

For investment professionals only

Premier Miton Cautious Monthly Income Fund

Key Facts

Fund launch date	19 May 2011
Fund type	Unit Trust
Fund managers	David Jane Anthony Rayner
Fund size	£125.9m
No of holdings	135
IA Sector	Mixed Investment 20-60% shares
Base Currency	GBP
Valuation point	12:00 midday
Accounting dates	Final - 30 Jun Interim - 31 Dec

Calendar year performance (%)

	Fund	Sector
2021 YTD	0.7	-0.4
2020	5.0	3.5
2019	11.6	11.8
2018	-8.8	-5.1
2017	10.4	7.2
2016	11.7	10.3

Source: FE Analytics. Basis: Bid to bid; net income reinvested; and net of fees in UK Sterling terms.

Distributions

XD date	Pay date	Dividend
4 Jan 21	28 Jan 20	0.4540p
1 Dec 20	24 Dec 20	0.4540p
2 Nov 20	27 Nov 20	0.4550p
Historic net yield		4.2%

The historic net yield reflects distributions declared over the past twelve months as a percentage of the mid-market price, as at 01.02.21. It does not include any preliminary charge and investors may be subject to tax on their

distributions.

Ratings and Awards



Past performance is not a guide to future returns.

Summary

- A month lacking any material moves, but broadly slightly lower.
- Slightly negative performance in equity partly offset by small gains in fixed income.
- Portfolio activity was dominated by a shift in the duration of the bond portfolio and a continued rebalance towards reflation beneficiaries.
- Markets maintain their belief that low rates and reflation are the sweet spot.

Market Review

January was generally a weaker month across asset classes, although moves were muted compared to many recent periods.

It was a weaker month for equity than recently, with most markets drifting lower. Asia and the NASDAQ Index bucked the trend with small gains recorded.

Government bonds were also broadly lower, with yields continuing their rise in most markets. This fed through to corporate bond markets with most areas making losses also.

In commodities gold was also a loser, while oil was a notable highlight, building on recent gains.

Performance

The fund returned 0.7% over the month, with marginal returns, both positive and negative, across most asset classes held in the portfolio.

Overall, equity returns were negative, mostly due to losses from our US equities. European equities did make small gains for the fund.

Rising government bond yields was the story for our bond portfolios. Our longer duration government bonds detracted, while most of our corporates made money on narrowing spreads. The specialist fixed income funds also continued

their ongoing recoveries.

Portfolio Activity

We spent the month reducing positions in US equity, particularly industrials, in favour of energy in Europe and the US. We also sold out of a number of positions where weakening momentum meant they no longer met our criteria. There was limited activity in fixed income.

Outlook

The current balance of improving growth, high levels of liquidity and still historically low bond yields remains very favourable for equity markets. The Fed's stance is likely to remain dovish at least for the near term and therefore, this environment is likely to persist for some time. The risk of course, is that rises in bond yields put the brakes on the performance of the large-cap growth stocks that are so important to the indices.

We therefore, maintain our balance of reflationary beneficiaries in banks, materials and oils, which complement our thematic growth stocks, that we have held for some time. As always, we are very alert for any changes in these trends.

For investment professionals only

Premier Miton Cautious Monthly Income Fund

Risks

The value of investments may fluctuate which will cause fund prices to fall as well as rise and investors may not get back the original amount invested.

The performance information presented in this commentary relates to the past. Past performance is not a reliable indicator of future returns.

This fund may experience high volatility due to the composition of the portfolio or the portfolio management techniques used.

Forecasts are not reliable indicators of future returns.

For funds investing globally, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.

Investments in emerging markets are potentially higher risk than those in established markets.

Changes in interest rates will affect the value of, and the interest earned from bonds held by the Fund. When interest rates rise, the capital value of the Fund is likely to fall and vice versa.

Fees will be deducted from capital which will increase the amount of income available for distribution; however this will erode capital and may constrain capital growth.

For investment professionals only

Premier Miton Cautious Monthly Income Fund

Important Information

For Investment Professionals only. Not for onward distribution. No other persons should rely on any information contained in this document.

Source of performance data: FE, as at 31.01.2021, Sterling Class B shares, net income reinvested, bid to bid basis. Source for other data: Premier Miton Investors and Bloomberg as at 31.01.2021.

Whilst every effort has been made to ensure the accuracy of the information contained within this document, we regret that we cannot accept responsibility for any omissions or errors. The information given and opinions expressed are subject to change and should not be interpreted as investment advice. Reference to any particular stock or investment does not constitute a recommendation to buy or sell the stock / investment.

All data is sourced to Premier Miton unless otherwise stated. Persons who do not have professional experience in matters relating to investments should not rely on the content of this document.

The fund is classified in the IA Mixed Investment 20-60% Shares sector, which we believe is a meaningful comparator to help investors assess the performance of the fund.

The methodology and calculations used by the companies or organisations that provide the fund or fund manager awards and ratings are not verified by Premier Miton Investors and we therefore are unable to accept responsibility for their accuracy. Ratings and awards should not be relied upon for making an investment decision, nor are they an indication, promise or guarantee of future performance of a fund or fund manager.

Defaqto is an independent researcher of financial products and is not authorised to provide financial advice. We do not have any influence over the ratings or the methodology used to create them. We are unable to guarantee their accuracy or that these will not change, or that we will continue to use the ratings in the future. The Defaqto diamond rating is based on the class B Accumulation shares for the fund.

Distribution Technology and Dynamic Planner® provide risk-profiling services in connection with these funds. Distribution Technology is not authorised to provide financial advice. We do not have any influence over the risk profiles or the methodology used to create them, and we are unable to provide assurances as to their accuracy or that they will not change, or that Distribution Technology will continue to provide these risk profiles in the future.

For your protection, calls may be monitored and recorded for training and quality assurance purposes.

A free, English language copy of the fund's full prospectus, the Key Investor Information Document and Supplementary Information Document are available on the Premier Miton website, or you can request copies by calling us on 01483 306090.

Financial Promotion issued by Premier Miton Investors. Premier Portfolio Managers Limited is registered in England no. 01235867. Premier Fund Managers Limited is registered in England no. 02274227. Both companies are authorised and regulated by the Financial Conduct Authority and are members of the 'Premier Miton Investors' marketing group and subsidiaries of Premier Miton Group plc (registered in England no. 06306664). Registered office: Eastgate Court, High Street, Guildford, Surrey GU1 3DE.

002263/220221