%	5.52%	9.07%	11.59%	5.7960	3,581.7 M
Australian Absolute Growth Fund	-0.33%	6.35%	5.06%	8.61%	8.26%	1.6403	731.7 M
Aggressive Fund	0.67%	14.67%	5.84%	—	6.16%	1.1930	1,909.9 M
Cash and Fixed Income Funds							
Trans-Tasman Bond Fund ^{††}	0.29%	6.85%	0.63%	1.71%	3.83%	1.1358	1,281.6 M
Global Corporate Bond Fund ^{††}	0.73%	7.90%	-0.06%	1.71%	2.82%	1.0271	325.0 M
Cash Fund	0.42%	5.77%	3.61%	2.50%	2.47%	1.1389	722.0 M
Equity Funds							
Global Equity Fund [†]	0.75%	14.40%	4.74%	10.81%	9.36%	2.6892	470.7 M
Trans-Tasman Equity Fund [†]	0.33%	7.11%	2.89%	7.99%	10.55%	4.1596	630.1 M
Dynamic Fund [#]	-0.53%	14.97%	5.03%	11.68%	11.99%	3.3229	723.0 M

For details of how investment performance is calculated, and returns at each PIR please see www.milfordasset.com/funds-performance/view-performance#tabperformance.

Performance figures are after total Fund charges have been deducted and at 0% PIR. Please note past performance is not a guarantee of future returns.

Inception dates for the Funds: Active Growth Fund: 1 October 2007, Trans-Tasman Equity Fund: 1 October 2007, Balanced Fund: 1 April 2010, Diversified Income Fund: 1 April 2010, Global Equity Fund: 12 April 2013, Dynamic Fund: 1 October 2013, Trans-Tasman Bond Fund: 2 December 2013, Conservative Fund: 1 September 2015, Global Corporate Bond Fund: 1 February 2017, Australian Absolute Growth Fund: 1 March 2018, Cash Fund: 1 March 2019, Aggressive Fund: 21 June 2021.

* Performance figures include the reinvestment of the Funds' distribution.

^ Returns prior to 1 March 2018 are from when the Fund was previously offered to wholesale investors only and have been adjusted for current Fund charges.

† Returns prior to 1 October 2018 are from when the Fund was structured to achieve an absolute return.

Closed to new investment.

Upcoming Distributions

Fund	Target	Payment Date
Conservative Fund	0.95 cents (Quarterly)	18/07/2024
Diversified Income Fund	1.7 cents (Quarterly)	15/08/2024
Trans-Tasman Bond Fund	0.95 cents (Quarterly)	13/09/2024
Global Corporate Bond Fund	0.85 cents (Quarterly)	13/09/2024

Milford, its staff and their families, have approx. \$136.1 million invested in Milford's Investment Funds as of June 2024.

Milford Fund Performance as at 30 June 2024

Milford KiwiSaver Plan

	Past month	1 year	3 years (p.a.)	5 years (p.a.)	Since Fund Inception (p.a.)	Unit price \$	Fund size \$
KiwiSaver Conservative Fund	0.39%	7.37%	1.94%	3.25%	6.69%	2.1006	243.9 M
KiwiSaver Moderate Fund	0.36%	8.34%	3.04%	—	6.50%	1.3012	169.8 M
KiwiSaver Balanced Fund	0.32%	9.33%	4.25%	7.12%	9.17%	3.3336	1,462.6 M
KiwiSaver Active Growth Fund [^]	0.02%	11.72%	5.71%	9.28%	11.73%	5.9190	5,376.7 M
KiwiSaver Aggressive Fund	0.65%	14.47%	5.82%	—	11.06%	1.6634	1,585.8 M
KiwiSaver Cash Fund	0.42%	5.78%	3.61%	—	2.65%	1.1177	126.7 M

For details of how investment performance is calculated, and returns at each PIR please see www.milfordasset.com/funds-performance/view-performance#tabperformance. Performance figures are after total Fund charges have been deducted and at 0% PIR. Please note past performance is not a guarantee of future returns. Inception dates for the Funds: KiwiSaver Active Growth Fund: 1 October 2007, KiwiSaver Balanced Fund: 1 April 2010, KiwiSaver Conservative Fund: 1 October 2012, KiwiSaver Aggressive Fund: 1 August 2019, KiwiSaver Cash Fund: 27 March 2020, KiwiSaver Moderate Fund: 27 March 2020. [^]Based on the performance of the AonSaver AMT Milford Aggressive Fund until 31 March 2010 and the Milford KiwiSaver Active Growth Fund from 1 April 2010.

Milford KiwiSaver Plan is the proud winner of multiple awards:



PROVIDER OF THE YEAR
KIWISAVER 2020 - 2023



OUTSTANDING VALUE
KIWISAVER SCHEME 2020 - 2023

Key Market Indices

	Past month	1 year	3 years (p.a.)	5 years (p.a.)	7 years (p.a.)
S&P/NZX 50 Gross Index (with imputation credits)	-1.19%	-0.83%	-1.74%	2.99%	7.26%
S&P/ASX 200 Accumulation Index (AUD)	1.01%	12.1%	6.37%	7.26%	8.67%
MSCI World Index (local currency)*	2.32%	21.32%	8.43%	12.51%	11.43%
MSCI World Index (NZD)*	2.88%	20.84%	11.84%	13.97%	13.83%
S&P/NZX NZ Government Bond Index	1.1%	4.68%	-2.32%	-1.03%	0.99%
Bloomberg Global Agg. Bond (USD-Hedged)	0.87%	4.2%	-1.57%	0.25%	1.49%
S&P/NZX 90-Day Bank Bill Rate	0.46%	5.8%	3.56%	2.43%	2.29%

*With net dividends reinvested

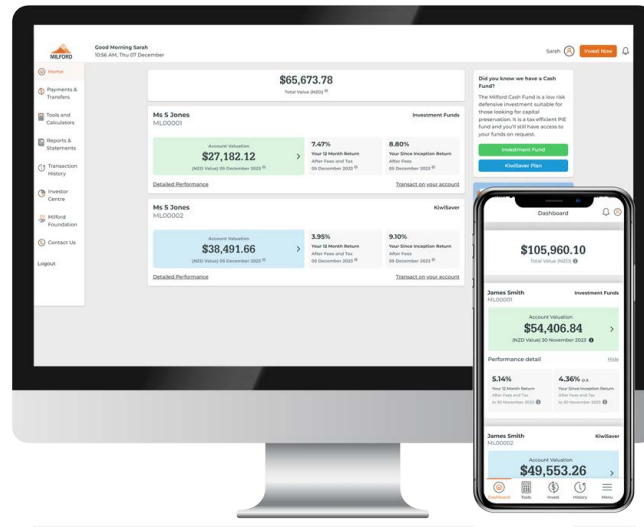
Milford staff and their families have approx. \$39.4 million invested in Milford's KiwiSaver Plan as of June 2024.

Milford Digital Tools

The Milford client portal & app

We understand that transparency is important because it's your money

Clients have access to a dedicated Milford mobile app and online portal that gives full visibility over where your money is invested and how it is performing at all times.



Need help choosing the right fund?

Access our expert digital advice to help guide you on your way

Whether you're saving for your first home, building your savings or about to retire, our digital advice can help you invest with confidence.

- ✓ Understand your risk tolerance
- ✓ Estimate your future balance
- ✓ Choose the right Milford Fund for you
- ✓ Estimate how much future income your investment could provide
- ✓ Free to use, no financial advice fee
- ✓ No obligation to invest with us.



Get digital advice at milfordasset.com/digital-adviser

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