

Premier European Growth Fund

Premier Funds OEIC



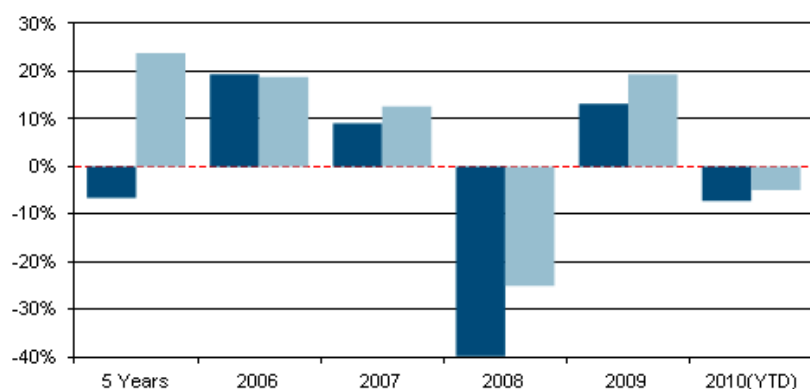
| Fund Strategy |

- The Fund is a focused portfolio of high conviction stocks with a large and mid cap bias. As such the liquidity of the majority of the holdings is extremely high.
- A top down approach is used to select long term themes which, in turn, helps to drive the stock selection. Individual positions are bought with a 12-18 month investment time horizon in mind.
- The investment approach is fundamentally driven with specific price targets set for each position. In highly volatile markets the manager uses this discipline to also take trading gains on strong rallies.

| Fund Objectives |

The Premier European Growth Fund aims to outperform the MSCI World Europe ex UK Index, or any successor or substitute index, in each case as modified from time to time, by 1.5% per annum over rolling 3 year periods. This will be achieved by investing in equities and equity-based instruments and traded on European markets.

Performance Record



■ Premier European Growth TR
■ IMA Europe Excluding UK TR

© Financial Express Holdings 2010

Discrete Annual Performance (%)

Share Type	2010(YTD)	2009	2008	2007	2006
Income	-7.2	13.2	-39.8	9.1	19.4

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	10.9	-41.0	-12.8	21.9	35.8

Cumulative Performance to 31 July 2010 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Income	-5.0	-0.2	8.5	-37.2	-6.6
Official Sector	-5.6	1.0	12.6	-10.9	23.8

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 Facts |

Fund Size:	£4.04m
Historic Yield:	0.0%
Launch Date:	01 October 2001
Sector:	IMA Europe ex UK
Benchmark:	MSCI Wld Europe ex UK

| Top 10 Holdings |

	%
ANHEUSER-BUSCH INBEV NV	8.14
NOVARTIS AG CHF0.50(REGD)	7.89
TELEFONICA SA EUR1	7.57
BNP PARIBAS EUR2	5.46
SYNGENTA AG REG CHF0.1	5.09
PROSIEBENSAT1 MEDI NPV PRF	4.77
FRESENIUS MEDICAL CARE NPV	4.76
CREDIT AGRICOLE SA EUR3	4.12
FUT DJ EURO STOXX 50 SEP10	3.96
BANCO SANTANDER EUR0.50(REGD)	3.74
TOTAL	55.5

| Geographical Allocation |

	%
Germany	22.34
France	21.70
Switzerland	20.47
Spain	16.19
Belgium	8.14
The Netherlands	5.16
Other	2.28
Cash	1.84
Scandinavia	1.70

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Fund developments and comments

**Premier European Growth Fund, Investment Manager - Mike Jennings**

European Equity markets began July as they had finished June – in a miserable mood. Thankfully the gloom lifted as the month progressed and enabled the MSCI Europe ex-UK index to rise 6.7%. The Premier European Growth fund, by comparison, gained 6.3% over the month.

Although economic data continues to be mixed, there are certainly some attractive data points.

The International Monetary Fund, for example, raised their estimate for global growth in 2010 from 4.2% to 4.6%, albeit still warning of risks ahead. Bank stress tests on 91 European banks were also eagerly awaited in the market with fears that they may be a catalyst for fund raising within the sector. The result showed that, except for seven smaller German and Spanish regional banks, the sector is relatively well placed to withstand further shocks. This helped European equities, and in particular the banking sector which led the rally.

The ranking of performers was as would be expected. With risk generally being added to portfolios once more, the markets with the greatest fiscal concerns performed the best. Greece, for example, rose 17.3% on the month, with Spain gaining 13.3%. By contrast, France rose 5.8% and Germany – the relative safe haven – gained only 3.1%.

From a stock perspective, the major catalyst during July was the second quarter results season. The US season reports before most European companies and set a strong tone. At the time of writing consensus expects the second quarter to have produced earnings +44.8% ahead of the same period last year. This is substantially better than expectations at the start of July. Those European companies that had reported by the end of July, continued the positive surprise, this adding fuel to the rally.

Following relief over the bank stress tests, and also a benign ruling by the Basel Committee over capital requirements, bank stocks led the rally in Europe. Those perceived to be the most vulnerable bounced the strongest as the prospect of capital raising was, in many cases, postponed or deemed unnecessary. Life Assurance was the second best performing sector, with fixed line telecommunication stocks receiving a well deserved bounce following generally strong earnings announcements.

The Premier European Growth fund was well placed to benefit strongly from the rebound in European equity markets. The best performing stock over the period was French bank, Credit Agricole, which gained 21.7% on relief that it may avoid raising additional capital. Elsewhere the Spanish duo, Telefonica and Santander, both performed well as investors bought back into the Spanish market.

European equity markets became oversold on irrational fears of economic collapse during June. Thankfully, reasonable economic data and excellent corporate data overcame this gloom during July. Economic data is likely to remain patchy for the rest of the year with fiscal austerity in many European countries (and the UK) beginning to take its toll on growth. Equity markets are priced for this, however, with valuations looking cheap on multiple measures. As fears of the worst case scenarios subside in coming months, equities are likely to gather momentum. The Fund will continue to seek companies with strong long term franchises that offer strong potential for growth on attractive and sustainable prices.

Fund Information

Annual Management Charge	1.75%
Initial Charge	5.25%
Accounting Dates	30 Nov, 31 May
Payment Dates	31 Jan, 30 Sept
Valuation Point	12 noon, daily
Sedol	3091034
Published Price	The Financial Times
Share Class	Income
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 Mike Jennings, Senior Investment Manager I

Mike joined Premier in 2008, bringing with him 19 years' global equity experience having worked at Sarasin, and then at Morley where he headed the successful global equity team. Mike can demonstrate in excess of ten years' consistent outperformance in global equity products.

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