

# Premier Strategic High Income Bond Fund

## Fund Factsheet

### Fund Strategy

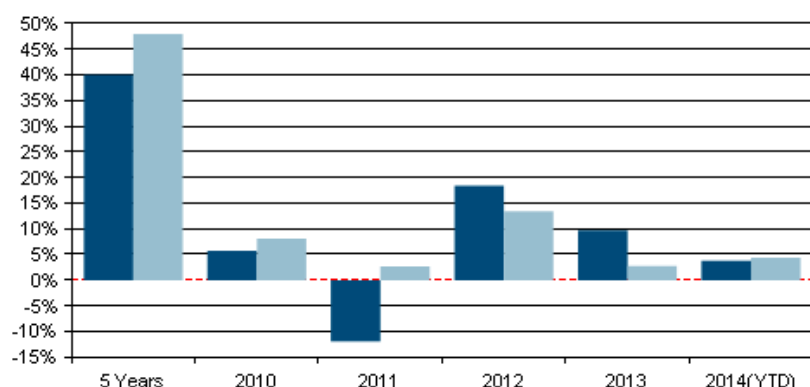
- Aims to deliver superior returns on a risk adjusted basis.
- Employs a "top down" asset allocation process. We evaluate the relative value of corporate, financial and sovereign bonds, as well as other asset classes, providing geographical and sector exposures.
- This is complimented by fundamental research into individual names held within the portfolio.

The Fund can invest more than 35% of its portfolio in securities issued or guaranteed by any government of a European Union country (including the UK), Australia, Canada, Japan, New Zealand, Switzerland or the USA, or a limited number of public international organisations.

### Fund Objectives

The Premier Strategic High Income Bond Fund aims to maximise income, with capital appreciation being of secondary importance.

### Performance Record



■ Premier Strat High Inc Bd TR  
■ IMA Sterling Strategic Bond TR

Powered by data from FE

Managed by Paul Smith since 1 June 2006

### Discrete Annual Performance (%)

Share Type	2014(YTD)	2013	2012	2011	2010
Income	3.7	9.7	18.4	-12.0	5.7

### 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	10.4	16.6	-9.6	5.8	20.1

### Cumulative Performance to 31 July 2014 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Income	1.1	3.2	8.1	18.0	40.0
Official Sector	1.3	3.2	6.1	20.6	48.0

Performance quoted on a total return, bid to bid, UK sterling basis. Past performance is not a guide to the future. 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. 06/08/2014

### Key Fund Facts |

Launch Date:	01 March 1999
Fund Size:	£11.5m
Sector:	IMA Sterling Strategic Bond
Distribution Yield:	Class A Inc & Acc: 3.4%
Underlying Yield:	Class A Inc & Acc: 1.5%

### Top 10 Holdings |

	%
CS 7.875% 24/02/2041	3.88
Real Estate Credit Investments	3.80
UK Treasury Gilt 4.25% 07/06/2032	3.01
BSKYB 3.125% 26/11/2022	2.98
RSA Insurance 9.375% 20/05/39	2.64
Brevan Howard Global Ord	2.59
Fidelity 7.125% 13/02/24	2.57
Unite Group 6.125% 12/06/20	2.32
Henderson 7.25% 24/03/16	2.27
F&C GLOBAL SMAL CO 3.5% CNV BDS	2.22
<b>TOTAL</b>	<b>28.28</b>

### Credit Rating Exposure |

	%
AAA	0.93
AA	7.99
A	3.34
BBB	35.66
BB	20.19
B	6.09
Not Rated Bonds	15.91
Non Rated Equities	9.89

### Maturity |

	%
Under 1 year	0.00
1-5 years	22.40
5-10 years	25.18
10-15 years	6.22
15 years +	37.55
Not Dated	8.65

# Premier Strategic High Income Bond Fund

## Fund Factsheet

### Fund developments and comments



**Premier Strategic High Income Bond Fund, Senior Investment Manager - Paul Smith (current manager since 01.06.2006)**

Premier Strategic High Income Bond Fund has been a top quartile performer over one and two years. Positive attribution from overweight sector exposures such as financial and technology sectors, as well as specific issues, such as Enterprise Inns, F&C Asset Management and Nationwide, has continued into 2014 although a shorter duration versus peers has stopped the Fund from moving further ahead as sovereigns rallied.

Default rates are likely to remain low despite further leveraging, as issuers lock in cheap borrowings. Our current strategy is to still be active and aggressive in credit and duration versus peers, some of whom reflect the broader bond market despite appearing in the Strategic sector. We suspect, due to low net issuance and regulatory compliance, subordinated bank debt will generate the highest excess returns. We expect a flattening in the yield curve but for yields to rise across all durations. Bond holders should remain cautious about the degree of increased leverage being used for shareholder friendly activities, such as M&A and shareholder givebacks. The majority of bonds trade significantly above par value and therefore above covenant protection. However, it is difficult to envisage an environment where duration outperforms credit.

The Fund's duration is managed to maintain less sensitivity to rate changes than the market as a whole. New forms of subordinated bank debt with unique features to each issue provide ample opportunities to add value. We continue to keep the portfolio highly liquid, enabling a flexible structure while overall bond market liquidity remains a concern.

A small, nimble bond fund is likely to be able to add significant alpha, as they did in 2013, with a greater dispersion of bonds to choose from and an ability to more actively manage duration. The Fund's yield is one of the highest in the sector providing protection against rising sovereign yields.

### Fund Information

<b>Annual Management Charge</b>	A Inc & Acc: 1.50%, B Inc: 0.85%, C Inc: 0.65%
<b>Initial Charge</b>	A Inc & Acc: 4.0%, B & C Inc: 0%
<b>Ongoing Charges Fee</b>	At 31.05.13- A Inc/Acc: 2.13%, B Inc: 1.48%, C Inc: 1.28%
<b>Accounting Dates</b>	30 Nov, 28 Feb, 31 May, 31 Aug
<b>Payment Dates</b>	31 Jan, 30 Apr, 31 Jul, 31 Oct
<b>Valuation Point</b>	12 noon, daily
<b>Published Price</b>	<a href="http://www.premierfunds.co.uk">www.premierfunds.co.uk</a>
<b>Share Class</b>	Class A Acc, Class A Inc, Class B Inc, Class C Inc
<b>Sedol Code</b>	A Acc: B15F6J7, A Inc: 0567345, B Inc: B8GB110 C Inc: B8H53V5
<b>Min. Investment</b>	A: £1,000/£50pm B: £50,000 C: £250,000
<b>ISA eligible</b>	yes, stocks & shares

### Investment Team

#### Paul Smith, Senior Investment Manager

Paul Smith joined Premier in 2005 and his responsibilities include the management of a number of open and closed ended funds, including Premier Corporate Bond Monthly Income Fund, Premier Defensive Growth Fund and the award-winning Premier UK Money Market Fund. Paul's management of lower risk mandates have over the last decade been recognised at the Money Observer Investment Trust Awards, Investment Week Fund Manager of the Year Awards, and membership of the Investment Adviser 100 Club. Paul has a First Class BA (Hons) degree in Economics, and an MA in Finance and Investment (with Distinction) from Exeter University.

#### Fixed Income Team

Paul Smith leads an established Fixed Income Team, encompassing varying years of experience which provide support on the investment management side and credit analysis. The team has previously worked for numerous institutions including UBS, M&G Investment Management, Financial Services Authority, Cargill Financial Markets, amongst others.

**Issued by Premier Asset Management.** Premier Asset Management is the marketing group for Premier Fund Managers Ltd and Premier Portfolio Managers Ltd, who are authorised and regulated by the Financial Conduct Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. Please remember that past performance is not a guide to future returns and the price of shares and the income from them may go down as well as up. You could get back less than you invested. Exchange rates will also cause the value of underlying investments to fall as well as rise. Tax concessions are not guaranteed and may be changed at any time, their value will depend on your individual circumstances. Reference to any particular stock does not constitute a recommendation to buy or sell the stock. Persons who do not have professional experience in matters relating to investments should speak with a financial adviser before making an investment decision. A free, English language copy of the Fund's full prospectus, the Key Investor Information Document and Supplementary Information Document, which include all the important information you need to consider before making an investment decision, are available on the website or copies can be requested by using the contact details on this factsheet. The Distribution Yield reflects the amounts that may be expected to be distributed over the next 12 months as a percentage of the mid-market unit price of the fund. The Underlying Yield reflects the annualised income net of expenses as a percentage of the mid-market unit price. For your protection, calls may be monitored and recorded for training and quality assurance purposes.