

Milford Australian Absolute Growth Fund - R Class

January 2025



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager



Jason Kururangi
Co-Portfolio Manager

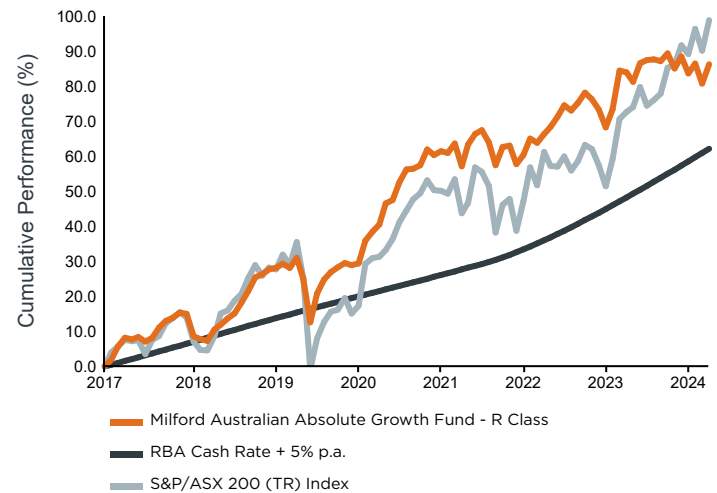
We were pleased with the performance of the Fund, which rallied 3.1% over the month, outperforming its benchmark return of 0.8%. January was a strong month for global equity markets as markets recovered post a weak December, with a general risk on sentiment permeating through global markets.

The ASX performed well in the context of global markets with gold remaining a standout, supported by a higher gold price amidst still heightened geopolitical risks and falling bond rates. The Fund remains constructive on the gold complex, and our key winners after strong quarterlies included Genesis Minerals (+29.1%), Evolution Mining (+18.5%), Newmont (+16.2%), Northern Star (+12.0%) and the soon to be acquired De Grey (+13.9%).

Arcadium Lithium was also a strong contributor in the resources space after it received approval from the Committee on Foreign Investment in the United States to be acquired by Rio Tinto, allowing the stock to trade back up towards the offer price (+12.3%). Sticking with materials, BlueScope Steel also performed well during the month benefiting from an expectation of tariffs to be erected by the US to support the domestic steel market, which should be supportive of steel spreads.

We expect to see continued volatility in markets as the market continues to react to a news flow driven Trump presidency. The implications from recently announced and postponed tariffs, coupled with retaliatory economic policy out of markets like China, heightens near term global uncertainty. So while we remain constructive on the Australian economy given solid fiscal support, as well as an increasing likelihood of interest rate cuts from the RBA, we must also put this in context of full valuations, global uncertainty, market concentration and a yet to be fought federal election in Australia. On the back of this we will continue to remain at a prudent invested level, with flexibility to protect capital in the event of volatility, looking to deploy capital into weakness, as well as in any opportunities in our upcoming reporting season.

Cumulative Performance (after fees and expenses) 31 January 2025¹



Performance since inception and assumes reinvestment of distributions. Past performance is not a reliable indicator of future performance.

Key Fund Facts

Objective	Absolute returns with an annualised return of 5% above the RBA Cash Rate while seeking to preserve investor capital over rolling three-year periods.
Description	A diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities and cash. May use derivatives and foreign currency hedging.
Benchmark	RBA Cash Rate + 5% p.a.
APIR	ETL1090AU
Redemption Price as at 31 Jan	\$0.9413
Fund Size*	\$477.4 Million
Inception Date	October 2017
Minimum Investment	\$1,000
Recommended Investment Timeframe	7 years +
Buy-sell Spread	+/-0.20%
Entry/Exit Fee	Nil
Management Fee	1.05%
Performance Fee	15.35% p.a. of returns above the benchmark subject to achieving the high watermark.
Fund Pricing	Daily
Distribution Frequency	Biannual

*The Fund Size represents the total assets of the fund

Milford Australian Absolute Growth Fund as at 31 January 2025

Investment Performance to 31 January 2025²

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.) ³
Milford Australian Absolute Growth Fund - R Class ⁴	3.08%	1.45%	1.28%	5.82%	7.29%	8.85%
RBA Cash Rate + 5% p.a.	0.76%	2.28%	9.37%	8.28%	7.03%	6.81%
Excess Return	2.32%	-0.83%	-8.09%	-2.46%	0.26%	2.04%
S&P/ASX 200 (TR) Index	4.57%	5.11%	15.17%	11.43%	7.97%	9.82%
Excess Return	-1.49%	-3.66%	-13.89%	-5.61%	-0.68%	-0.97%

Past performance is not a reliable indicator of future performance. Returns greater than one year are annualised.

Top Security Holdings

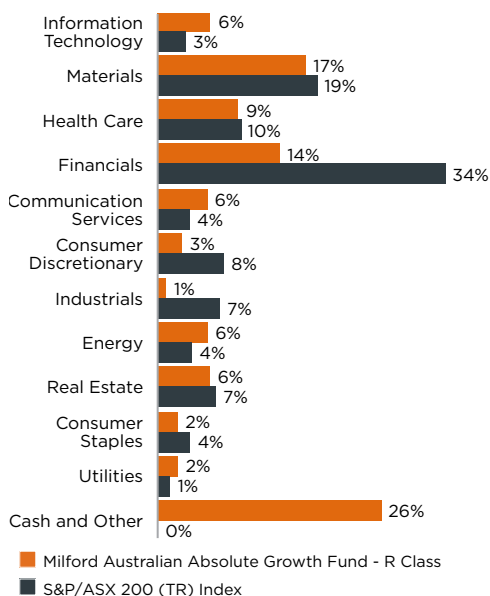
Holdings	% of Fund
CSL	5.09%
BHP	4.07%
NAB	3.02%
Amcor	2.76%
Viva Energy Group	2.52%
Xero	2.48%
Macquarie	2.42%
Teck Resources	1.90%
Spark	1.86%
ANZ	1.83%

Current Asset Allocation

	Actual	Typical Range	Maximum Range
Australasian Equities	72.17%	75-85%	30-100%
Derivatives	-4.74%	NA	NA [^]
International Equities	6.47%	0-10%	0-20%
Cash and Other	21.24%	0-20%	0-50%

[^] Refer to PDS for limits on derivative exposure.

Sector Allocation



Fund Changes

There have been no material changes to the Fund's risk profile or strategy since the last monthly report. There have been no changes to the key service providers or individuals playing a key role in investment since the last monthly report.



Milford Australian Absolute Growth Fund as at 31 January 2025

1. Cumulative performance since inception, after all fees and expenses, and assumes reinvestment of distributions. 2. Past performance is not a reliable indicator of future performance. Returns greater than one year are annualised. 3. Inception date of the Fund is 02 October 2017. 4. The performance stated combines the performance of the Australian Absolute Growth Fund - W Class from 2 October 2017 to 30 June 2021, and the performance of the Milford Australian Absolute Growth Fund - R Class thereafter.

Disclaimer: Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the responsible Entity for the Milford Australian Absolute Growth Fund - R Class. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). This Monthly Fact Sheet has been prepared by Milford Australia Pty Ltd. as the Investment Manager, to provide you with general information only. In preparing this Monthly Fact Sheet, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Milford Australia Pty Ltd., Equity Trustees nor any of their related parties, employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance is not a reliable indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product.

Milford Australian Absolute Growth Fund - R Class's Target Market Determination is available at <https://milfordasset.com.au/documents-and-forms>. The Target Market Determination is a document describing who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.