

Premier Miton  
Monthly Income Fund

Awards and ratings



Awards and ratings are based on past events and are not an indication of future performance. Correct as at date of publication. Please see page 3 for further information.

Fund facts

Fund size	£415.1m
Historic Yield	4.18%
Launch dates	Fund - 24 Feb 1989 Share class - 24 Feb 1989
Fund structure	Open Ended Investment Company (OEIC)
Reporting dates	Final - 30 Apr Interim - 31 Oct
Base currency	GBP
Valuation point	12:00 noon
ISA eligible	Yes
Investment Association sector	IA UK Equity Income

Performance comparators  
FTSE All-Share Index  
IA UK Equity Income

Investment team



Fund manager  
**Emma Mogford**  
Joined Premier Miton  
**Nov 2020**  
Manager since  
**Nov 2020**



Assistant fund manager  
**Mahgul Ansari**  
Joined Premier Miton  
**Jun 2021**  
Manager since  
**Jan 2023**

Market review

The UK market has continued to rise with another 4% return in the second quarter, taking the index to plus 9% since the start of the year. This was despite the announcement of significant US tariffs on 'Liberation day' and an attack on Iran by Israel and the US. Concerns about future inflation and debt issuance in the US caused the US dollar to fall. Many UK listed companies have earnings in US dollars and some pay their dividends in US dollars. This led to a few downgrades of earnings and slightly weaker dividend growth.

In May the Bank of England cut the base interest rate to 4.25%. The expectation of further rate cuts this year helped to lift the valuation of property and utility companies. Defence companies were also stand out performers after the UK and Europe committed to higher military spending.

Performance

	30.06.20	30.06.21	30.06.22	30.06.23	28.06.24
Discrete annual performance (%)	30.06.21	30.06.22	30.06.23	28.06.24	30.06.25
Fund	18.88	2.89	5.78	15.45	8.92
Index	21.45	1.64	7.89	12.98	11.16
Sector	25.44	-0.27	4.28	14.54	10.58

Source: FE Analytics. Based on Sterling class C - Income shares, on a total return basis to 30 June 2025. 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.

During the second quarter the fund rose 3.57% versus the FTSE All Share Index 4.39% and the IA UK Equity Income sector 7.80%. The fund has delivered a positive return of 6.39% since the start of 2025 however it has lagged the benchmark.

Key positive contributors included Smiths group, who announced sales growth at the top end of guidance in their Q3 report. Kitchen company, Howden Joinery commented on a positive start to the year in their latest release. This combined with an expectation for lower interest rates and hence more housing market activity combined to lift the shares. Admiral, the car and home insurance company, continued to rise thanks to a favourable environment of good insurance margins, favourable regulatory backdrop, consolidation amongst competitors and good reinvestment income.

Pharmaceutical companies including our holding in Sanofi performed poorly on concerns about changes to vaccine regulation in the US. Bunzl shares fell after they announced higher costs and the loss of a few customers in their US business. They have a clear plan to recover margins in the second half. Smurfit Westrock, the paper company has been suffering with a worse outlook for packaging pricing, but we see this as cyclical and are excited by the synergies from the merger with Westrock.

Portfolio Activity

During the quarter we decided to increase our position size in IG Group and Sirius Real Estate and exit from DHL, the German parcel company. Long-term growth at DHL depends on global trade volumes and in light of increasing trade barriers we lowered our expectations for sales growth. IG group, the online trading company, benefits from market volatility, which we expect to continue. Sirius Real Estate continues to add significant value to the properties it operates and are looking to expand their services including self-storage. Properties in Germany could benefit from great fiscal spending too.

In June we increased our position in Coats. Coats is the global leader in high performance thread for clothing and shoe components for trainers. Management think they can generate very significant free cash flow over the next 5 years. We think the market is missing the strong growth prospects, opportunities for margin expansion, low risk balance sheet and benefits of a new CEO from a leading industrial firm. This was funded by reducing our position in BP.

Outlook

The fund is positioned to reflect a cautious but constructive view of markets. The outlook for global profits in the second half of 2025 includes headwinds from tariffs, delayed investment decisions and slowing momentum in AI capex. However, inflation will continue to help nominal growth. Several of our companies are guiding for management actions to deliver better profits in the second half of the year even if economic conditions don't improve. We also have some depressed cyclical investments which could deliver outsized returns if the economic environment shows signs of improving.

The UK market continues to look favourably placed relative to global equities. In addition to a lower starting valuation there are three potential tailwinds. Firstly, it looks likely that the UK will be able to cut interest rates faster the US, given the US is facing inflationary pressure from tariffs. Secondly the UK consumer has pent up spending power given the savings rate is running ahead of its historical

Income

Historic Yield 4.18%

The historic yield reflects distributions declared over the past twelve months as a percentage of the fund price as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

The yield is not guaranteed and will fluctuate.

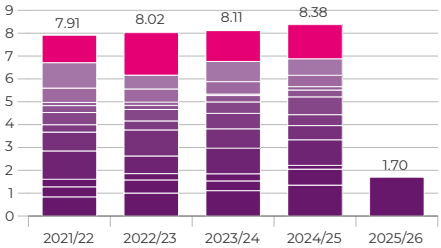
Payment frequency Monthly

Payment dates 28th of each month

Ex dividend dates 1st of each month

Income distribution (pence per share)

Total income distributions in each of the fund's last 5 financial years.



The dividend amount that is paid each year can go down and up and is not guaranteed.

average, unlike the US consumer. Thirdly, we remain hopeful that the government will come up with a way of incentivising UK savings to be invested once again into UK companies.

## 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.

## Performance comparators

The fund is classified in the IA UK Equity Income sector, which we believe is a meaningful comparator to help investors assess

the performance of the fund. As the fund invests in UK companies, we believe the FTSE All-Share Index is also a meaningful comparator

to help investors assess performance of the fund.

## Ratings, awards and other information

The methodology and calculations used by the third parties providing the ratings/awards are not verified by Premier Miton Investors and we are unable to accept responsibility for their accuracy, nor should they be relied upon for making an investment decision.

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## Contact us

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Please refer to the Prospectus and to the KIID before making any final investment decisions. A free, English language copy of the Prospectus, Key Investor Information Document 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.

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