

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	£418.0m
Historic Yield	4.02%
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

Fund manager



Emma Mogford

Joined Premier Miton
Nov 2020
Manager since
Nov 2020

Market Review

The UK market, as measured by the FTSE All-Share index, delivered an impressive 24% total return in 2025, a fact often overlooked by the gloomy media. Companies in the UK market are delivering good profit growth and attractive dividends, which is increasingly appealing to global investors.

Positive sentiment continued into the last quarter of the year. The outlook for inflation continued to fall, which meant that the Bank of England was able to lower interest rates in December. Several of the large pharmaceutical companies secured deals with the US administration to lower certain drug prices in exchange for tariff exemption, which helped lift the sector. A strong gold and copper price lifted the mining sector. Defence companies gave back some of their gains after a ceasefire between Russia and Ukraine looked more likely.

Performance

	31.12.20	31.12.21	30.12.22	29.12.23	31.12.24	31.12.25
Discrete annual performance (%)	31.12.20	31.12.21	30.12.22	29.12.23	31.12.24	31.12.25
Fund	19.12	0.45	8.35	9.93	13.59	
Index	18.32	0.34	7.92	9.47	24.02	
Sector	18.39	-1.69	7.02	8.73	18.67	

Source: FE Analytics. Based on Sterling class C - Income shares, on a total return basis to 31 December 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 fourth quarter the fund gained 5.85%, compared to a 6.38% rise for the FTSE All-Share Index and 5.74% for the IA UK Equity Income sector index by 5.74%. The fund delivered a return of 13.59% over the course of 2025, which was behind the comparators. The IA UK Equity Income sector delivered 18.67% over the course of 2025, whereas the FTSE All-Share delivered 24.02% over 2025.

The strong performance of banks and materials in 2025 was a detractor to relative performance during the year due to an under-weight position. We also held two stocks where management made mistakes and two stocks which were adversely affected by weak economic conditions, which contributed to performance behind the index.

In the fourth quarter **IG group** was the largest positive contributor. They finished the year strongly with trading revenues ahead of expectations and think they could see better sales growth next year. The alternative asset manager, **Man group**, has seen performance in its key funds improve in recent months, which helped drive the shares higher. **SSE** announced a rights issue to fund its new growth program, focussed on growth in electricity transmission. The market had been worried about the company's capital allocation, so this clarity helped to lift the shares.

Bunzl reported it would deliver on its new, lower, guidance this year, but margins would be weak again in 2026. The shares fell on this news. **Hikma Pharmaceutical** also fell after they announced margin pressure in the injectables business would continue in the next couple of years. We see the new margin guidance as a floor and still see this business delivering good profit growth. **Galp Energia** disappointed some investors as its new partnership with Total Energies didn't include an upfront payment, but we still see good medium-term growth in operating cash from its **Namibia project**.

Portfolio Activity

We increased our exposure to healthcare with the addition of **Hikma Pharmaceuticals**. Their high margin injectables business is expanding geographically and demand for higher-margin oncology and diabetes drugs is growing in the Middle East. This purchase was funded by the sale of WPP where we were wrong on their ability to grow while cutting costs.

We added to real estate with a new position in the student accommodation developer, **Unite Group**. They see growing demand from both UK students and international students, combined with limited new supply, as regulation makes it harder to be a private landlord. Like many stocks in the property sector, it is trading at a big discount to its net asset value. This was funded by selling **WH Smiths**. Their recent accounting issue in the US is likely to take some time to resolve.

Anglo American was sold after shares rose significantly and the dividend yield fell below our minimum level. We put the proceeds into a new position in Rio Tinto. Rio offers strong cash generation from iron ore assets coupled with growth from copper. We believe there is additional upside from a potential upturn in Lithium prices and portfolio simplification under Rio's recently appointed new CEO.

Finally, we bought a new position in **Hill & Smith**. We believe that it could potentially be a classic quality compounder, characterised by capital-light operations, a strong balance sheet, and robust cash generation. We see growth ahead of market expectations due to the super-cycle in power grids

Income

Historic Yield 4.02%

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.

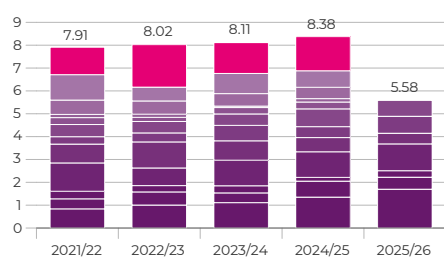
Payment frequency Monthly

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.

as well as ongoing infrastructure growth in the US. This was funded by reducing the position in **Smiths Group** after the share price rose rapidly.

After a review of **Pearson** and **SSE**, we decided to increase the position size of these strong businesses with structural growth. This was funded by reducing **National Grid** and **Smiths Group**.

Outlook

The fund is positioned to reflect a cautious but constructive view of markets. Valuations in the US look stretched relative to historical levels, which means an economic disappointment or a slowdown in technology investments could lead to market weakness. However, the UK market continues to look attractively priced. More importantly, it could be an important diversifier for clients who have an increasingly large exposure to a handful of US technology stocks.

There are 4 themes that could potentially deliver growth in the coming years which we believe are currently underappreciated by the market – emerging market growth, electrification, UK housebuilding and UK commercial property rental growth.

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, which is made up of companies listed on the London Stock Exchange, 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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Important information

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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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