

Premier Multi Asset High Income Fund

Premier Multi-Asset 2 OEIC


Premier

| Fund Strategy |

- Our investment style is a blend of bottom-up and top-down decision making; we carry out detailed research and analysis to pick the funds that make up the portfolio and then make top-down decisions based on macro factors to trade into and out of these funds.
- Our style could also be described as 'contrarian', as one of our main methods of adding value is to consistently take profits from funds and/or asset classes that have performed strongly, while channeling investment towards those that have been weak.
- There is a maximum exposure to any one holding of 5% and a 15% limit to any one investment group. This means that there will be 20 holdings from at least 7 different management groups.

| Fund Objectives |

To provide a high level of income from a portfolio of investments.

On 19 December, the Elan High Income Fund was renamed the Premier Multi-Asset High Income Fund.

Performance Record



■ Premier Multi Asset High Inc TR [30.1]
 ■ IMA Mixed Investment 20%-60% Shrs TR [22.3]
 05/01/2009 - 30/12/2011 Powered by data from FE

Discrete Annual Performance (%)

Share Type	2012(YTD)	2011	2010	2009	2008
Accumulation	-	-2.0	10.1	-	-

Discrete Annual Performance to Quarter End 31 December 2011 (%)

Share Type	31/12/2010	31/12/2009	31/12/2008	31/12/2007	31/12/2006
Accumulation	31/12/2011	31/12/2010	31/12/2009	31/12/2008	31/12/2007
Accumulation	-2.0	10.1	-	-	-

Cumulative Performance to 31 December 2011 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Accumulation	2.6	-4.6	-2.0	-	-
Official Sector	2.8	-3.0	-1.9	23.4	5.3

Quoted on a total return, bid to bid, 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. 11/01/2012

| Key Fund Facts |

Fund Size:	£21.6m
Launch Date:	05 January 2009
Sector:	IMA Cautious Managed
Historic Yield:	Inc 4.8% Acc 4.7%

| Top 10 Holdings |

	%
ROYAL LONDON CORPORATE BOND	5.01
NEPTUNE INC 'B' INCOME	4.97
HENDERSON PREF BOND-I-INC	4.94
KAMES STERLING CORP BOND ""B"" INC	4.81
RATHBONE INCOME FUND	4.64
BAILLIE GIFFORD CORP BND 'B' INC (O	4.59
SCHRODER INCOME MAXIMISER INC	4.53
TWENTYFOUR MONUMENT BOND """" INC	4.39
PSIGMA INCOME INC	4.09
STANDARD LIFE UK EQUITY HIGH INC IN	4.03
TOTAL	46

| Asset Allocation |

	%
UK	35.89
Investment Grade	17.12
Alternative Assets	15.17
International Equities	9.63
High Yield	8.48
Property	6.55
Floating Notes	4.94
Cash	2.20

Premier Multi Asset High Income Fund

Premier Multi-Asset 2 OEIC



Fund developments and comments

Investment Managers: David Hambidge, Ian Rees & David Thornton

December lived up to its billing as a month of good cheer for stock markets, as equity prices continued to rally from their Autumn lows. A slightly better tone to the economic news from across the pond was the most likely provider of the seasonal goodwill, with the news from Europe remaining fairly uninspiring as the Continent's politicians bumbled to the year end. The Fund produced a return of 1.7% for the final month of the year, putting it ahead of its sector average advance of 1.3%.

While capital performance has been uninspiring in 2011, the Fund has had a good year for income (which is its main focus). There's simply no way we can generate an income worth having by investing in cash, gilts and gold, which seem to be the safe havens of choice at the current time, as the latter pays no income at all, while cash and gilts don't offer much more. So instead we invest in assets such as corporate bonds, equities and infrastructure – whose prices fluctuate more than the safe-haven assets but, in our view, are no more risky on a genuine long-term view, especially when you take into account the threat posed by inflation.

The Fund's exposure to equity income funds helped it to end the year on a high. In relative terms, it's been a good year for these funds, as they've proved much better than their growthier peers at protecting values amid the wider stock market sell-off. This is largely due to their natural avoidance of banks and miners, which pay little if any income through dividends. The shares of companies in these two industries had an especially rough time of it in 2011, so most of those who gave them a wide berth did well for the year.

Fund Strategy

We have added three new infrastructure holdings over the last few months. John Laing Infrastructure, GCP Infrastructure and Bilfinger Berger Global Infrastructure both hold portfolios of infrastructure assets (such as toll bridges, ports, airports, hospitals etc) that earn a steady stream of income, often paid by governments. The income paid by these collections of assets is respectable to say the least, and is also appealing as the revenue streams are less sensitive to the economic cycle. We expect them to achieve a decent total return, therefore, without enduring the volatility experienced by equities.

We're not tempted to chase last year's winners, as our investment principles tell us to pay close attention to valuation. On this basis, gilts look very expensive, especially compared to equities. Yes; shares are likely to be impacted by any short-term fall-out as the macro problems work themselves out, but as long as the companies are sound, and the price paid isn't excessive, then the long-term returns will be worth the wait.

Fund Information

Annual Management Charge	1.50%
Initial Charge	5.55%
Accounting Dates	31 Jan, 30 Apr, 31 Jul, 31 Oct
Payment Dates	31 Mar, 30 Jun, 30 Sept, 31 Dec
Valuation Point	12 noon, daily
Sedol Code	Acc: B3FQBC2, Inc: B3FQB99
Published Price	www.premierfunds.co.uk
Share Class	Accumulation & Income
Min. Investment	£1,000 / £100pm
ISA eligible	Yes, stocks & shares

Investment Team

I David Hambidge, Ian Rees & David Thornton I

Investment Director, David Hambidge, has been with Premier since 1987 and specialises in the management of portfolios using collective investment vehicles including OEICs and investment trusts. David has been part of the original investment team that set up Premier's Fund of Funds in 1995 and was appointed lead manager in February 1999, making him one of the most experienced Fund of Funds managers in the UK.

Head of Fund Research, Ian Rees, has been with Premier since 2000 and joined the Pooled Funds team in April 2005. Ian was formerly the Senior Research Analyst for Closed End funds and has worked on Global Equity and Utility & Infrastructure. Ian is co-manager on all Premier Funds of Funds portfolios.

Investment Manager, David Thornton, joined Premier in May 2006 and currently manages discretionary portfolios covering fixed interest and European sectors. Previously, David worked as an Investment Analyst before becoming an Investment Manager in 2004, with responsibility for discretionary multi-manager portfolios.

Issued by Premier Portfolio Managers Ltd. Premier Portfolio Managers Ltd and Premier Fund Managers Ltd are ISA managers and members of the Premier Asset Management Marketing Group, authorised and regulated by the Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. Premier Portfolio Managers Ltd is a member of the Investment Management Association. Exchange rates can cause the value of underlying investments to fall or rise. Tax concessions are not guaranteed and may be changed at any time; their value will depend on your individual circumstances. For your protection, your call may be recorded. Reference to any particular stock or fund is not a recommendation to buy or sell. Details of the nature of the investments, the commitment required and fund specific risk warnings are described in the Simplified Prospectus which is available on request. The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market unit price of the fund, as at the date shown. Persons who do not have professional experience in matters relating to investments should speak with a financial adviser before making an investment decision.

FTSE International Limited (FTSE) © FTSE 2011. FTSE® is a trade mark of London Stock Exchange Plc and The Financial Times Limited and is used by FTSE under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE data is permitted without FTSE's express written consent