

Premier Miton Responsible UK Equity Fund

Fund facts

Fund size	£85.3m
Launch dates	Fund - 07 Jul 1986 Share class - 07 Jul 1986
Fund structure	Open Ended Investment Company (OEIC)
Reporting dates	Final - 31 Aug Interim - 28 Feb
Base currency	GBP
Valuation point	12:00 noon
ISA eligible	Yes

Investment Association sector
IA UK All Companies

Performance comparator
IA UK All Companies

Investment team



Fund manager
Jon Hudson
 Joined Premier Miton
Oct 2007
 Manager since
Jul 2019



Fund manager
Benji Dawes
 Joined Premier Miton
Sep 2014
 Manager since
Jul 2019

Market Review

We entered 2026 optimistic that the macroeconomic environment in the year ahead would be more amenable for UK cyclical stocks and the housing market. While economic growth in the UK looked set to be lackluster, expected declines in interest rates should have been a catalyst for re-ratings for cyclicals and an uplift in housing market and construction activity. Operation 'Epic Fury' which began at the end of February placed those expectations on ice.

While now a distant memory, the first months of the year had seen a dynamic play out in markets that saw sharp and largely indiscriminate sell offs in names that might be exposed to AI disruption. This impacted the software sector and companies perceived to be software beneficiaries (such as IT resellers), as well as wealth managers and a raft of other firms. Events in the Middle East swiftly ended this pattern.

The beginning of the Iran war saw UK equity markets hit hard, with the FTSE All Share Index falling 7.19% over March, with mid-caps hit harder than their large-cap brethren as the FTSE 250 Index fell 10.75% versus just 6.73% for the FTSE 100 Index. Unsurprisingly the conflict has benefitted the oil companies that stand to benefit most from a higher crude price, with Shell and BP being particular beneficiaries.

Mid-caps were especially impacted because of the war's likely impact on inflation and their disproportionate revenue exposure to the UK economy versus large-caps. The conflict will lead to higher inflation globally, in the short run, impacting the UK amongst other net energy importers. Longer run inflation is harder to call, as we do not know what level of demand destruction will occur, and experts are notoriously bad at estimating such things.

Performance

	31.03.21	31.03.22	31.03.23	28.03.24	31.03.25
Discrete annual performance (%)	31.03.22	31.03.23	28.03.24	31.03.25	31.03.26
Fund	-6.80	-8.85	7.81	3.00	-3.00
Sector	5.36	-1.86	7.65	5.09	12.95

Source: FE Analytics. Based on Sterling class C - Income shares, on a total return basis to 31 March 2026. Performance is shown net of fees with income reinvested. On 20.01.2020, this fund moved from a single pricing basis (mid) to a swing pricing basis.

Past performance is not a reliable indicator of future returns.

The Fund delivered a return of -6.01% (share class C income) in the period, this compares to the IA UK All Companies sector which fell -1.99%.

It was a challenging quarter for the fund. Due to its exclusions, the fund does not hold oil and gas companies which were clear beneficiaries of the Iran conflict. The same is true for the defence sector, albeit admittedly performance of arms companies since the beginning of the war has been mixed.

Within the fund, by far the largest detractor from performance over the period was housebuilder Bellway. The company was largely a victim of the changing macro environment. The UK housing market is highly sensitive to interest rates, as interest rate expectations ultimately feed into the mortgage rates that new buyers are offered. A slower housing market, naturally, has an impact on demand for Bellway's homes and forces housebuilders like Bellway to rely more on incentives to sell new properties. The company returned -33.81% over March.

Healthcare names were amongst the strongest contributors to fund performance over the quarter, with AstraZeneca issuing strong 2026 guidance and GSK posting good Q4 results. However, the standout performer over the period was XP Power, whose equipment is important in the manufacture of semiconductors. Semiconductor companies and their suppliers enjoyed a very strong start to the year due to surging prices of computer memory underpinned by robust demand for AI data centres.

A decent results season and some stock-specific developments also helped the performance of individual names in the fund. For example, investment platform provider AJ Bell reported strong results, but crucially also appears to be a major beneficiary of recent fee changes at Hargreaves Lansdown.

Portfolio Activity

As ever we made changes to the fund over the quarter, both adding and removing holdings including the below.

Renishaw, which specialises in precision manufacturing and measurement equipment, was a new addition to the fund. The company has exposure to several compelling end markets, in particular semiconductors. Our view is that Renishaw has a tailwind from semiconductors thanks to AI-related demand and, in our view, the likely end of a long destocking cycle. Atalaya, a copper miner with operations in Spain, was another addition to the fund. The renewable energy transition, including

widespread electrification, requires enormous amounts of copper. Atalaya runs a high quality European mining operation which we believe stands to benefit from a step change in demand and limited global supply of the metal.

We sold several holdings over the period including polling company YouGov, which we had held for some time. While we remain largely convinced by the quality of YouGov's methodology, its reputational moat, and the need for reliable polling and consumer survey data, the company has repeatedly misfired across key initiatives and we could not become confident that its fortunes would turn around soon.

Outlook

Unsurprisingly given that, at the time of writing, the conflict in the Middle East is still ongoing, the macroeconomic backdrop that will inform markets for the rest of 2026 is highly uncertain. The ultimate impact of the war on inflation, supply and consumer confidence is still unknown. Alas, it is unlikely to be positive for the UK economy at least in the short term and may well encourage consumers to be yet more restrained in their spending.

Also coming up in May are local elections, which may well prompt a leadership challenge to Keir Starmer if they are as difficult for the Labour party as many believe. Further political instability in the UK is unlikely to be positive for sentiment in UK equity markets or confidence in the broader economy.

As ever, our focus will continue to be on monitoring and responding to risks and opportunities as events unfold in the next few months while continuing to be focused on the long-term fundamentals of the companies in the fund.

General risks

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

Specific fund risks

Some of the main specific risks of investing in this fund are summarised here. Further detail is available in the prospectus for the fund.

Equities

Equities (company shares) can experience high levels of price fluctuation. Smaller company shares can be riskier than the largest companies, companies in less developed countries (emerging markets) can be riskier than those in developed countries and funds focused on a particular country or region can be riskier than funds that are more geographically diverse. These risks can result in bigger movements in the value of the fund. Equities can be affected by changes in central bank interest rates and by inflation.

High volatility

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

Other investment risks

Funds may have holdings in investments such as commodities (raw materials), infrastructure and property as well as other areas such as specialist lending and renewable energy. These investments will be indirect, which means accessing these assets by investing in companies, other funds or similar investment vehicles. These investments can also increase risk and experience sharp price movements. Funds focused on specific sectors or industries, such as property or infrastructure, may carry a higher level of risk and can experience bigger movements in value. Certain investments can

be impacted by decisions made by third parties, such as governments or regulators.

Other risks

There are many other factors that can influence the value of a fund. These include currency movements, changes in the law, regulations or tax, operational systems or third-party failures, or financial market conditions that make it difficult to buy or sell investments for the fund.

Sustainable company concentration

Funds that follow a responsible or sustainable investment approach exclude investments which do not meet certain Environmental, Social, Governance (ESG) or sustainability criteria. This means they may be higher risk than more diversified funds.

Other information

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These products do not hold a UK Sustainable Investment Label as they do not have a specific sustainability goal but do have Sustainability Characteristics embedded in their investment processes. Information on the sustainability characteristics can be found in the [Sustainability Factsheet](#).

Contact us

From 9:00am to 5:30pm, Monday to Friday, excluding bank holidays.



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Important information

For Investment Professionals only. No other persons should rely on the information contained within. This is a marketing communication.

Investors should refer to the Prospectus and to the Key Investor Information Document (KIID) before making any final investment decisions. A free, English language copy of the Prospectus, KIID and Supplementary Information Document are available on the Premier Miton website, or copies can be requested by calling 0333 456 4560 or emailing contactus@premiermiton.com.

Whilst every effort has been made to ensure the accuracy of the information provided, we regret that we cannot accept responsibility for any omissions or errors.

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