

Milford Australian Absolute Growth Fund

Introduction



Fund Overview

The Milford Australian Absolute Growth Fund builds on Milford's absolute return investing capability with an Australian Unit Trust, modelled on the company's flagship Active Growth Fund. The fund is managed by our experienced Sydney-based investment team, and leverages the skills of more than 30 investment professionals in Sydney and Auckland. It aims to generate wealth for its investors over the medium term while preserving capital.

Investment Objective

The Fund targets absolute returns with an annualised return objective of 5% above the RBA cash rate while seeking to preserve investor capital over rolling three-year periods (net of fees).

Investment Strategy

The Fund aims to generate investment returns 5% higher than the Australian RBA cash rate by investing in a diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities and cash. The Fund may use derivatives and foreign currency hedging.

The Fund also aims to preserve capital and minimise volatility in terms of higher uncertainty or less conviction by allowing the Fund to be invested in cash up to 100% of the Fund value, and may use derivatives (limited to 10% of the GAV of the Fund) and foreign currency hedging to achieve the desired level of market exposure.

The Fund will not use leverage, with gross exposure not exceeding 100%.

Who the Fund suits

Investors looking for:

- an active approach to investing, with a focus on capital preservation
- absolute positive returns
- a diversified portfolio compared with other equity investments
- an investment with a time horizon of at least five years.

Key Fund Facts

Benchmark	RBA Cash Rate + 5% p.a.
Inception Date	October 2017
APIR	- Class R ETL1090AU - Class W ETL8155AU
Recommended Investment Timeframe	5 years +
Minimum Investment - Class R	\$20,000
- Class W	\$5,000,000
Management Fee	- Class R 1.05% - Class W 0.90%
Performance Fee	15.35% p.a. of returns above the benchmark subject to achieving the high watermark.
Buy-sell Spread	+/-0.20%
Entry/Exit Fee	Nil
Distribution Frequency	Biannual
Fund Pricing	Daily

Target Asset Allocation

	Typical Range	Asset allocation range
Australian Equities	75-85%	0-100%
International Equities	0-10%	0-30%
Cash	0-10%	0-100%

Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

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Milford Australian Absolute Growth Fund’s Target Market Determination is available at <https://milfordasset.com.au/forms-documents>. 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.