

Premier Income Fund

Fund Factsheet

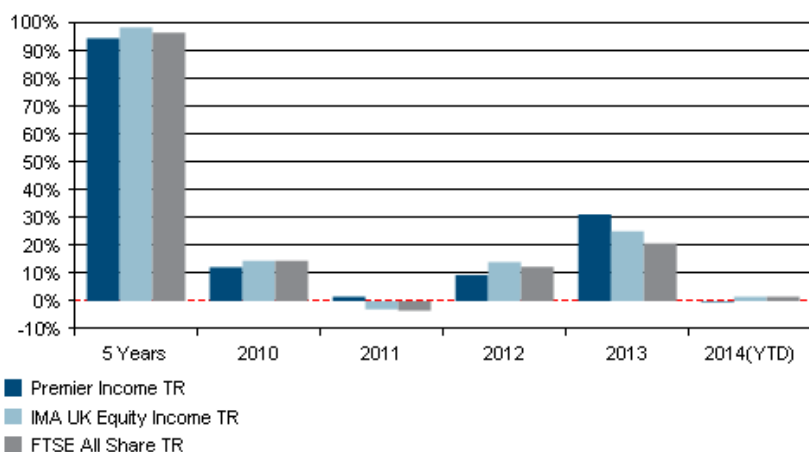
| Fund Strategy |

- Our Investment Strategy is a combination of top-down thematic investing and bottom up stockpicking with the aim of producing consistent performance over time.
- We identify themes in the economy and look to invest in areas of the economy/stockmarket which will benefit from such themes.
- We also look at companies which we think have the ability to outperform the market over the long term. These tend to be a combination of GARP (Growth at a Reasonable Price) investments, Value investments and Special Situations.
- We aim to have a focused portfolio with weightings considered relative to both the FTSE All Share and the Lipper Median for the Equity Income sector.
- The Fund aims to deliver consistent investment performance against its benchmark index and a yield at least 10% higher than the benchmark index.

| Fund Objectives |

To achieve a reasonable and rising income combined with long-term capital growth.

Performance Record



Managed by Chris White since 01 December 2010

Discrete Annual Performance (%)

Share Type	2014(YTD)	2013	2012	2011	2010
Income	-0.4	31.2	9.4	1.5	12.1

Discrete Annual Performance to Quarter End 30 June 2014 (%)

Share Type	30/06/2013	30/06/2012	30/06/2011	30/06/2010	30/06/2009
Income	14.9	24.8	-3.9	23.0	14.8

Cumulative Performance to 30 June 2014 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Income	0.7	-0.4	14.9	37.9	94.6
Official Sector	0.8	1.5	14.4	37.1	98.5
Benchmark	2.2	1.6	13.1	29.2	96.7

Quoted on a bid to bid, total return, UK Sterling basis. Past performance is not a guide to future returns. The price of units and shares and the income from them may go down as well as up and you may get back less than you invested.

Source: Financial Express. 16/07/2014

| Key Fund Facts |

Fund Size:	£375m
Launch Date:	07 July 1976
Benchmark:	FTSE All Share
Sector:	IMA UK Equity Income
Historic Yield:	A, B & C Inc: 4.4%

| Top 10 Holdings |

	%
Royal Dutch Shell 'B'	6.99
GlaxoSmithKline	5.64
HSBC	5.40
British American Tobacco	4.45
Imperial Tobacco	4.34
BAE Systems	4.24
BP	3.09
Informa	3.06
Resolution	3.05
AstraZeneca	3.00
TOTAL	43.26

| Asset Allocation |

	%
Financials	29.6
Consumer Staples	16.5
Industrials	13.9
Energy	13.0
Healthcare	8.6
Consumer Discretionary	8.0
Telecomms Services	6.3
Cash	2.3
Utilities	1.9

Fund developments and comments


Premier Income Fund - Manager, Chris White
(since 1 December 2010)

After a period of very strong outperformance in 2013, the first half of 2014 has proved a bit trickier. Whilst there was always going to be an element of mean reversion, I think the market has proved difficult to navigate for most investors.

There seems to be a view amongst some investors and commentators on both sides of the Atlantic that stockmarkets are due for a correction after a period of strong performance. Whilst I share concerns about valuation levels in

the USA and in the domestic mid caps and smaller companies, large blue chip companies remain cheap.

Over the past few years, all high income asset classes (such as gilts, corporate bonds, high yield bonds and real estate) have been re-rated as investors have hunted down income opportunities. However, there are still many high quality, blue chip companies in the FTSE100 that yield between 4 and 5.5%, with robust balance sheets, good dividend cover and strong prospects for dividend growth. This looks like an anomaly in our low inflation, low interest rate world so we have recently added to our holdings of BAE systems, Royal Dutch and Glaxo.

Our screens struggle to find value in the small cap and mid cap indices at the current time, but we have found plenty of opportunity in the IPO market to buy companies at the right valuations with high dividend yields. The higher profile IPOs like Saga, TSB, AO, Poundland, Pets at Home have not interested us, some smaller new issues have offered us an attractive combination of dividend yield, attractive valuation and diversification. These companies have included Manx Telecom, DX Group, Safestyle and Tritax, all of which have added value to the fund. We have just subscribed for another new issue called Epwin which looks like another interesting opportunity.

The rising tide of Merger and Acquisition activity also provides market support. We have already seen bids for 2 FTSE100 companies this year along with bids for a string of smaller names in the UK. We believe the investment bankers are still busy and further takeover activity will help to support valuations in the market.

Fund Information

Managed by current manager	1 December 2010
Initial Charge	A:4%, B & C:0%
Annual Management Charge	A:1.5%, B:1%, C:0.75%
Ongoing Charges Fee	At 30 Apr 2013, A Inc: 1.63%, B Inc: 1.13% C Inc: 0.88%
Accounting Dates	30 Apr, 31 Oct
Payment Dates	30 Jun, 31 Dec
Valuation Point	12 noon, daily
Sedol	A:0388450, B:0388483, C:0388472
Share Class	Class A Inc, Class B Inc, Class C Inc
Published Price	www.premierfunds.co.uk
Min. Investment	A:£1,000, £50pm, B:£50,000, C:£250,000
ISA eligible	Yes, stocks and shares

Investment Team
I Chris White, Manager I

Chris White joined Premier in November 2010 to manage UK income funds and has 20 years of investment management experience. Previously, he was with Threadneedle for 7 years as a Director of UK Income Funds. Chris started his career with Robson Rhodes and has also worked for Charterhouse Tilney and Legg Mason as an investment manager. He holds an honours degree in Economics and is a member of the Chartered Institute for Securities & Investment and the CFA.

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