

Premier UK Money Market Fund

Premier Funds Unit Trust



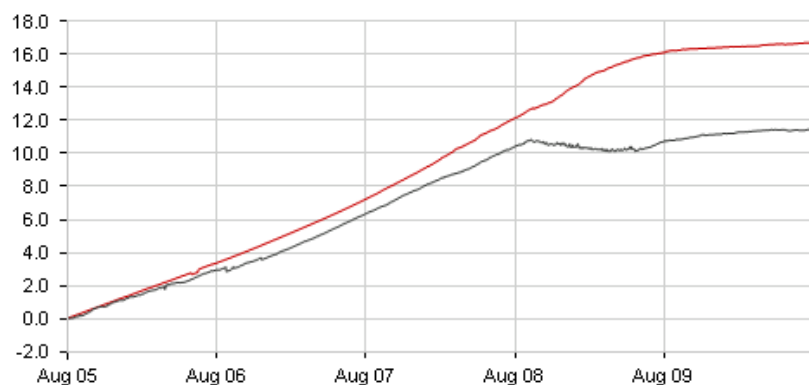
| Fund Strategy |

- Aim to maximise returns from sterling transferable securities and money market instruments whilst maintaining liquidity.
- Portfolio will deposit money and invest in securities of less than one year's maturity. Securities will be in the form of certificate of deposit, commercial paper and bonds.
- The maximum exposure to any eligible bank/security issuer will be 20% of the portfolio.
- There will be a minimum of 50% of the portfolio in transferable securities and deposits repayable within 2 weeks.
- A highly liquid money market vehicle which, importantly, has the added advantage of giving investors quick and easy access to their investment, settlement usually takes place by the next working day.

| Fund Objectives |

The Premier UK Money Market Fund aims to generate income through the active management of a diversified portfolio of UK deposits and short dated money market and other investments.

Performance Record



■ Premier UK Money Market TR [16.7]

■ IMA Money Market TR [11.5]

29/07/2005 - 30/07/2010 © Financial Express Holdings 2010

Discrete Annual Performance (%)

Share Type	2010(YTD)	2009	2008	2007	2006
Accumulation	0.2	2.0	4.5	4.2	3.4

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
Accumulation	0.6	3.8	4.6	3.6	3.4

Cumulative Performance to 31 July 2010 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Accumulation	0.1	0.2	0.5	8.9	16.7
Official Sector	0.0	0.2	0.7	4.8	11.5

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 |

Fund Size:	£108.67m
Launch Date:	01 August 1989
Sector:	IMA Money Market
Underlying Yield:	0.5%
Distribution Yield:	0.5%

| Top 10 Exposures |

	%
Bank of America Corp / Merrill Lynch	13.66
Lloyds Banking Group	13.07
Credit Agricole SA / CIB / Calyon	11.12
European Investment Bank	9.96
General Elec Cap Corp	9.09
Nationwide Building Society	8.25
Ing Bank NV	7.41
Barclays Bank	7.22
Northern Trust Corp	5.80
Royal Bank of Scotland	3.89
TOTAL	89.47

| Asset Allocation |

	%
Certificate of Deposits	55.89
Bonds (Financials)	20.45
Floating Rate Notes (Financials)	17.86
Cash Deposits	5.80

| Maturity Weighting |

	%
0-3 months	64.85
3-6 months	20.73
6-9 months	9.79
9-12 months	4.63

| S&P ratings |

	%
A-1	100

Premier UK Money Market Fund

Premier Funds Unit Trust



Fund developments and comments



Premier UK Money Market Fund, Senior Investment Manager - Paul Smith

The Premier UK Money Market Fund continues to rank top quartile in the IMA Money Market sector for all standard reporting periods from one quarter to ten years, while still having some of the lowest risk statistics in the sector. Stable returns and a cash like profile remain the key characteristics of the Premier UK Money Market Fund.

The Monetary Policy Committee (MPC) maintained the UK base rate at 0.5% this month with Andrew Sentance remaining the only obvious hawk on the committee, as for the second consecutive time he alone voted for a rate rise. The committee remains torn between the risks of weak growth and high inflation. Sterling LIBOR has remained broadly unchanged this month while the Consumer Price Index inflation measure continues to fall back, but still significantly above the target level and the path The Bank of England had expected inflation to follow.

Government fiscal tightening will hamper growth and it is unlikely that an imminent rise in the base rate could occur. However, I tend to feel almost as hawkish as Andrew Sentance in his recent speech entitled 'How long should "The song remain the same"'. The speech questioned 'how long the monetary policy song can remain the same (low interest rates), when it might be out of tune with the rest of the background music from the real economy – of economic recovery and above target inflation.' I have no doubt the next few years will be bleak for households but we currently have an emergency rate of interest because inflation was expected to plummet and economic growth remain subdued; neither of which has been the case so far this year.

The positive result from the recent Global Stress Test reassured markets to the banks newly found strength. The iTraxx Financials indices (Senior and Subordinated) both fell sharply over the month as the cost to insure against financial defaults reduced, even though there were concerns that the stress test wasn't very stressful! Banks still need to increase their capital reserves and I maintain no direct exposure to banks domiciled in PIGS (Portugal, Italy, Greece and Spain), or PIIGS if you wish to include Ireland; I do not!

With sterling LIBOR likely to pause following the stress test results, I will look to deposit maturities into slightly longer money market instruments this month. US dollar LIBOR has been falling for the last 6 weeks which better depicts the improving confidence in banks and I expect borrowing for these institutions in LIBOR to reflect this. However, my view of rising rates before markets expectations, or sharper rate rises if the MPC does not act this year, has not changed and I will look to shorten the Weighted Average Maturity (WAM) of the Fund approaching the end of this year. As rate expectations and LIBOR increase, the yield on the Fund will naturally rise, amplified by our reduced WAM.

Source: Premier Fund Managers Limited.

I Other Information I

Weighted Average Maturity (WAM): 84 days
Weighted Average Life (WAL): 98 days

Key Fund Facts

Annual Management Charge	0.50%
Initial Charge	0%
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: 0706115, Inc: 0706126
Published Price	The Financial Times
Share Class	Accumulation & Income
ISA eligible	Stocks & shares - no
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 Paul Smith, Senior Investment Manager I

Paul manages fixed income securities at Premier. His responsibilities include the management of open and closed end funds as well as managing various private client portfolios. Paul has a 1st class BA (Hons) degree in Economics and an MA in Finance and Investment (with distinction) from Exeter University.

This document is issued by **Premier Portfolio Managers Limited, Eastgate Court, High Street, Guildford, Surrey GU1 3DE**. Premier Fund Managers Limited and Premier Portfolio Managers Limited are both 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 Limited is an ISA manager and markets a number of funds. Premier Fund Managers Limited, also an ISA manager, provides investment management services to Premier Portfolio Managers Limited and for other clients and investment funds. Premier Portfolio Managers Limited is also a member of the Investment Management Association. You should remember that past performance is not a guide to the future. The price of shares and the income from them may go down as well as up and you may get back less than you invested. Exchange rates will also 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 when dealing, your call may be recorded and monitored. Reference to any particular stock does not constitute a recommendation to buy or sell the stock. 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. Persons who do not have professional experience in matters relating to investments should speak with a financial adviser before making an investment decision.