

Milford Dynamic Fund (AU)

ETL6978AU

August 2020



Portfolio Managers



William Curtayne
Portfolio Manager



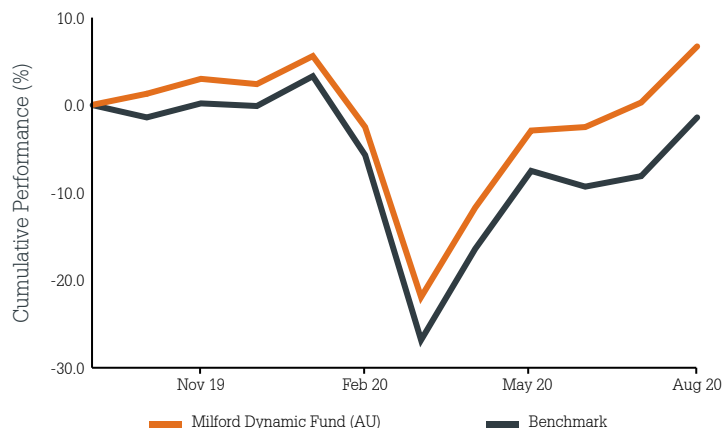
Michael Higgins
Portfolio Manager

The Australian Small Ordinaries Index rallied strongly in August, up 7.2%. Pleasingly, the Fund was able to keep up, delivering 6.3% for the month and 9.4% for the last 6 months. Since the market low recorded on March 23rd, the Fund has now rallied an incredible 56.5%, 1.0% ahead of the benchmark.

Performance was led by independent investment platform HUB24 (+21.3%) which closed FY20 with \$17.2bn in Funds Under Administration, up 14% for the quarter and 34% on the previous period. HUB24 is a beneficiary of the structural migration away from the major banks and AMP towards more nimble independent wealth management groups. Sports gaming company PointsBet rallied strongly (+117.9%) after signing a 5-year media agreement with NBCUniversal. The deal creates an excellent foundation to grow sports gaming in the US. Detractors included gold miners Saracen Minerals (-13.0%) and Gold Road Resources (-15.0%). We retain a positive view on both companies.

While our recent performance has been strong, the market remains volatile. We remain mindful that we are in a period of elevated uncertainty with a broad range of potential market moving scenarios in play. Our portfolio is well balanced consisting of reasonably priced companies with good growth prospects irrespective of the cycle and a number of “vaccine winners”, which should perform strongly on any vaccine development before year end.

Investment Performance to August 2020*



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

Key Fund Facts

Objective	The fund targets outperformance of the S&P/ASX Small Ordinaries (TR) Index
Description	Primarily invests in small to mid-cap Australian equities
Benchmark	S&P/ASX Small Ordinaries (TR) Index
mFund Code	MFA02
Redemption Price <small>as at 31 Aug</small>	\$1.0638
NAV <small>as at 31 Aug</small>	\$22.4 Million
Inception Date	October 2019
Minimum Investment	\$20,000
Recommended Investment Timeframe	5 years +
Buy-sell Spread	+/-0.30%
Entry/Exit Fee	Nil
Distribution Frequency	Annual (30 June)
Management Fee*	1.10%
Capped Expense Recovery*	0.10%
Performance Fee*	20% 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 2020^{*}

	1 Month	6 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception ^{**}
Milford Dynamic Fund (AU)	6.35%	9.42%	-	-	-	-
Milford Dynamic Fund (Strategy) ^{***}	6.35%	9.42%	8.43%	13.28%	11.83%	12.04%
Benchmark	7.24%	4.58%	2.07%	8.02%	10.48%	6.76%

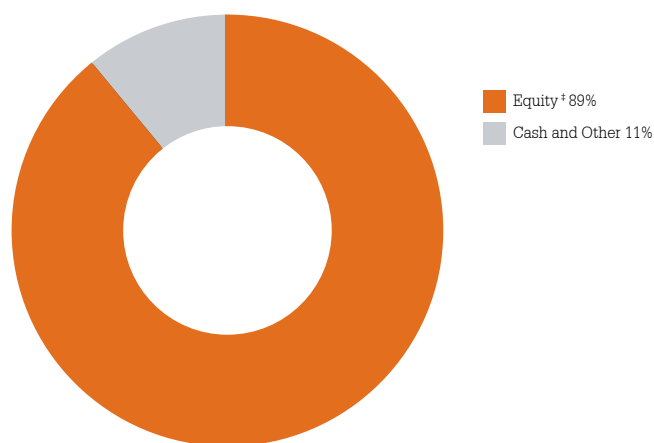
Past performance is not a reliable indicator of future performance.

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

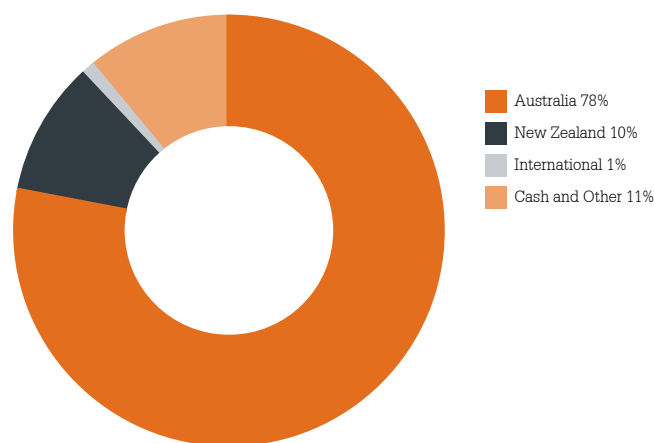
** Inception date of the Milford Dynamic Fund (Strategy) is 1 October 2019.

*** The Milford Dynamic Fund (Strategy) Performance combines the performance of the Milford Dynamic Fund (NZ) from 1 October 2013 to 30 September 2019 and the performance of the Milford Dynamic Fund (AU) thereafter. The performance of the Milford Dynamic Fund (NZ) has been adjusted to reflect the difference in fee structure and neutral currency exposure from the Milford Dynamic Fund (AU).

Current Asset Allocation¹



Current Country Allocation^{†1}



Top Security Holdings

Holdings	% of Fund's NAV
HUB24	4.28%
Bapcor	4.08%
Collins Foods	3.94%
Evolution Mining	3.86%
Sealink Travel Group	3.78%
Saracen Mineral Holdings	3.09%
EQT Holdings	3.02%
EML Payments	2.93%
Seven Group Holdings	2.84%
IPH	2.78%

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

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

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