

# Milford Monthly Fund Overview

May 2025

## It's all about the TACO (“Trump Always Chickens Out”)

After a volatile April, global share markets continued their climb in May leaving global shares close to all-time highs. Milford's funds delivered solid performance on the back of these moves with many of our holdings posting strong gains last month.

Investors are being whiplashed by US policy announcements. Aggressive tariff policy is announced, only to be paused or rescinded a couple of days later. This has come to be known as the TACO trade, on account of Trump's swift retreat from his own more market unfriendly tariff policy announcements. It also means that investors are increasingly accustomed to these policy announcements, and there is a growing sense of complacency among investors.

Our global stock picks delivered much of the gains last month. European bank stocks continue to show strong returns, with Bank of Ireland (+17.0%), Commerzbank (+17.4%) and NatWest Group (+9.7%) notable performers. Technology stocks have recovered well too, with Amazon (+11.2%), Meta (+17.9%) and Intuit (+20.1%) highlights for us. On the flipside, US payment processor Fiserv disappointed last month (-11.8%), but we maintained our holdings. Australian and NZ stocks also rallied, including good

performance from fuel import terminal Channel Infrastructure (+12.1%) and real estate company Precinct Properties (+9.0%). In Australia, we saw strong performance from our gold stocks such as Genesis Minerals (+22.3%), as well as family tracking app company Life360 (+51.9%).

Bond markets remain volatile as investors try and understand the trajectory of global growth and government spending (that will need to be financed by bonds). Corporate bonds outperformed government bond equivalents, helping our performance as we typically invest in corporate bonds.

Government policy continues to dominate monetary policy in importance for investors. Central banks are either sidelined by the inflation outlook (e.g. the US), or have already reduced interest rates towards neutral. That said, central banks will respond to much weaker growth with further cuts. This means short-term bonds offer some value for diversified portfolios. Meanwhile, governments continue to spend (across the US, Europe & China), reducing the likelihood of economic weakness. This creates a reasonable outlook for investments going forward, once we can move past the policy uncertainty.

# Milford Fund Performance as at 31 May 2025

## Milford Investment Funds

	Past month	1 year	3 years (p.a.)	5 years (p.a.)	Since Fund Inception (p.a.)	Unit price \$	Fund size \$
<b>Multi-Asset Funds</b>							
Conservative Fund <sup>†</sup>	0.69%	8.63%	6.12%	4.24%	5.13%	1.2880	709.4 M
Diversified Income Fund <sup>†</sup>	0.93%	9.48%	6.31%	6.15%	9.05%	1.9940	2,913.5 M
Balanced Fund	1.99%	9.23%	7.49%	8.07%	8.99%	3.5190	2,113.4 M
Active Growth Fund	3.36%	10.98%	9.87%	10.85%	11.62%	6.4219	4,599.8 M
Australian Absolute Growth Fund	2.16%	-0.16%	3.36%	7.85%	7.20%	1.6410	329.4 M
Aggressive Fund	4.80%	7.95%	10.18%	—	6.57%	1.2778	2,860.3 M
<b>Cash and Fixed Income Funds</b>							
Trans-Tasman Bond Fund <sup>††</sup>	0.35%	7.64%	5.68%	2.35%	4.15%	1.1906	1,396.5 M
Global Corporate Bond Fund <sup>††</sup>	0.00%	6.13%	3.98%	2.25%	3.15%	1.0565	441.1 M
Cash Fund	0.29%	4.85%	4.84%	3.12%	2.81%	1.1892	845.7 M
<b>Equity Funds</b>							
Global Equity Fund <sup>†</sup>	4.71%	7.14%	10.89%	9.82%	9.18%	2.8569	1,485.6 M
Trans-Tasman Equity Fund <sup>†</sup>	4.71%	6.50%	7.20%	8.43%	10.35%	4.4017	771.3 M
Dynamic Fund <sup>#</sup>	5.49%	9.37%	10.65%	12.16%	11.90%	3.6480	795.3 M

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

<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.

## Upcoming Distributions

Fund	Target	Payment Date
Conservative Fund	0.85 cents (Quarterly)	16/07/2025
Diversified Income Fund	1.55 cents (Quarterly)	13/08/2025
Trans-Tasman Bond Fund	0.85 cents (Quarterly)	11/06/2025
Global Corporate Bond Fund	0.85 cents (Quarterly)	11/06/2025

**Milford, its staff and their families, have approx. \$120.6 million invested in Milford's Investment Funds as of May 2025.**

# Milford Fund Performance as at 31 May 2025

## 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	0.88%	8.39%	6.16%	4.25%	6.84%	2.2659	345.7 M
KiwiSaver Moderate Fund	1.61%	8.74%	6.79%	5.98%	6.96%	1.4081	228.0 M
KiwiSaver Balanced Fund	2.22%	9.22%	7.58%	8.24%	9.20%	3.6235	1,863.0 M
KiwiSaver Active Growth Fund <sup>^</sup>	3.58%	10.67%	9.76%	11.08%	11.73%	6.5353	6,841.9 M
KiwiSaver Aggressive Fund	4.76%	7.86%	10.11%	10.89%	10.55%	1.7805	2,258.9 M
KiwiSaver Cash Fund	0.30%	4.85%	4.84%	3.12%	3.03%	1.1670	159.5 M

For details of how investment performance is calculated, and returns at each PIR please see [www.milfordasset.com/funds-performance/view-performance#tabperformance](http://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. <sup>^</sup>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 - 2024



**OUTSTANDING VALUE**  
KIWISAVER SCHEME 2020 - 2024

## 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)	4.34%	5.43%	4.01%	3.45%	6.12%
S&P/ASX 200 Accumulation Index (AUD)	4.2%	13.36%	9.62%	12.11%	9.06%
MSCI World Index (local currency)*	5.93%	12.14%	13.18%	14.39%	11.3%
MSCI World Index (NZD)*	5.28%	17.02%	16.49%	15.02%	13.51%
S&P/NZX NZ Government Bond Index	-0.47%	6.85%	2.8%	-1.15%	1.27%
Bloomberg Global Agg. Bond (USD-Hedged)	-0.33%	6.06%	2.74%	0.17%	2.01%
S&P/NZX 90-Day Bank Bill Rate	0.31%	4.9%	4.83%	3.07%	2.67%

\*With net dividends reinvested

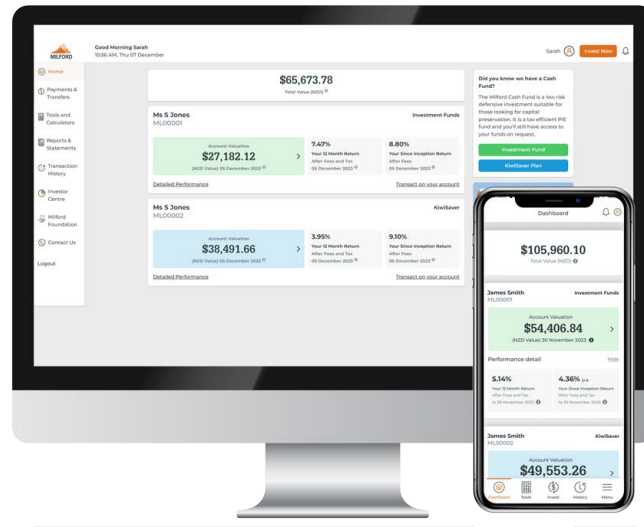
Milford staff and their families have approx. \$48.3 million invested in Milford's KiwiSaver Plan as of May 2025.

# 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](https://milfordasset.com/digital-adviser)

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