

# Milford Australian Absolute Growth Fund - R Class

May 2026



## Portfolio Managers



**William Curtayne**  
Portfolio Manager



**Wayne Gentle**  
Portfolio Manager



**Jason Kururangi**  
Co-Portfolio Manager

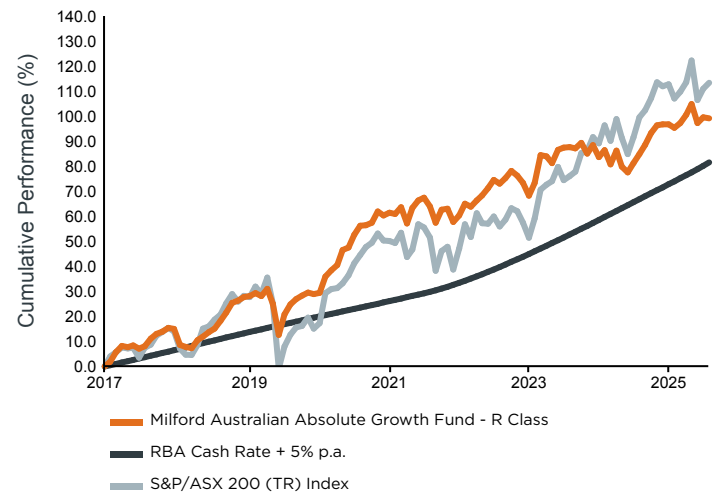
May was a strong month for global equity markets, with the S&P500 up 5.3% and continuing to lead the way. This was pulled higher by sentiment around AI and AI capital expenditure, factors with less available exposure in the Australian market. The ASX200 lagged the broader recovery in markets up a more modest 1.2%, while the Fund returned -0.2%.

Resources continued to be the bright spark on the local market, as a proxy for AI CapEx. Key outperformers within the Fund include mining company Capstone Copper, up 30.0% on the back of strong demand and copper supply disruptions benefitting the copper price.

The Australian budget announced during the month is likely to have important effects on the economy and local businesses over the next few years. The removal of Capital Gains Tax (CGT) discounts and negative gearing on investment properties are likely to put further downward pressure on house prices, which were already softening following RBA rate hikes. This reduces the growth outlook for Australian banks and is likely to lead to softer consumer spending. If proposed CGT changes go ahead, Australia may need rate cuts next year to help support the housing market and the wider domestic economy outside the mining sector.

The Fund remains defensively positioned as we continue to monitor the significant disruption to physical oil supply. Even if a deal is made with Iran to reopen the Strait of Hormuz tomorrow, it is already too late to prevent more substantial shortages of oil products in July and August. This is because the current trajectory of oil and product storage levels leave storage buffers largely depleted around the world, and it would take more than 60 days to restart shut-in oil production in the Middle East. For this reason, we have maintained our positions in energy companies. If the coming month see cyclical companies selling off, this could create opportunities, particularly in selected mining companies.

## Cumulative Performance (after fees and expenses) 31 May 2026



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

## Key Fund Facts

<b>Objective</b>	Absolute returns with an annualised return of 5% above the RBA Cash Rate while seeking to preserve investor capital over rolling three-year periods.
<b>Description</b>	A diversified portfolio of predominantly Australian equities, complemented by selective exposure to international equities and cash. May use derivatives and foreign currency hedging.

<b>Benchmark</b>	RBA Cash Rate + 5% p.a.
<b>APIR</b>	ETL1090AU
<b>Redemption Price as at 31 May</b>	\$0.9962
<b>Fund Size*</b>	\$382.4 Million
<b>Inception Date</b>	October 2017
<b>Minimum Investment</b>	\$1,000
<b>Recommended Investment Timeframe</b>	7 years +
<b>Buy-sell Spread</b>	+/-0.20%
<b>Entry/Exit Fee</b>	Nil
<b>Management Fee</b>	1.05%
<b>Performance Fee</b>	15.35% p.a. of returns above the benchmark subject to achieving the high watermark.
<b>Fund Pricing</b>	Daily
<b>Distribution Frequency</b>	Biannual

\*The Fund Size represents the total assets of the fund.

# Milford Australian Absolute Growth Fund as at 31 May 2026

## Investment Performance to 31 May 2026

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Australian Absolute Growth Fund - R Class <sup>1</sup>	-0.22%	-2.83%	7.71%	4.78%	4.97%	8.27%
RBA Cash Rate + 5% p.a.	0.76%	2.22%	8.79%	9.10%	8.01%	7.12%
Excess Return	-0.98%	-5.05%	-1.08%	-4.32%	-3.04%	1.15%
S&P/ASX 200 (TR) Index	1.15%	-4.03%	6.89%	11.02%	8.10%	9.14%
Excess Return	-1.37%	1.20%	0.82%	-6.24%	-3.13%	-0.87%

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

## Top Security Holdings

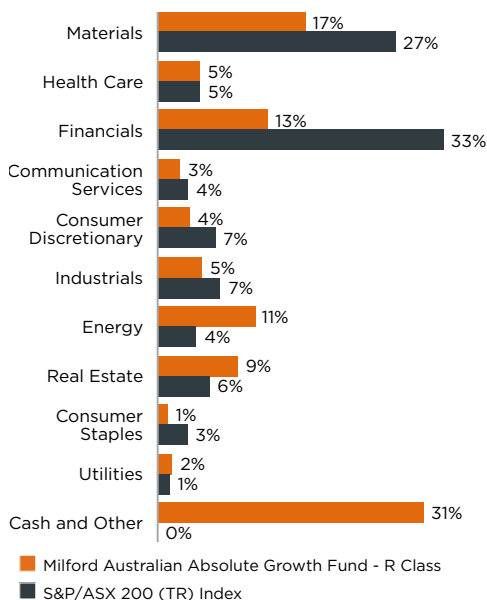
Holdings	% of Fund
BHP Group	5.85%
CBA	5.24%
Woodside Energy	3.74%
Goodman Group	3.05%
Rio Tinto	2.79%
Westpac	2.55%
Sigma Healthcare	2.40%
SLB	2.14%
ANZ Group	1.95%
Amazon	1.82%

## Current Asset Allocation

	Actual	Typical Range	Maximum Range
Australasian Equities	66.89%	75-85%	30-100%
Derivatives	-2.34%	NA	NA <sup>^</sup>
International Equities	6.55%	0-10%	0-20%
Cash and Other	26.68%	0-20%	0-50%

<sup>^</sup> 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 May 2026

---

1. 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.