

This is a marketing communication.

**PREMIER
M_iTON**

Premier Miton Diversified Growth Funds

Investment team commentary

Second Quarter of 2025

Introduction

What is this document for?

This document provides an update for investors in our range of Premier Miton Diversified Growth Funds. It includes information on the following funds:

Premier Miton Diversified Cautious Growth Fund
Premier Miton Diversified Balanced Growth Fund
Premier Miton Diversified Growth Fund
Premier Miton Diversified Dynamic Growth Fund

The investment team explain what has impacted the funds' performance, both positively and negatively, and how they have been managing the funds over the past three months.

For information purposes only

The views and opinions expressed in this document are those of the investment team at the time of writing and can change; they may not represent the views of Premier Miton and should not be taken as statements of fact, nor should they be relied upon for making investment decisions.

Investing involves risk

The value of an investment can go down as well as up which means that you could get back less than you originally invested when you come to sell your investment. The value of your investment might not keep up with any rise in the cost of living.

Typically, there is less risk of losing money over the long-term (which we define as over 5 years) from an investment that is considered low risk, although potential returns may also be lower. Investments considered higher risk typically offer greater opportunities for better long-term returns, though the risk of losing money is also likely to be higher.

Please refer to the **'Risks of investing'** section later in this document for more information about some of the main specific risks of investing in these funds.

Investment advice

Premier Miton is unable to provide investment, tax or financial planning advice. We recommend that you discuss any investment decisions with a financial adviser.

Key fund documents

There are some key documents that you should read before investing in a fund. A fund's Key Investor Information Document provides details of a fund's objective, the costs of investing, how it has performed in the past, and a risk and reward indicator, which shows where the fund ranks in terms of its potential risk and reward. Fund factsheets are published each month and include up to date information about how a fund is invested and the latest performance information. Our Supplementary Information Document provides other useful information about investing with Premier Miton. All these documents are available on the Premier Miton website. Visit www.premiermiton.com

Customer care

Investors may find themselves in difficult circumstances at any point in their lives, whether as a result of a change in physical or mental ill-health, or during key life stage events such as bereavement, loss of job, personal debt concerns, or more generally through lack of confidence in dealing with financial matters.

We encourage all our customers to seek financial advice before making any important investment decisions and particularly when life may be more challenging. It's important to keep your financial adviser up to date with any changes in your circumstances so that they can help provide you personalised investment advice.

We want to make sure that we can provide you with the support you need too. If you would like copies of product information in a different format, such as large print, Braille or audio, please send us your request using the contact details provided at the bottom of this page. It may take up to 15 working days to send the information to you in these formats.

Glossary

To assist your understanding, we have provided explanations of some key terms. Please refer to the glossary at the end of this document.

Introduction

Funds in brief:

A range of multi-asset funds investing in different types of assets, including fixed income, equities, property companies, alternative investments and cash, to help spread investment risk and broaden the opportunities for long-term growth.

- Actively managed multi asset portfolios
- Range of 4 funds; Cautious Growth, Balanced Growth, Growth and Dynamic Growth
- Aim to produce growth over the long term, by which we mean at least 5 years.
- Five years is also the minimum recommended period for holding shares in these funds. However, this does not mean that the funds will achieve this aim over this, or any other, specific time period and there is a risk of loss to the original capital invested.
- Highly experienced investment team: led by Neil Birrell since 2013 and supported by a team of specialist Premier Miton fund managers in the different asset classes

Fund range

	Fund size	Launch dates
Premier Miton Diversified Cautious Growth Fund Sector: IA Mixed Investment 20-60% Shares	£112.9m	01 Mar 2019
Premier Miton Diversified Balanced Growth Fund Sector: IA Mixed Investment 40-85% Shares	£166.9m	01 Mar 2019
Premier Miton Diversified Growth Fund Sector: IA Mixed Investment 40-85% Shares	£457.2m	21 Dec 2010
Premier Miton Diversified Dynamic Growth Fund Sector: IA Flexible Investment	£103.2m	01 Mar 2019

Fund size as at 30 June 2025

Fund manager



Lead fund manager
Neil Birrell

The investment team

The Premier Miton Diversified fund range is led by Neil Birrell and includes a broad and experienced team of specialist Premier Miton fund managers who cover each of the different types of assets; fixed income, equities, property companies and alternative investments



Simon Prior
Fund Manager, Bonds



Kishan Paun
Assistant Fund Manager, Bonds



Robin Willis
Fund Manager, Alternative investments



Dan Hughes
Fund Manager, Alternative investments



Luke Smith
Assistant Fund Manager, Global Equities



Tina Shah
Investment Analyst, Global Equities



Jon Hudson
Fund Manager, UK Equities



Benji Dawes
Fund Manager, UK and Global Equities



Kirsty Riddle-Turner
Fund Manager, Property Companies

Economic & market review

Barely a week goes by without there being a notable political event, economic data release or other newsworthy matter that impacts the outlook for the global economy and financial markets. It is, therefore, difficult to detail everything that has happened in a three month period in a short update such as this, most particularly, the three months of April, May and June 2025.

In summary, starting at the beginning of April, we saw the introduction of the trade tariffs by the US on so-called “Liberation Day”. Although this had been well flagged, their application was haphazard and confusing, in an approach that was reactive as well as proactive. The level of uncertainty that this caused was unsettling for investors, as the likely impact on the global economy included more inflationary pressures, slower economic growth, higher unemployment and lower company profits; not an appealing cocktail.

Financial markets reacted quickly and with some force; equity markets around the world fell and the US Dollar continued to slide. Bond markets reacted in a volatile fashion as well, with fears over inflation and the need for significant issuances of bonds by the US government impacting. The chaos continued as it was announced there would be a 90 day pause for the introduction of the tariffs to allow for a period of negotiation with impacted countries. Financial markets reacted again, with equity markets jumping in response.

Through all this there was an increasing mood swing relating to the US, in particular, towards investing there, as the concept of “US exceptionalism” was called into question. The US is the world’s largest, most important economy and financial market. It takes an awful lot to turn people off it, but the question is being asked.

In economic terms, the rest of the period was mostly taken up with tariff related factors. Other than, clearly, the conflict between Israel and Iran and the action taken by the US. Such events would normally have short, medium and long term ramifications, however, in this case, the action was considered to be decisive and even the oil price only reflected the potential impact for a few days, with other financial markets little effected.

Overall, if you were to look at market levels at the beginning and the end of the period under review you might think it had been quite a positive one. Bond markets were little changed and equity markets, overall, are higher. However, that does hide fundamental changes to the world economy, which are difficult to call positive, and significant volatility in financial markets. But, investors look to the future rather than the past and it seems, overall, the view is that the outlook is positive.



Portfolio activity

The performance of the global equity portfolio was not what we would have liked through 2024 and the early part of 2025, particularly in the final quarter of 2024, which we have written about previously. We reviewed the investment approach and how it had been applied to the funds and decided to change the investment team responsible for the portfolio and to refocus and clarify the investment process.

This has resulted in Neil Birrell, the lead manager of the fund range, and Benji Dawes, from the UK equity team, taking over responsibility, working with Luke Smith and Tina Shah, ongoing members of the team. The team will concentrate on identifying high-quality businesses that have competitive advantages that should allow them to lead in fast growing industries. Broadly speaking, we seek to invest in two types of companies: market leaders or emergent leaders. The former includes larger businesses that have strong positions within established and growing markets. The latter group will be more varied; some companies will be disrupting existing markets and rapidly taking market share, others could be leading a nascent market that should see long-term structural growth.

This new strategy has led us to change around 30% of the portfolio. There has been little impact on the geographical composition of the portfolio; there have been minor increases to Asia and the Americas at the expense of Europe. In terms of industry sectors, as might be expected from the above description of desirable characteristics, there has been an increased weight to information technology and communication services, with meaningful reductions to the consumer discretionary, materials and industrials sectors.

In the case of companies sold, we had less conviction in their business prospects, particularly in more difficult economic conditions, an example would be Graphic Packaging, a US producer of paper packaging for consumer goods. Although the company's management have attempted to focus the business on specialist packaging over more commoditised products, the barriers to entry are not sufficient enough to stop competitors entering the industry. This compares to the purchase of Intuitive Surgical, a US developer of surgical robotics technology. Their products lead to improved patient outcomes, and, because of more timely and less invasive treatment, reduced time spent in hospital, which can lower overall costs for healthcare providers. The company benefits from substantial network effects because university medical schools train their students on Intuitive Surgical's equipment, this makes it difficult for competitors to launch rival products that would inevitably require time consuming retraining of surgeons.

In other asset classes, we remained active through the volatile market conditions. As bond markets moved, driven by economic data relating to growth, inflation and government debt levels, and as interest rate expectations changed, we adjusted holdings and the sensitivity to interest rates. In the property company holdings, the dramatic change in government spending plans in the UK and, more particularly, Europe, had a fundamental impact on the sector's prospects, for the better. Massive spending on infrastructure provides a positive backdrop for real estate investing and the holdings were adjusted accordingly.

Overall, there was little change to the asset allocation, but there were significant changes made within asset classes.





Outlook

The review section above ended with “it seems, overall, the view is that the outlook is positive”. This is a view that we have some doubt over. As we noted above, there is nothing in tariffs that is positive for the global economy. Even though they are unlikely to be as bad as initially feared, they did not exist before and the reaction of equity markets in particular, seems to suggest that they are a positive, or at the least, not a negative.

A number of difficulties also remain. Ever since inflation became an issue following the COVID induced supply chain problem and energy price increases following the Russian invasion of Ukraine, it has been a thorn in the side of central banks, such as the Bank of England. In nearly all major economies they are charged with meeting inflation targets, and they have been unable to do so, in most cases, other than fleetingly, since then.

Therefore, interest rates have not fallen very far as they are the best, albeit blunt, tool to beat inflation. This is not an ideal situation as higher interest rates will also dampen economic growth. Indeed, in June, the World Bank significantly reduced its expectation for global growth for 2025 to 2.3%, previously 2.7%, compared to 2.8% in 2024. A major reason for it being a slowdown is the US, the world’s largest economy, which it thinks will grow by 1.4% in 2025, half what it did in 2024, mainly due to the trade tariffs that are being introduced. This has left the US Federal Reserve Bank (FED) in a difficult spot; cut interest rates to stimulate growth, which would fuel inflation or keep rates higher and risk the opposite. The FED is independent and in June resisted the President’s rather outlandish calls for significant cuts in interest rates. They are likely to move this year, but not in a dramatic fashion.

Notwithstanding that, as discussed, equity markets have been strong, but it is worth looking within that. The share prices of the giant US technology companies such as Nvidia, Broadcom and Microsoft have been very strong. These companies are so large they have a very significant impact on market indices such as the S&P500 Index in the US and the MSCI World Index, which are indicators of how equity markets are doing. But they do not tell the whole story, some parts of the market have done very well and others not so. We are selective in what we invest in, and whilst we do have limited exposure to those US companies as we are concerned about their valuations, we have holdings in other companies and asset classes, such as property companies, that have done well for the funds.

Turning to bond markets, there are attractive returns available for acceptable levels of risk in some areas. The economic environment has led to volatility, which has been augmented by concerns over the ever increasing level of US government debt, which has been brought into particular focus by the President’s tax bill.

We have become more concerned about the UK following the events at the start of July relating to the Welfare Bill. The political situation has now become more unstable and the ramifications for the domestic economic backdrop are considerable, something has to give. If the Chancellor wants to remain within her fiscal rules, either spending has to be cut or taxes increased. The outlook for the economy has weakened further as a result.

In our view, it is appropriate to be cautious, particularly after such a good period for asset prices.

Performance

The funds had a good quarter of performance in both an absolute and relative sense. In absolute terms, as you will see in the data below, each of the funds made a strong positive return. They also compared well to the Investment Association sector in which they are classified. These sectors contain other similar funds and the sectors have certain criteria to which the funds must conform, we therefore believe they are meaningful comparators to help assess the performance of the funds.

It is also interesting to compare them to financial market indices. An index is a method of tracking the performance of a group of shares, bonds or other assets. The ICE BofA UK Gilts All Stocks Index tracks the bonds issued by the UK government and is a good indicator of how bond markets, generally, fare. This index rose by 1.9% over the period, whilst the FTSE All World Index, which covers developed market stock markets globally rose 5.0% and the FTSE All Share Index in the UK was up 4.4%.

This good performance was driven by a number of factors. Firstly, when equity markets fell sharply in April, the funds held up well. We were focused on good quality companies, whose share prices were impacted less and within the UK on medium and smaller sized companies, which performed better. Another key reason were the portfolio hedges that we had in place. These can be thought of as insurance policies that are designed to pay out when markets fall. Additionally, the allocation to bonds is relatively high and these fell less than equities, showing that diversification is important in difficult market conditions. Secondly, we adjusted the portfolio hedges, so when the recovery in markets came, they did not provide a headwind. Importantly, in the recovery, the type of company we hold in the equity portfolio did well. Another major factor was the strength in the property companies held across the funds. This was partly driven by the dramatically increased spending on infrastructure announced in Europe, particularly Germany, as well as falling interest rates in the region.

We aim to provide good returns through different market conditions. This is not always possible over short term periods in volatile conditions, which is why the long term is the key focus. We will adjust holdings within the asset classes through volatile markets but tend to change the amount in each asset class as conditions and the outlook dictate, but always with an eye on long term.

Performance over the three months to 30 June 2025

Premier Miton Diversified Cautious Growth Fund

The fund was up 7.19% over the quarter, which compares to a rise of 3.12% from the IA Mixed Investment 20-65% Shares sector.

Premier Miton Diversified Balanced Growth Fund

The fund was up 7.74% over the quarter, which compares to a rise of 3.85% from the IA Mixed Investment 40-85% Shares sector.

Premier Miton Diversified Growth Fund

The fund was up 9.08% over the quarter, which compares to a rise of 3.85% from the IA Mixed Investment 40-85% Shares sector.

Premier Miton Diversified Dynamic Growth Fund

The fund was up 8.85% over the quarter, which compares to a rise of 3.76% from the IA Flexible Investment sector.

Source: FE Analytics. Based on Sterling class D - Income shares, on a total return basis to 30 June 2025. Performance is shown net of fees with income reinvested.

On 20.01.2020, these funds moved from a single pricing basis (mid) to a swing pricing basis. A swing pricing basis is where the price can swing to either a bid or an offer basis depending on the investment and redemption activity in the fund. This means the investor selling or buying fund shares bears the associated [dis]investment costs and protects the continuing holders in the fund. Performance could be shown on a combination of bid, mid or offer prices, depending on the period of reporting.

The performance information presented on this page relates to the past. Past performance is not a reliable indicator of future returns.

How the funds have performed

More information about how the funds have performed over different periods is available on each fund factsheet which is updated monthly, or you can use our online performance charting tool which allows you to choose the time periods that you wish to show performance for choice. See the individual fund pages on the website.

Performance (%)

	30.06.20	30.06.21	30.06.22	30.06.23	28.06.24
	30.06.21	30.06.22	30.06.23	28.06.24	30.06.25

Premier Miton

Diversified Cautious Growth Fund

Sterling class D - Income shares	18.37	-2.32	-1.38	11.65	6.83
IA Mixed Investment 20-60% Shares sector	12.74	-7.09	1.18	9.38	5.74

Premier Miton

Diversified Balanced Growth Fund

Sterling class D - Income shares	20.88	-4.33	0.63	12.78	6.77
IA Mixed Investment 40-85% Shares sector	17.29	-7.16	3.25	11.82	5.55

Premier Miton

Diversified Growth Fund

Sterling class D - Income shares	27.61	-5.52	0.42	14.43	6.82
IA Mixed Investment 40-85% Shares sector	17.29	-7.16	3.25	11.82	5.55

Premier Miton

Diversified Dynamic Growth Fund

Sterling class D - Income shares	31.79	-7.95	4.26	14.27	6.93
IA Flexible Investment sector	19.48	-7.09	3.29	11.78	4.99

Performance source: FE Analytics. Based on Sterling class D - Income shares, on a total return basis. Performance is shown net of fees with income reinvested.

On 20.01.2020, these funds moved from a single pricing basis (mid) to a swing pricing basis, which is where the price can swing to either a bid or an offer basis depending on the investment and redemption activity in the fund. This means the investor selling or buying fund shares bears the associated [dis]investment costs and protects the continuing holders in the fund.

Performance could be shown on a combination of bid, mid or offer prices, depending on the period of reporting. Other share classes are available which may have higher or lower charges which will impact the returns of the funds. Fund factsheets are published on our website for each available share class.

The performance information is shown against the Investment Association (IA) sectors in which each fund is classified. We believe that these sectors are meaningful comparators to help you assess the performance of the funds.

The performance information presented on this page relates to the past. Past performance is not a reliable indicator of future returns.

Risks of investing

General risks

Investing involves risk. The value of an investment can go down as well as up which means that you could get back less than you originally invested when you come to sell your investment. The value of your investment might not keep up with any rise in the cost of living.

Typically, there is less risk of losing money over the long-term (which we define as over 5 years) from an investment that is considered low risk, although potential returns may also be lower. Investments considered higher risk typically offer greater opportunities for better long-term returns, though the risk of losing money is also likely to be higher.

Premier Miton is unable to provide investment, tax or financial planning advice. We recommend that you discuss any investment decisions with a financial adviser.

Fund specific risks

Some of the main specific risks of investing these funds are summarised here. Further detail is available in the prospectus for the funds. The prospectus is published on the Premier Miton website. Visit www.premiermiton.com.

The Premier Miton Diversified Growth Fund and Diversified Dynamic Growth Fund may experience high volatility due to the composition of the portfolio or the portfolio management techniques used.



Derivatives

Derivatives may be used within funds for different reasons, usually to reduce risk, which can be called “hedging”. This can limit gains in certain circumstances as well. Derivatives can also be used to generate income or to increase the risk being taken, which can have positive or negative outcomes. The derivatives used can be options or futures which are types of contracts that are dealt on an exchange or negotiated with a third party. More complex derivatives may also be used. Derivatives can also introduce leverage to a fund, which is similar to borrowing money to invest.



Equities

Equities (company shares) can experience high levels of price fluctuation. Smaller company shares can be riskier than the largest companies, companies in less developed countries (emerging markets) can be riskier than those in developed countries and funds focused on a particular country or region can be riskier than funds that are more geographically diverse. These risks can result in bigger movements in the value of the fund. Equities can be affected by changes in central bank interest rates and by inflation.



Fixed income

Fixed income investments, such as bonds, can be higher risk or lower risk depending on the financial strength of the issuer of the bond, where the bond ranks in the issuer’s structure or the length of time until the bond matures. It is possible that the income due or the repayment value will not be met. They can be particularly affected by changes in central bank interest rates and by inflation.



Other investment risks

Funds may have holdings in investments such as commodities (raw materials), infrastructure and property as well as other areas such as specialist lending and renewable energy. These investments will be indirect, which means accessing these assets by investing in companies, other funds or similar investment vehicles. These investments can also increase risk and experience sharp price movements. Funds focused on specific sectors or industries, such as property or infrastructure, may carry a higher level of risk and can experience bigger movements in value. Certain investments can be impacted by decisions made by third parties, such as governments or regulators.



Other risks

There are many other factors that can influence the value of a fund. These include currency movements, changes in the law, regulations or tax, operational systems or third-party failures, or financial market conditions that make it difficult to buy or sell investments for the fund.

Glossary

Alternative investments / assets

Typically investments other than the more traditional company shares or bonds which could include, for example, commodities (such as gold), infrastructure, private equity, real estate, and hedge funds. Alternative investments can be useful to help with diversification, as some of them are not expected to perform in the same way as more traditional investments.

Assets

Different groups of investments such as company shares, bonds, commodities or property.

Bonds (or fixed income)

Types of investments that allow investors to loan money to governments and companies, usually in return for a regular fixed level of interest until the bond's maturity date, plus the return of the original value of the bond at the maturity date. The price of bonds will vary, and the investment terms of bonds will also vary.

Bond yield

This is calculated by taking the level of interest paid by the bond, divided by the price of the bond, expressed as a percentage. As the price rises, the yield falls and vice versa.

Commodities

These are natural resources such as gold, oil, gas, metals or agricultural products that have practical uses and can be bought and sold on financial markets.

Investment Association (IA)

The trade association that represents investment management firms in the UK.

IA sectors

To help with comparisons between the thousands of funds available, funds are categorised into different groups or sectors, organised and reviewed by the Investment Association (IA).

IA Flexible Investment sector

Funds in this sector are required to have a range of different investments. However, the fund manager has significant flexibility over what to invest in. There is no minimum or maximum requirement for investment in company shares (equities) and there is scope for funds to have a high proportion of shares. The manager is accorded a significant degree of discretion over asset allocation and is allowed to invest up to 100% in equities at their discretion.

- No minimum equity requirement
- No minimum fixed income or cash requirement

IA Mixed Investment 20-60% Shares sector

Funds in this sector are expected to have a range of different investments. The fund must have between 20% and 60% invested in company shares (equities). At least 30% of the fund must be in fixed income investments (for example, corporate and Government bonds) and/or "cash" investments. "Cash" can include investments such as current account cash, short-term fixed income investments and certificates of deposit.

- Maximum 60% equity exposure (including convertibles)
- Minimum 20% equity exposure
- Minimum 30% fixed income and cash
- Minimum 60% investment in established market currencies (US Dollar, Sterling & Euro) of which 30% must be Sterling
- Sterling requirement includes assets hedged back to Sterling

IA Mixed Investment 40-85% Shares sector

Funds in this sector are expected to have a range of different investments. However, there is scope for funds to have a high proportion in company shares (equities). A fund must have between 40% and 85% invested in company shares.

- Maximum 85% equity exposure (including convertibles)
- Minimum 40% equity exposure
- No minimum fixed income or cash requirement
- Minimum 50% investment in established market currencies (US Dollar, Sterling & Euro) of which 25% must be Sterling
- Sterling requirement includes assets hedged back to Sterling

Income shares

A fund may have accumulation and income shares. If an investor selects income shares, any income generated by the fund is paid out to the investor.

Total return

A way of showing how an investment has performed, and is made-up of the capital appreciation or depreciation and includes any income generated by the investment. Measured over a set period, it is expressed as a percentage of the value of the investment at the start of that period.

Important information

Visit our website, premiermiton.com, for more information about us, and the different products we offer as well as the latest fund factsheets.

Whilst we can not provide you with any investment advice, if there's further information that you need sent to you, please get in touch using the details below.

Call: 0333 456 4560

Email: contactus@premiermiton.com

This is a marketing communication.

Please refer to the Prospectus and to the Key Investor Information Document (KIID) before making any final investment decisions. A free, English language copy of the Prospectus, KIID and Supplementary Information Document are available on the Premier Miton website, or copies can be requested by calling 0333 456 4560 or emailing contactus@premiermiton.com.

Whilst every effort has been made to ensure the accuracy of the information provided, we regret that we cannot accept responsibility for any omissions or errors.

Reference to any investment should not be considered advice or an investment recommendation.

All data is sourced to Premier Miton unless otherwise stated.

This document and all of the information contained in it, including without limitation all text, data, graphs, charts, images (collectively, the "Information") is the property of Premier Fund Managers Limited and/or Premier Portfolio Managers Limited ("Premier Miton") or any third party involved in providing or compiling any Information (collectively, the "Data Providers") and is provided for informational purposes only. The Information may not be modified, reverse-engineered, manipulated, reproduced or distributed in whole or in part without prior written permission from Premier Miton. All rights in the Information are reserved by Premier Miton and/or the Data Providers.

Marketing communication issued by Premier Portfolio Managers Limited which is registered in England no. 01235867, authorised and regulated by the Financial Conduct Authority and a member of the 'Premier Miton Investors' marketing group and a subsidiary of Premier Miton Group plc (registered in England no. 06306664). Registered office: Eastgate Court, High Street, Guildford, Surrey GU1 3DE.