

Premier Miton

Emerging Markets Sustainable Fund



Sustainable Investment Labels help investors find products that have a specific sustainability goal. This fund holds the 'Sustainability Impact' label. Information on the sustainability characteristics of the fund can be found in the [Sustainability Factsheet](#).

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	£6.5m
Launch dates	Fund - 21 Apr 2023 Share class - 21 Apr 2023
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 Global Emerging Markets

Performance comparator

IA Global Emerging Markets

Investment team



Fund manager
Fiona Manning
 Joined Premier Miton
Aug 2022
 Manager since
Apr 2023



Fund manager
William Scholes
 Joined Premier Miton
Aug 2022
 Manager since
Apr 2023

Notification: The Fund has adopted the FCA's "Sustainability Impact" label, recognising the fund managers' commitment to generating measurable positive environmental and societal outcomes, alongside financial objectives. The investment objective, policy and strategy were updated in the Fund's prospectus on 01.04.2025, providing further detail on the managers' investment approach.

Market Review

The MSCI Emerging Markets Index was roughly flat in Sterling terms, falling -0.13% in the third quarter. Emerging markets outperformed developed markets, with the MSCI World down -4.71% in the same period. Concerns over US trade policy caught up with developed equities, while emerging market equities had already corrected somewhat over the three months prior. Performance at the country level in EM diverged considerably: Asian nations more reliant on trade with the United States – such as Thailand, Indonesia and Taiwan – sold off in the days leading up to 2nd April, which the Trump administration had labelled Liberation Day, being the formal announcement of tariffs to be applied to US imports. Meanwhile, markets more exposed to the European Union – such as Poland, Czechia and Greece – fared much better, given expectations of a revival of government spending to drive growth, not least by Germany.

Performance

	31.03.20	31.03.21	31.03.22	31.03.23	28.03.24	31.03.25
Discrete annual performance (%)	31.03.21	31.03.22	31.03.23	28.03.24	31.03.25	
Fund	-	-	-	-	-	6.11
Sector	-	-	-	-	-	3.17

Source: FE Analytics. Based on Sterling class C - Income shares, on a total return basis to 31 March 2025. Performance is shown net of fees with income reinvested. This fund is priced on a swing pricing basis. The full 5 years of calendar year performance is not available as the fund launched on 21.04.2023.

Past performance is not a reliable indicator of future returns.

The Premier Miton Emerging Markets Sustainable Fund returned 0.27% over the quarter, compared with a return of -0.84% from the IA Global Emerging Market sector.

At the country level, Taiwan was the largest detractor to relative performance, in direct contrast to its strong contribution over the quarter prior. While the market overall was weak, our Taiwanese names performed still more poorly, as investors reduced exposure to companies involved in the supply of equipment to data centers for fear that slowing growth in the US will lead to spending plans being revised lower. Our holdings, **eMemory**, **Chroma ATE**, and **Accton**, all detracted meaningfully from performance in spite of monthly sales data showing that demand continued to be strong. Having reduced exposure to this area of the economy over recent months, we remain confident that these companies could be long run winners in some attractive technology niches.

The fund's underweight to China detracted from relative performance, as the combination of Chinese government policy support and local investor enthusiasm for new high tech innovation in Artificial Intelligence, humanoid robots, and globally competitive electric vehicles helped move the market higher. However, this was more than offset by strong stock selection in Hong Kong, where **Prudential** – a pan-Asian life insurer – continued to rebound following resilient results and guidance.

The fund's holdings in Mexico also performed well over the first quarter, in particular our microcredit provider **Gentera**, which provides much-needed financing for small businesses. Resilient results in Mexico and recovering operations in Peru supported strong share price gains in the period. Finally, our African telecoms company **Airtel Africa** added materially to returns. The firm's largest market, Nigeria, has agreed to network providers raising prices for the first time in years, which will support company earnings in the years ahead.

Portfolio Activity

We seek to invest in high quality, financially sustainable companies to hold for the long term. All companies must be able to demonstrate to us that they are sustainable in the products and services that they offer as well as in the way that they conduct their business.

We introduced a new Brazilian holding, **LWSA**. The business, formerly known as Locaweb, offers domain hosting, ecommerce shopfront, payments and related accounting and enterprise resource planning (ERP) solutions for small and micro-sized corporate clients in Brazil, operating a business somewhat similar to Shopify in the US and the European Union. We funded LWSA with a reduction in the allocation to **Mercado Libre** after a period of strong performance.

We also sold two businesses over the period. We exited our holding in Indian transmission business **Power Grid** on the basis of valuation. We also sold our holding in pulp and paper business **Mondi** in light of what we believed was a permanent loss of cost-competitiveness and a muted outlook for the industry in the medium term.

Outlook

The outlook for emerging markets has become less clear in the short run and markets are likely to see higher volatility following the announcement of significant tariffs on US imports. History suggests US consumers are likely to bear the inflationary impact of tariff increases, which would risk recession in the US and mount pressure on the US administration to reverse path.

We remain sanguine in the face of this volatility and will aim to take advantage of any attractive pricing opportunities in emerging markets over the months to come. In addition, exceptional growth in US financial assets in recent years has resulted in concentrated US equity risk positions for global investors. Even if tariff policy is walked back, global investors have been reminded of the reasons for diversification. Emerging markets as an asset class remain under-owned, and we believe the earnings growth potential from emerging markets remains unappreciated. Meanwhile valuations in emerging markets have been highly supportive and the tail risks from a slowing China are reduced by renewed Chinese policy commitment to economic recovery.

We believe that the best risk management for an unpredictable world is to buy resilient companies with strong cashflows, operating in alignment with global sustainable development priorities. We will continue to focus on identifying and investing in high quality financially sustainable businesses which we believe are able to deliver positive environmental and social outcomes.

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.

Funds with sustainability objective

As a result of the strategy used to pursue the Fund's sustainability objective there will be occasions when the financial performance will be different to that of other funds without such a sustainability goal, where there are less limits on what they may hold. It is not envisaged that there will be material negative environmental or social outcomes that may arise from pursuing this objective.

Performance comparator

The fund invests in at least 80% of its assets in companies listed on the stock exchanges of, or

which are domiciled or incorporated in or have assets within countries in the MSCI EM Index. It

is therefore a good index to use to compare the 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

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

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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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