



September 2025

# A purple patch

Milford's Funds continue to deliver positive returns, supported by performance of share and bond markets. Through all the noise, global share markets continue to march higher. Global bond markets are also delivering positive performance as central banks continue on their interest rate cutting cycles.

Global share market performance was boosted last month by renewed optimism around the outlook for AI and technology companies. Increased expectations of demand for data centres were fuelled by software company Oracle (which we own) who announced a large pipeline of deals, sending the stock up 24.4% in the month. In turn, this supported share prices of other technology companies including our picks Nvidia (+7.1%), TSMC (+21.3%) and Google (+14.2%). Nontechnology stocks were more mixed last month. Bank stocks took a breather after a strong run, but Bank of Ireland (+10.9%) bucked the trend.

NZ assets did well last month, with NZ bonds a notable outperformer on the back of weaker second quarter GDP data. We have had heavier exposure to NZ bonds (vs global bonds) and this position has paid off over recent months. NZ shares rallied, albeit less than global shares. Real estate developer Precinct Properties (+6.6%), infrastructure investment company Infratil (+8.7%) and fuel import terminal Channel Infrastructure (+12.7%) were notable performers for us. Australian shares underperformed, finishing down on the month as bank stocks weighed. Gold miners such as Newmont (+15.9%) performed well on the back of a breakout in the gold price.

Bond markets saw broad rallies last month as the US Federal Reserve cut interest rates. Expectations of lower interest rates in the US also appears to be fuelling stock market gains. The US economy is bifurcated, with weak employment market contrasting a booming AI technology sector. Meanwhile, the rest of the world is growing steadily, supported by falling inflation and interest rates.

Performance of asset markets and valuations already reflect a large degree of optimism from investors. Economic fundamentals remain supportive into next year in most regions that we invest in. The key risk is that valuations have run somewhat ahead of the fundamentals. That said, we continue to find reasonably valued investment opportunities, supporting the outlook for returns.



#### **Milford Investment Funds**

|                                 | Past month | 1 year | 3 years<br>(p.a.) | 5 years<br>(p.a.) | Since Fund inception (p.a.) | Unit price \$ | Fund size \$ |
|---------------------------------|------------|--------|-------------------|-------------------|-----------------------------|---------------|--------------|
| Multi-Asset Funds               |            |        |                   |                   |                             |               |              |
| Conservative Fund*              | 0.50%      | 6.57%  | 7.66%             | 4.05%             | 5.23%                       | 1.3132        | 812.9 M      |
| Diversified Income Fund*        | 0.36%      | 7.53%  | 8.39%             | 5.98%             | 9.05%                       | 2.0341        | 3,266.2 M    |
| Balanced Fund                   | 1.42%      | 10.83% | 10.34%            | 7.98%             | 9.14%                       | 3.6964        | 2,379.3 M    |
| Active Growth Fund              | 2.03%      | 13.65% | 14.51%            | 10.68%            | 11.80%                      | 6.8590        | 5,477.0 M    |
| Australian Absolute Growth Fund | 0.46%      | 5.31%  | 6.19%             | 8.42%             | 7.76%                       | 1.7463        | 185.4 M      |
| Aggressive Fund                 | 2.36%      | 13.09% | 15.43%            | _                 | 8.17%                       | 1.3907        | 3,508.0 M    |
| Cash and Fixed Income Funds     | s          |        |                   |                   |                             |               |              |
| Trans-Tasman Bond Fund*^        | 0.44%      | 5.73%  | 7.02%             | 2.33%             | 4.27%                       | 1.2054        | 1,675.0 M    |
| Global Corporate Bond Fund*^    | 0.74%      | 3.36%  | 6.85%             | 2.30%             | 3.40%                       | 1.0728        | 478.9 M      |
| Cash Fund                       | 0.28%      | 4.06%  | 4.92%             | 3.33%             | 2.84%                       | 1.2025        | 944.7 M      |
| <b>Equity Funds</b>             |            |        |                   |                   |                             |               |              |
| Global Equity Fund <sup>†</sup> | 3.08%      | 15.25% | 16.38%            | 9.93%             | 9.79%                       | 3.1539        | 1,830.2 M    |
| Trans-Tasman Equity Fund*       | 0.84%      | 6.41%  | 11.08%            | 8.17%             | 10.49%                      | 4.6485        | 814.1 M      |
| Dynamic Fund#                   | 2.23%      | 19.06% | 17.88%            | 12.86%            | 12.76%                      | 4.1500        | 879.4 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.

### **Upcoming Distributions**

| Fund                       | Target                 | Payment Date |
|----------------------------|------------------------|--------------|
| Conservative Fund          | 0.85 cents (Quarterly) | 15/10/2025   |
| Diversified Income Fund    | 1.55 cents (Quarterly) | 12/11/2025   |
| Trans-Tasman Bond Fund     | 0.85 cents (Quarterly) | 10/12/2025   |
| Global Corporate Bond Fund | 0.85 cents (Quarterly) | 10/12/2025   |

Milford, its staff and their families, have approx. \$131.4 million invested in Milford's Investment Funds as of September 2025.

<sup>^</sup> 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.

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

<sup>#</sup> Closed to new investment.

# Milford Fund Performance as at 30 September 2025

#### Milford KiwiSaver Plan

|                              | Past month | 1 year | 3 years<br>(p.a.) | 5 years<br>(p.a.) | Since Fund inception (p.a.) | Unit price \$ | Fund size \$ |
|------------------------------|------------|--------|-------------------|-------------------|-----------------------------|---------------|--------------|
| KiwiSaver Conservative Fund  | 0.49%      | 6.45%  | 7.62%             | 4.11%             | 6.87%                       | 2.3241        | 378.4 M      |
| KiwiSaver Moderate Fund      | 0.98%      | 8.88%  | 9.13%             | 5.98%             | 7.27%                       | 1.4627        | 267.0 M      |
| KiwiSaver Balanced Fund      | 1.46%      | 11.37% | 10.74%            | 8.17%             | 9.37%                       | 3.8183        | 2,163.3 M    |
| KiwiSaver Active Growth Fund | 2.14%      | 13.78% | 14.45%            | 10.99%            | 11.93%                      | 6.9975        | 7,963.9 M    |
| KiwiSaver Aggressive Fund    | 2.35%      | 12.98% | 15.34%            | 10.67%            | 11.47%                      | 1.9365        | 2,768.2 M    |
| KiwiSaver Cash Fund          | 0.28%      | 4.07%  | 4.92%             | 3.33%             | 3.05%                       | 1.1802        | 147.8 M      |

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







# **Key Market Indices**

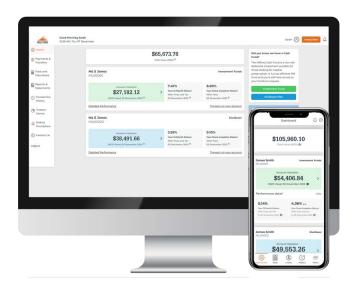
|  | Past month | 1 year | 3 years (p.a.) | 5 years (p.a.) | 7 years (p.a.) |
|--|------------|--------|----------------|----------------|----------------|
| S&P/NZX 50 Gross Index (with imputation credits) | 3.04%      | 7.75%  | 7.15%          | 3.29%          | 5.98%          |
| S&P/ASX 200 Accumulation Index (AUD)             | -0.78%     | 10.56% | 15.16%         | 12.98%         | 9.26%          |
| MSCI World Index (local currency)*               | 3.23%      | 16.78% | 22.41%         | 14.87%         | 12.17%         |
| MSCI World Index (NZD)*                          | 4.89%      | 28.48% | 22.64%         | 17.42%         | 14.09%         |
| S&P/NZX NZ Government Bond Index                 | 1.41%      | 5.65%  | 5.14%          | -0.77%         | 1.52%          |
| Bloomberg Global Agg. Bond (USD-Hedged)          | 0.74%      | 3.06%  | 5.19%          | 0.36%          | 2.31%          |
| S&P/NZX 90-Day Bank Bill Rate                    | 0.27%      | 4.11%  | 4.93%          | 3.29%          | 2.74%          |

<sup>\*</sup>With net dividends reinvested

# 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

This digital advice tool is provided by Milford Private Wealth Limited, a licensed Financial Advice Provider (FSP391786), part of the Milford Group. For more information about our financial advice services, visit https://milfordasset.com/getting-advice. The tools' projections are estimates only and not a guaranteed outcome; projections are based on Milford's own fund return assumptions; projections are based on the information you provide. The advice wouldn't be suitable for other providers' products.