# Milford
# Monthly Fund Overview

September 2026

## Resilience has consequences

September saw divergent fortunes for various asset classes. Bonds were markedly weaker, broad share markets also struggled but large technology stocks saw strong gains. Funds with greater exposure to global technology shares benefited, while funds with bonds and Australasian equities did not.

With the global economy proving resilient to shocks, focus has turned to how much central banks need to raise interest rates to restrain elevated inflation. A range of central banks are now hiking, joined in September by the US Federal Reserve. Expectations of further rate hikes increased across developed economies, sending bond prices lower and yields higher.

Our fixed income exposure has been concentrated in shorter dated NZ bonds and whilst these have outperformed other parts of the bond market, NZ bond prices were also weaker on the month, weighing on our low-risk funds. We continue to add to this position as the risk/return looks increasingly attractive.

Broad share markets fell modestly in September. However, that masked a wide range of outcomes, with large technology company shares significantly outperforming the rest. Investor enthusiasm for tech was reignited by Meta's announcement of its new AI agent, Muse. This benefited Meta shares (+26.8%), while also benefiting semiconductors with Nvidia (+3.6%) and Taiwan Semiconductor (+10.1%) – all key performers for us. Outside of tech, the prospect of more meaningful periods of interest rate increases weighed on interest rate sensitive stocks, with financials, real estate and utilities most affected. Australia and New Zealand shares were lower, falling 2.4% and 0.4% respectively given their limited technology exposure.

Looking forward, strong global growth alongside elevated inflation is a reasonable backdrop for shares. Against that, central banks are newly emboldened to fight inflation by raising interest rates, increasing the risk of slower economic growth ahead. This is the consequence of resilience: a stronger central bank focus on fighting inflation and the potential volatility that comes with it. Bonds have borne the brunt of this in recent months, but if growth weakens, they would likely rally, meaning these assets remain useful in diversified portfolios. In shares, we remain constructive on technology while having reduced exposure to non-tech parts of the market, most notably Australian and New Zealand shares.

MILFORD
INVESTED IN YOU

**Milford Asset Management**
Level 12, 50 Albert Street, Auckland 1010
Phone: 0800 662 345
Email: Info@milfordasset.com
milfordasset.com

# Milford Fund Performance as at 30 September 2026

## Milford Investment Funds

| | Past month | 1 year | 3 years (p.a.) | 5 years (p.a.) | 10 years (p.a.) | Since Fund inception (p.a.) | Fund size $ |
|---|---|---|---|---|---|---|---|
| **Multi-Asset Funds** | | | | | | | |
| Conservative Fund* | -1.11% | -0.62% | 5.78% | 2.98% | 4.35% | 4.69% | 928.0 M |
| Diversified Income Fund* | -1.48% | 0.87% | 7.16% | 4.00% | 5.88% | 8.53% | 3,668.1 M |
| Balanced Fund | -0.40% | 1.89% | 8.61% | 5.25% | 7.53% | 8.69% | 2,736.9 M |
| Active Growth Fund | -0.08% | 2.52% | 11.27% | 6.85% | 9.38% | 11.29% | 6,015.3 M |
| Australian Absolute Growth Fund | -1.18% | 0.34% | 5.09% | 4.04% | — | 6.87% | 159.0 M |
| Aggressive Fund | 1.04% | 6.77% | 14.22% | 7.79% | — | 7.91% | 4,495.0 M |
| **Cash and Fixed Income Funds** | | | | | | | |
| Trans-Tasman Bond Fund*^ | -0.85% | 0.46% | 5.60% | 2.53% | 3.17% | 3.97% | 2,176.8 M |
| Global Corporate Bond Fund*^ | -2.73% | -2.85% | 4.19% | 1.03% | — | 2.74% | 406.5 M |
| Cash Fund | 0.25% | 2.66% | 4.18% | 3.79% | — | 2.82% | 1,025.2 M |
| **Equity Funds** | | | | | | | |
| Global Equity Fund† | 1.65% | 9.66% | 15.90% | 8.01% | 10.97% | 9.78% | 3,068.5 M |
| Trans-Tasman Equity Fund* | -1.46% | -1.82% | 6.95% | 2.88% | 9.16% | 9.81% | 780.2 M |
| Dynamic Fund# | -2.59% | -8.60% | 8.92% | 4.65% | 9.86% | 10.96% | 947.1 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: 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 | 0.6 cents (Quarterly) | 14/10/2026 |
| Diversified Income Fund | 0.95 cents (Quarterly) | 18/11/2026 |
| Trans-Tasman Bond Fund | 0.7 cents (Quarterly) | 16/12/2026 |
| Global Corporate Bond Fund | 0.55 cents (Quarterly) | 16/12/2026 |

**Milford, its staff and their families, have approx. $178.3 million invested in Milford's Investment Funds as of September 2026.**

# Milford Fund Performance as at 30 September 2026

## Milford KiwiSaver Plan

| | Past month | 1 year | 3 years (p.a.) | 5 years (p.a.) | 10 years (p.a.) | Since Fund inception (p.a.) | Fund size $ |
|---|---|---|---|---|---|---|---|
| KiwiSaver Conservative Fund | -1.22% | -0.60% | 5.77% | 2.99% | 4.32% | 6.31% | 463.9 M |
| KiwiSaver Moderate Fund | -0.39% | 1.04% | 7.38% | 4.23% | — | 6.29% | 342.6 M |
| KiwiSaver Balanced Fund | -0.32% | 2.58% | 9.15% | 5.52% | 7.77% | 8.94% | 2,625.5 M |
| KiwiSaver Active Growth Fund^ | 0.16% | 3.40% | 11.68% | 7.13% | 9.63% | 11.46% | 9,118.8 M |
| KiwiSaver Aggressive Fund | 1.20% | 6.74% | 14.11% | 7.75% | — | 10.80% | 3,480.3 M |
| KiwiSaver Cash Fund | 0.25% | 2.65% | 4.18% | 3.79% | — | 2.99% | 201.2 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: 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 Consumer NZ People's Choice for ninth consecutive year**

## 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) | -0.4% | 4.79% | 7.76% | 1.61% | 4.2% |
| S&P/ASX 200 Accumulation Index (AUD) | -2.42% | 2.68% | 11.4% | 7.68% | 7.85% |
| MSCI World Index (local currency)* | -0.78% | 16.18% | 20.95% | 12.48% | 14.13% |
| MSCI World Index (NZD)* | 3.53% | 18.51% | 23.94% | 16.47% | 15.67% |
| S&P/NZX NZ Government Bond Index | -1.24% | -0.34% | 5.63% | 0.64% | 0.15% |
| Bloomberg Global Agg. Bond (USD-Hedged) | -1.64% | -0.64% | 4.24% | 0.34% | 0.75% |
| S&P/NZX 90-Day Bank Bill Rate | 0.23% | 2.61% | 4.17% | 3.75% | 2.84% |

*With net dividends reinvested

**Milford staff and their families have approx. $73.0 million invested in Milford's KiwiSaver Plan as of September 2026.**

Disclaimer: This document has been prepared by Milford Funds Limited. It is based on information believed to be accurate and reliable although no guarantee can be given that this is the case. No reproduction of any material either in part or in full is permitted without prior permission. For more information about the Funds please refer to the Product Disclosure Statement or the latest Quarterly Fund Update.