

## Premier China Enterprise Fund

Premier Funds OEIC



## | Fund Strategy |

We aim to add value through sector allocation and stock selection, within a controlled asset allocation framework. Stock selection is based on Growth at a Reasonable Price. Within stock selection, the Fund will, on average, be 75% large capitalisation, 15% mid cap and 10% small cap.

The Fund will normally hold between 30 and 50 holdings. It is unlikely for any one stock's market value to exceed 5% of the total assets of the Fund. Target price and liquidity are important criteria in selecting investments.

## | Fund Objectives |

The Premier China Enterprise Fund aims to achieve long-term capital appreciation, primarily investing in equities issued by companies with significant exposure to the Greater China region, which consists of China, Hong Kong and Taiwan.

## Performance Record



■ Premier China Enterprise TR [12.4]  
 ■ IMA Asia Pacific Excluding Japan TR [10.3]  
 ■ MSCI GOLDEN DRAGON TR [10.4]  
 02/06/2008 - 30/06/2010 © Financial Express Holdings 2010

## Discrete Annual Performance (%)

Share Type	2010(YTD)	2009	2008	2007	2006
Accumulation	-3.0	58.7	-	-	-

## 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
	30/06/2010	30/06/2009	30/06/2008	30/06/2007	30/06/2006
Accumulation	19.3	7.5	-	-	-

## Cumulative Performance to 30 June 2010 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Accumulation	-8.1	-3.0	19.3	-	-
Official Sector	-6.8	0.3	31.5	18.7	95.1
Benchmark	-5.0	-0.3	24.4	26.5	89.4

Performance 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. 14/07/2010

## | Key Fund Facts |

Fund Size:	£10.7m
Historic Yield:	Inc: 0.2% Acc: 0.2%
Launch Date:	01 June 2008
Benchmark:	MSCI Golden Dragon Index
Sector:	IMA Asia Pacific ex Japan

## | Top 10 Holdings |

	%
PING AN INSURANCE GROUP	3.60
BOC HONG KONG HOLDINGS	3.57
CHINA CONSTRUCTION BANK'H/CNY1	3.55
PETROCHINA	3.50
BEIJING ENTERPRISE HKD0.10	3.49
INDUSTRIAL & COMMERCIAL BANK CHINA	3.44
CHINA LIFE INSURANCE	3.32
SHANGHAI INDUSTRIAL HOLDINGS	3.25
TAIWAN SEMICONDUCTOR MANUFACTURING	3.13
CHINA PETROLEUM & CHEMICAL CORP	3.05
<b>TOTAL</b>	<b>33.9</b>

## | Asset Allocation |

	%
Financials	21.7
Information Technology	18.8
Energy	13.8
Materials	10.7
Consumer Staples	7.8
Industrials	7.6
Consumer Discretionary	7.0
Utilities	5.3
Property	4.2
Healthcare	1.4
Cash	1.6

## | Geographical Breakdown |

	%
China	55.2
Taiwan	25.3
Hong Kong	9.1
Singapore	3.7
China - US	3.1
China - B	2.0
Cash	1.6

## Fund developments and comments



**Premier China Enterprise Fund, Investment Manager:**  
Fen Sung

Markets lacked conviction in June. Even China's announcement to de-peg its currency from the USD, and to restart its RMB reform only led to a brief rally in markets. Concerns over global growth continue to dampen sentiment. The MSCI Golden Dragon Index ended the month down -2.3 in sterling terms.

The Fund also has had a poor month, down 4.1% where underperformance was due to being underweight defensive stocks.

MSCI China ended the month rising 0.9%, led by telecoms stocks. Material stocks continue to suffer, with coal stocks hit particularly hard due to price controls introduced by the Chinese government to help curb inflationary fears.

MSCI Hong Kong enjoyed a better month rising 2.9% as Hong Kong property stocks regained some of their losses from the previous month.

Taiwan fell marginally over the month. Overall, telecoms stocks outperformed due to their defensive earnings.

Sterling regained most of the losses from the previous month, rising 3% against the Hong Kong Dollar, and 2.3% against the Chinese Yuan. It rose 3.5% against the Taiwanese Dollar.

China Everbright was a new addition this month. The company is primarily engaged in environmental projects such as sewage water treatment, waste-to-energy, and solid waste disposal.

Mindray Medical was sold over the month after reaching target price. The company manufactures high end ultrasound equipment for the healthcare sector, and we are concerned with the continued strength of the Chinese Yuan affecting its exports.

## Fund Information

Annual Management Charge	1.50%
Initial Charge	5.25%
Accounting Dates	31 May, 30 Nov
Payment Dates	30 Sept, 31 Jan
Valuation Point	12 noon, daily
Sedol	Acc: B0J0MX7, Inc: B0J76Z8
Share Class	Accumulation & Income
Published Price	12 noon daily
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 Fen Sung, Investment Manager I**

Fen Sung, Premier's Far East specialist, joined Premier in 2000, originally working as a Private Client Portfolio Manager before joining the Far East Team. Fen also co-manages the Premier China Opportunities Trust and has a BA (Hons) degree in Chinese History.

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