Milford Australian Absolute Growth Fund - R Class

November 2024

Portfolio Managers

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The Fund rose 1.6% over the month, outperforming its benchmark by 0.8%, underperforming the broader ASX 200.

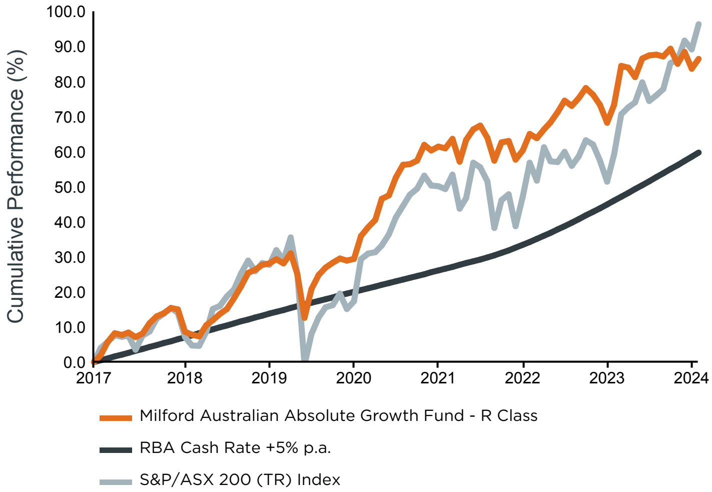
November was a strong month for global equity markets as animal spirits soared post a Trump election win. Within Australia, stocks with higher US exposure were strong performers, benefiting from positivity on a pro-growth president that is expected to cut red tape and decrease US corporate taxes in an environment of falling cash rates.

Key positive contributors included our position in Sigma Healthcare (+47.4%), which rallied materially post confirmation that its transaction to acquire Chemist Warehouse Group could go ahead from the ACCC (Australian Competition and Consumer Commission). It also included commendable performances from Xero (+16.3%) on the back of a strong set of results which saw them beat market expectations on EBITDA (earnings before interest, taxes, depreciation and amortisation), and drove positive earnings revisions. Our position in general insurer IAG (+13.7%) was also a strong contributor.

Resources were one of the worst-performing sectors during the month, with gold selling off and gold miners lagging behind. This led to a significant decline in our small holding in Bellevue Gold (-21.2%). Larger position BHP was also disappointing in November (-4.9%) as it continued to unwind the China stimulus rally of late October, as well as speculation continuing to mount around another bid likely to emerge for Anglo American.

We expect to see continued volatility in markets as the market digests what a Trump presidency means for the global economy. There are several moving chess pieces, particularly here with implications for global trade and, by extension, the potential for shifting economic policy out of China. While we remain constructive on the Australian economy and markets in the near-term we must also appreciate extreme valuations and concentration in markets as a considerable risk factor for 2025. Given this backdrop, we continue to like being diversified, while continuing to manage positions actively where fundamentals run ahead. Into December we will continue to remain at a prudent invested level, with an ability to protect capital in the event of a volatility event in global markets.

Investment Performance to November 2024[1]



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 30 Nov	$0.9489
Fund Size*	$473.1 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

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Investment Performance to November 2024 [2]

	1 Month	6 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.) [3]
Milford Australian Absolute Growth Fund - R Class [4]	1.55%	-0.63%	7.59%	5.03%	7.59%	9.08%
Benchmark	0.74%	4.58%	9.37%	8.04%	6.91%	6.75%
Excess Return	0.81%	-5.21%	-1.78%	-3.01%	0.68%	2.33%
S&P/ASX 200 (TR) Index	3.79%	11.53%	23.42%	9.55%	8.27%	9.87%
Excess Return	-2.24%	-12.16%	-15.83%	-4.52%	-0.68%	-0.79%

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

Top Security Holdings

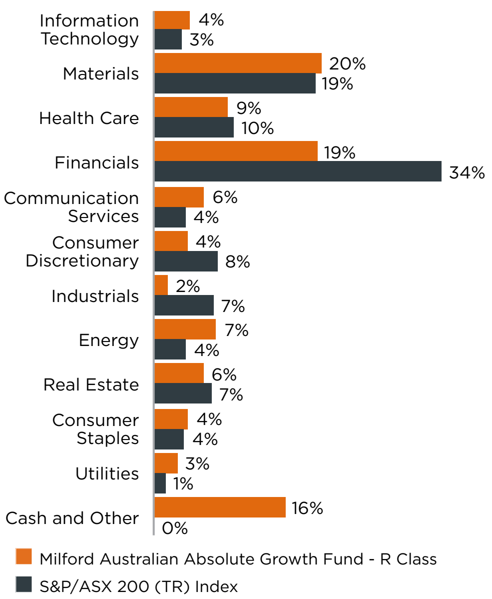
Holdings	% of Fund
CSL	5.07%
BHP	4.49%
Macquarie	3.53%
Telstra	2.98%
ANZ	2.97%
NAB	2.97%
Goodman	2.83%
Woolworths	2.73%
Santos	2.63%
Viva Energy Group	2.25%

Current Asset Allocation

	Actual	Typical Range	Maximum Range
Australasian Equities	71.80%	75-85%	30-100%
Derivatives	5.54%	NA	NA^
International Equities	7.21%	0-10%	0-20%
Cash and Other	20.64%	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.

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.