



Premier Monthly Income

UK Equity Income

Introduction

The origins of Premier Asset Management Limited date back to late 1988 when Premier Fund Managers Limited was established.



Manager - Chris White

Manager Since - 01/12/2010

Chris White joined Premier in November 2010 to manage UK income funds and has 20 years of investment management experience. Previously, he was with Threadneedle for 7 years as a Director of UK Income Funds. Chris started his career with Robson Rhodes and has also worked for Charterhouse Tilney and Legg Mason as an investment manager. He holds an honours degree in Economics and is a member of the Chartered Institute for Securities & Investment and the CFA.

Fund Objective

Please click on 'Fund Data' button above.

Investment Process

The fund is a pragmatic slightly value orientated portfolio which has both a top-down and bottom-up approach to investing. This combines to form the overall sector and stock bias. The manager describes the fund as having a GARP strategy which concentrates on delivering a consistent natural income.

The first part of the process involves assessing the economic backdrop to the current market using the resources and team within Premier, including all the equity managers across different geographical regions. Ideas for the portfolio are generated from a number of sources both internal and external and will require company meetings for the lower capitalisation stocks. The top-down bias will depend on the number of themes available as the manager prefers to be pragmatic about the focus in the portfolio and will only have themes driving selection if they have conviction in them. At a stock level they look for companies to have a strong market position with a long term quality franchise, a good free cash flow and strong balance sheet but operating at a discount to the sum of the parts. They are looking for value in the price but with a strong downside emphasis that challenges the selection on the basis of the factors that could affect the price if they were wrong.

They emphasise the traditional valuation metrics in this process. They are also looking for catalysts to change and will include what they term as special situations in the portfolio if they believe the catalyst will drive up value. For a stock to enter the portfolio on an overweight basis, it generally falls into the category of having a strong fundamental valuation and being within an identified theme. The manager is not afraid of being out of a specific sector if necessary and will aim to have around 40 stocks in the portfolio to represent the highest conviction selections. Stocks will generally form around 3% of the portfolio but can form up to 5% at a maximum. The Monthly Income fund is built on the same criteria and process as the Income fund with the differences being in some stock weightings and holdings to ensure the monthly distribution can be maintained.

RSMR Opinion

The fund manager has a long history of managing income funds and has structured a product to harness the best ideas from a combined bottom-up top-down approach. The portfolio has a slight value orientation but is intended to be pragmatic and have an overall GARP strategy with the natural income keeping it ahead of sector requirements. The fundamentals of stock research are traditional and will encompass a thematic perspective if the manager believes this should be emphasised in the portfolio. This is a relatively concentrated portfolio that can offer an alternative to some traditional core funds in the sector and is run by an experienced manager. As a monthly income fund the manager concentrates on making sure the distributions are as balanced as possible and stock selection is often slightly different in this fund compared to the core Income fund to accommodate this requirement.



Important Notice

This factsheet is aimed at Investment Professionals only and should not be relied upon by Private Investors. Our comments and opinion are intended as general information only and do not constitute advice or recommendation. Information is sourced direct from fund managers and from a number of websites. This information is therefore as current as is available at the time of production.