

## Premier Alpha Growth Fund

Premier Growth Funds ICVC



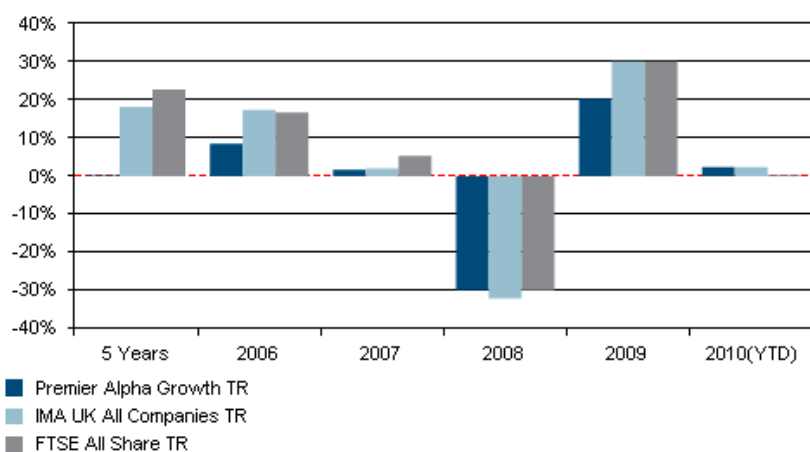
## | Fund Strategy |

- A focussed portfolio of UK equities seeking capital growth for investors.
- Typically the portfolio will consist of 20 - 40 positions.
- The portfolio construction will include both better established companies and smaller ones with higher potential returns, with the primary aim of capital growth.
- The Fund aims to deliver long term total returns in excess of the benchmark index, the FTSE All Share Index.

## | Fund Objectives |

To achieve long-term capital growth.

## Performance Record



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Previously known as the Aberdeen Alpha Growth Fund. Premier Fund Managers Ltd took on the investment management of this Fund on 01/08/09 and Premier Portfolio Managers Ltd assumed responsibility as Authorised Corporate Director on 05/12/2009. Performance data is for the R share class.

## Discrete Annual Performance (%)

Share Type	2010(YTD)	2009	2008	2007	2006
Income	2.4	20.4	-29.9	1.7	8.6

## Discrete Annual Performance to Quarter End 30 June 2010 (%)

Share Type	30/06/2009	30/06/2008	30/06/2007	30/06/2006	30/06/2005
Income	5.3	-15.6	-13.2	11.6	12.6

## Cumulative Performance to 31 July 2010 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Income	-3.0	3.1	10.7	-14.6	0.3
Official Sector	-3.7	5.0	20.0	-10.1	18.2
Benchmark	-4.4	4.0	19.3	-7.4	22.7

Quoted on a bid to bid, total return, UK Sterling, basis. Past performance is not a guide to the future. The price of units and shares and the income from them may go down as well as up and you may get back less than you invested.

Source: Financial Express. 09/08/2010

## | Key Fund Facts |

<b>Fund Size:</b>	£21.21m
<b>Historic Yield:</b>	R Inc 2.0%
<b>Benchmark:</b>	FTSE All Share
<b>Sector:</b>	IMA UK All Companies

## | Top 10 Holdings |

	%
GLAXOSMITHKLINE ORD GBP0.25	6.33
BARCLAYS ORD GBP0.25	6.25
BP ORD USD0.25	6.23
RIO TINTO ORD GBP0.1	5.96
BG GROUP ORD GBP0.1	4.94
RECKITT BENCKISER GROUP ORD GBP0.1	3.84
HSBC HLDGS ORD USD0.5	3.72
BHP BILLITON ORD USD0.5	3.69
PREMIER OIL ORD GBP0.5	3.48
RSA INSURANCE GROUP ORD GBP0.275	3.41
<b>TOTAL</b>	<b>47.85</b>

## | Asset Allocation |

	%
Industrials	23.10
Financials	18.88
Oil & Gas	16.33
Basic Materials	12.03
Consumer Goods	6.43
Health Care	6.33
Telecommunications	6.06
Consumer Service	5.68
Cash	2.62
Utilities	2.55
Other	0.01

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## Fund developments and comments

**Premier Alpha Growth Fund - Investment Manager, Simon King**

July was a very strong month for equities on a global basis with most major indices posting substantial gains. The UK was no exception as the market brushed off mixed macroeconomic data and chose instead to concentrate on the plethora of strong results and announcements being announced by the corporate sector. With the Bank of England once again holding interest rates and no sign of a rise any time soon, investors chose to ignore downward revisions to Gross Domestic Product (GDP) numbers and

focus on the fact that this was likely to subdue any chance of a step up in inflation. Whilst this may prove foolhardy in the longer term it is difficult to avoid the conclusion that whilst a constant supply of "cheap" persists, then asset prices in general are likely to hold up and as we have consistently argued over the past few months, equities look very attractive relative to other asset classes.

The Fund benefitted from its exposure to Cape, which reacted well to results, BP, which finally managed to cap its Gulf of Mexico oil well, Barclays, which participated in the general rally in banks and Premier Oil, where a number of bids in the oil sector had a beneficial impact. Holdings in Cable & Wireless Worldwide, which downgraded profit expectations, and Rentokil proved detrimental to performance. Both of these highlight the perils of being invested in stocks with even small exposure to UK government spend or even perceived exposure.

We have continued to concentrate the Fund towards its target of 20 – 30 holdings. The vast majority of these will be our favoured long term stocks where we are seeking to find companies with superior market position, pricing power and ability to protect both of these. From time to time we will seek to supplement them with shorter term ideas but these will be dependent upon market conditions which are not particularly attractive at the present.

In our view, the market is likely to remain in a skittish mood but with a tendency to rise in the coming months. Many investors in the UK remain confused by the current environment. They are faced by an incredibly strong and financially robust corporate sector which is not restricted by the availability of debt since it simply does not need it and which, on the whole, is trading well. The consumer meanwhile does not know which way to turn. He is consistently reminded that things are getting worse and that he will be paying more tax and receiving fewer services from the government going forward. But at the same time he still has his job (probably), continues to enjoy low mortgage payments and has some money in his pocket at the end of each month. In this context, and despite our negative view on the outlook for the UK economy, it is possible to envisage even the retail sector enjoying a stronger run up to Christmas as the average consumer deduces that the City soothsayers have got it wrong again. The one certain fact is that UK government finances are still in a mess and whatever shape or form the Autumn spending review takes, its net result will be a severe negative, hence our extreme nervousness on the outlook for the UK in 2011 once tax rises and spending / job cuts really start to bite.

Against this background we regard our task as a relatively straightforward one i.e. to find companies that have the ability to grow against a very challenging economic background and acquire positions in them at reasonable prices. By definition, these opportunities are not abundant but when we do find them the current volatility in the market is providing chances to buy them. Our favoured stocks are still tending to exhibit exposure to emerging markets, the capital goods sector and merger and acquisition activity.

## Fund Information

Annual Management Charge	1.50%
Initial Charge	4.25%
Accounting Dates	31 Aug, 28/29 Feb
Payment Dates	31 Oct, 30 Apr
Valuation Point	12 noon, daily
Sedol	408507
Share Class	Income
Published Price	The Financial Times
ISA eligible	Yes, stocks & shares
Min. Investment	£1,000, £50pm

## Investment Team

**I Premier Asset Management Limited I**

Premier Asset Management is a privately owned, dynamic and progressive asset management company that designs and distributes innovative investments, predominantly through financial advisers. Via its FSA regulated subsidiaries, Premier Portfolio Managers Ltd and Premier Fund Managers Ltd, Premier manages a range of authorised UK and offshore funds as well as providing bespoke discretionary management services for retail and corporate clients.

**I Simon King, Senior Investment Manager I**

Before joining Premier in April 2010, Simon was previously with Gartmore Investment Management (1996-2009) where he managed and co-managed a series of successful multi-cap long/short and long only high performance portfolios. Prior to this, Simon was a member of the highly successful UK smaller companies team at NatWest Investment Management (1994-1996). His considerable multi-cap UK equities experience is highly regarded.

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