

Australian Absolute Growth Fund

(available to Australian tax residents only)

August 2019



Portfolio Managers



William Curtayne
Portfolio Manager



Wayne Gentle
Portfolio Manager

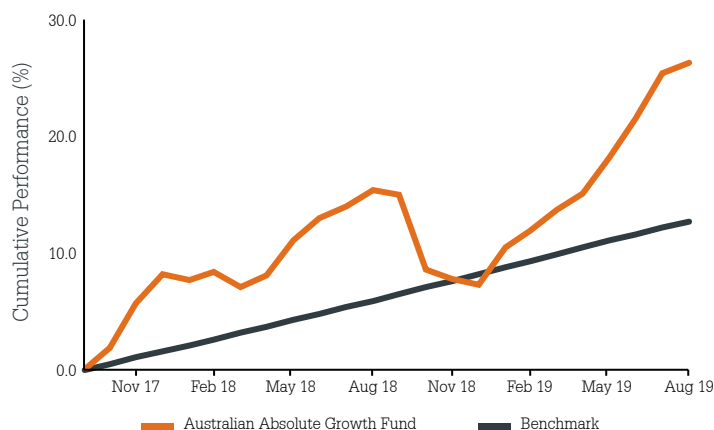
Volatility returned in August with the ASX 200 Accumulation Index falling as much as 5.5% before rallying to end the month down 2.4%. The Fund performed very well in this volatility with a positive return of 0.7%.

The Fund was well positioned early in the month with higher cash levels, some ASX 200 put options and light positioning in sectors that were hardest hit in the sell-off such as mining and technology companies. Stock picking played a large role in this month's returns as most of our investments reported their full year results.

We had particularly strong results and performances from Australian Finance Group (+16.0), Smartgroup (+22.0%), Charter Hall Long WALE REIT (+14.0%), Credit Corp (+16.6%) and Downer EDI (+6.8%). These businesses are all exposed to the domestic Australian economy, which is showing some signs of recovery following the housing downturn that began in mid-2017 and bottomed in May this year. Early figures indicate that August will be the first month of house price appreciation in Sydney since mid-2017. On the back of this improving sentiment, companies exposed in some way to the housing market generally performed strongly.

During the month we used market weakness to buy resources and technology companies plus companies where we saw opportunities following their results. This leaves the Fund more fully invested at the beginning of September.

Investment Performance to August 2019*



* Cumulative performance since inception, after all fees and expenses, and assumes reinvestment of distributions.

Key Fund Facts

Objective	Absolute returns with an annualised return of 5% above the RBA Cash Rate while seeking to preserve investor capital
Description	A diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities, fixed interest securities and cash. May use derivatives and foreign currency hedging.
Benchmark	RBA Cash Rate + 5% p.a.
Redemption Price <small>as at 31 Aug</small>	\$1.1815
NAV <small>as at 31 Aug</small>	\$100.8 Million
Inception Date	October 2017
Minimum Investment	\$20,000
Recommended Investment Timeframe	5 years +
Buy-sell Spread	+/-0.20%
Entry/Exit Fee	Nil
Distribution Frequency	Annual (30 June)
Management Fee*	1.00%
Capped Expense Recovery*	0.10%
Performance Fee*	15% p.a. of returns above the benchmark subject to achieving the high watermark.
Fund Pricing	Daily

* Fees are stated exclusive of GST.

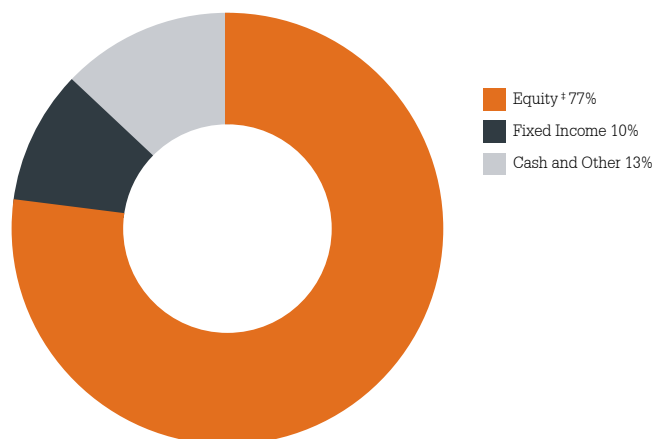
Investment Performance to August 2019[†]

	1 Month	6 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)**
Australian Absolute Growth Fund	0.73%	12.85%	9.41%	-	-	12.98%
Benchmark	0.50%	3.13%	6.39%	-	-	6.46%

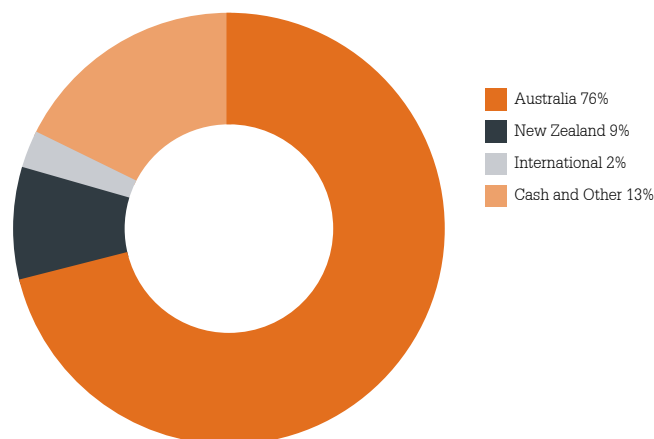
* Net performance figures are shown after all fees and expenses, and assumes reinvestment of distributions.

** Inception date of the Fund is 2 October 2017

Current Asset Allocation¹



Current Country Allocation^{†1}



Top Security Holdings

Holdings	% of Fund's NAV
National Australia Bank	4.86%
Transurban Group	4.83%
BHP Group	4.59%
CSL	4.13%
Contact Energy	2.89%
Newcrest Mining	2.50%
Commonwealth Bank	2.49%
Australian Finance Group	2.43%
a2 Milk Company	2.41%
Macquarie Group	2.25%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

¹ The actual investment mix incorporates the notional exposure value of equity derivatives and credit default swaps, where applicable.

[†] Equity will be the net amount, ie the total long less any shorts.

^{†1} Typically the country in which the company issuing the share/bond primarily operates

Fund Changes

There have been no material changes to the below information since the last monthly report:

- The Fund's risk profile
- The Fund's strategy

There have been no changes to the below information since the PDS was issued:

- Key service providers
- Individuals playing a key role in investment

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