



Premier Multi-Asset Conservative Growth

Mixed Investment 20-60% Shares

Introduction

(Previously Premier Conservative Growth)

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



Manager - David Hambidge /Ian Rees/David Thornton

Manager Since - 01/07/2010 & 01/12/2011

David has been with Premier since 1987 and specialises in the management of portfolios using collective investment vehicles including OEICs and Investment Trusts. As well as managing retail and institutional mandates, David was part of the original investment team that set up Premier's Multi-Asset Funds (previously known as Funds of Funds) in 1995 and was appointed lead manager in February 1999. This makes him one of the most experienced Multi-Asset Fund managers in the UK. Ian 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. David 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.

Fund Objective

Please click on 'Fund Data' button above.

Investment Process

Although the fund is placed in the 20-60% sector it has an absolute return mind set with the objective being to provide low volatility and capital preservation. The fund also aims to provide these returns through capital growth rather than through income and will invest in assets that provide significant diversity to traditional bond and equity funds offering a similar risk profile. The manager views the fund as having a bottom up approach to selection but is very conscious of the performance drivers and the need to mitigate risks when balancing the portfolio. The portfolio holds little direct equity exposure and the manager does not intend to increase this but rely on other holdings in structured products, Investment trusts and hedge funds. They actively search for areas of relative value giving them a value bias. This could also be described as 'contrarian', as one of the main methods of adding value is to consistently take profits from holdings and / or asset classes that have performed strongly or have increased their capital risk, channelling investment towards those that offer better value. Although this is done on a selective basis rather than mechanistically, they are constantly looking to buy at a low price, and sell at a high price whilst aiming to improve the risk and reward characteristics. Given the Fund's aim, to achieve a return in excess of 90 day bank deposits plus three percent on a rolling three year basis, they aim to blend a range of investments to ensure adequate diversification and returns at a lower level of volatility than the IMA Mixed Investment 20%-60% Shares sector average. They are not seeking investments that aim to provide an absolute gain (i.e. those avoiding capital losses), but looking for robust returns that can be largely uncorrelated from traditional bond and equity assets. Concurrently, they try to access investment assets in the instruments that can provide the most attractive value whilst also providing a greater cushion for loss. This favours the use of Zero Dividend Preference Shares, Structured Investments and Alternatives within the Fund. While they believe that any product selected will produce superior medium to long term returns, the most important part of this stage is ensuring any new holding meets the Fund's diversification profile. They observe the requirement of having a range of different investments with 20- 60% invested in 'Equities', which would include Zero Dividend Preference Shares, Structured Investments and Lower Beta Equity Funds. They would also expect to hold a minimum of 30% in a combination of cash and/or bonds. The fund is hedged back sterling and will have only 10% exposure to non-sterling currencies.

RSMR Opinion

The fund is a lower risk option in the mixed 20-60% sector that offers genuine diversification to the traditional equity and bond funds that are available. The managers have shown over a number of years how they have used this more alternative combination of assets to produce consistent returns with low levels of drawdown. The fund will often make small incremental gains rather than large momentum driven movements which are often seen in the wider stock market dependent funds. This is a fund to use in conjunction with a traditional equity/bond portfolio potentially to dampen risk but also to provide asset diversification.



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.