

Milford

Monthly Fund Overview

July 2024

Artificial Enthusiasm

July proved to be a whirlwind month, with large swings in stocks, bonds and currencies. Pleasingly, our funds fared well, delivering strong gains across the board and building on the solid returns delivered over the past year.

Investor enthusiasm around artificial intelligence is starting to wane, as investors seek certainty on the revenue opportunities to justify the significant investments companies are making. Shifting sentiment around this theme, coupled with the sheer size of technology companies, means share price swings for these companies is causing increased volatility for global share benchmarks.

Global shares finished the month modestly higher, but this masked some large divergences under the surface. Our healthcare picks performed well in July, aided by stronger earnings, defensive qualities and improving chances of Democratic party victory in the US election. Hospital operator HCA Healthcare added 13.0% and life sciences company Avantor rallied 26.2%. We have continued to heavily invest in UK stocks; they are cheap, underappreciated and should benefit from falling UK interest rates. NatWest Group was up 18.1% whilst recent addition National Grid rallied 11.7%.

New Zealand's economy is deteriorating and the RBNZ signaled optimism last month that falling inflation would allow them to reduce interest rates. This sparked a sharp rally in domestic bonds and shares, whilst the NZ dollar fell.

Our funds had been positioned well for this, with increased exposure to NZ bonds and shares and lower exposure to the Kiwi dollar. Australian shares were also a strong performer last month, with the ASX 200 index up over 4%.

Central banks around the world are slowly cutting interest rates, as inflation has fallen sufficiently close to their targets. Weaker growth could be met with faster or larger cuts to cushion economies, but there is considerable uncertainty about how much growth this might stimulate. A "soft landing" (an economic slowdown without a recession) remains the most likely path ahead, but risks remain in both directions and outcomes diverge for different economies. This continues to be a fertile backdrop for active investment management, affording plenty of opportunities to express views across asset classes and stock selection.

Milford Fund Performance as at 31 July 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 [†]	2.76%	9.24%	2.58%	3.50%	5.00%	1.2499	556.0 M
Diversified Income Fund [†]	2.40%	8.92%	3.88%	4.49%	9.13%	1.9409	2,732.6 M
Balanced Fund	3.45%	11.41%	5.08%	7.37%	9.15%	3.3491	1,803.2 M
Active Growth Fund	4.35%	14.82%	6.71%	9.66%	11.81%	6.0480	3,801.3 M
Australian Absolute Growth Fund	1.74%	6.84%	5.48%	8.28%	8.43%	1.6688	748.0 M
Aggressive Fund	3.08%	16.60%	6.13%	—	7.03%	1.2297	2,074.7 M
Cash and Fixed Income Funds							
Trans-Tasman Bond Fund ^{††}	2.41%	9.01%	1.27%	1.98%	4.03%	1.1631	1,313.4 M
Global Corporate Bond Fund ^{††}	2.31%	9.18%	0.53%	2.00%	3.10%	1.0508	333.2 M
Cash Fund	0.54%	5.84%	3.79%	2.57%	2.53%	1.1450	729.3 M
Equity Funds							
Global Equity Fund [†]	3.10%	17.36%	4.71%	11.24%	9.59%	2.7723	486.1 M
Trans-Tasman Equity Fund [†]	3.91%	8.83%	4.07%	8.03%	10.75%	4.3218	653.3 M
Dynamic Fund [#]	3.33%	15.01%	5.85%	11.35%	12.23%	3.4334	748.2 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)	16/10/2024
Diversified Income Fund	1.7 cents (Quarterly)	14/08/2024
Trans-Tasman Bond Fund	0.95 cents (Quarterly)	11/09/2024
Global Corporate Bond Fund	0.85 cents (Quarterly)	11/09/2024

Milford, its staff and their families, have approx. \$139.6 million invested in Milford's Investment Funds as of July 2024.

Milford Fund Performance as at 31 July 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	2.38%	8.91%	2.60%	3.52%	6.85%	2.1506	256.0 M
KiwiSaver Moderate Fund	2.71%	10.11%	3.77%	—	7.02%	1.3364	179.2 M
KiwiSaver Balanced Fund	3.37%	11.70%	5.16%	7.52%	9.36%	3.4459	1,547.0 M
KiwiSaver Active Growth Fund [^]	4.25%	14.99%	6.87%	9.85%	11.94%	6.1704	5,717.6 M
KiwiSaver Aggressive Fund	3.06%	16.50%	6.12%	11.53%	11.53%	1.7142	1,700.6 M
KiwiSaver Cash Fund	0.54%	5.85%	3.79%	—	2.72%	1.1237	128.1 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)	5.9%	3.78%	0.31%	3.48%	7.98%
S&P/ASX 200 Accumulation Index (AUD)	4.19%	13.53%	7.44%	7.52%	9.31%
MSCI World Index (local currency)*	1.25%	19.35%	8.27%	12.52%	11.4%
MSCI World Index (NZD)*	4.4%	23.99%	12.75%	14.44%	14.53%
S&P/NZX NZ Government Bond Index	2.54%	7.54%	-1.87%	-0.67%	1.29%
Bloomberg Global Agg. Bond (USD-Hedged)	1.93%	6.18%	-1.34%	0.47%	1.72%
S&P/NZX 90-Day Bank Bill Rate	0.49%	5.81%	3.72%	2.49%	2.34%

*With net dividends reinvested

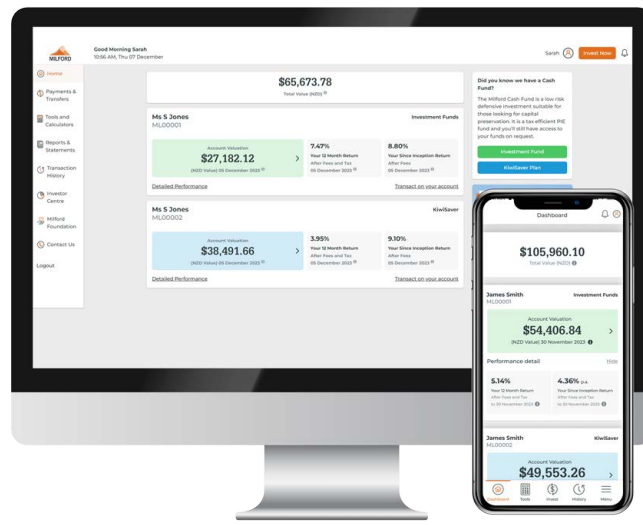
Milford staff and their families have approx. \$42.1 million invested in Milford's KiwiSaver Plan as of July 2024.

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.



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