

PREMIER MITON CAUTIOUS MONTHLY INCOME FUND - GBP

INVESTMENT RESEARCH NOTE
MARCH 2024

Risk warning: The past is not necessarily a guide to future performance. The value of your investment and the income from it can fall as well as rise and is not guaranteed. You may not get back the full amount invested. Our views are based upon our understanding of current legislation in England. Levels and bases of, and reliefs from, taxation are subject to change and their value to you will depend upon your personal circumstances. You should not act on any of the information without seeking professional advice. clarity Ltd is authorised and regulated by the Financial Conduct Authority (FCA).

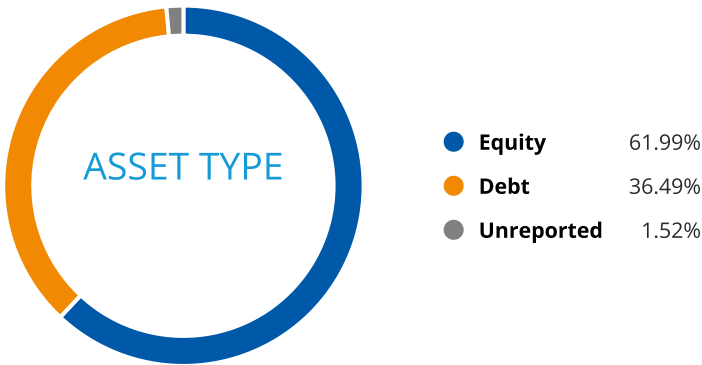
DESCRIPTION

SUMMARY

Premier Miton Investor is an asset manager focused on delivering strong investment performance and was formed from the merger of Premier Asset Management Group plc and Miton Group plc in November 2019.

The Miton Cautious Monthly Income Fund is managed by David Jane (ex Darwin, ex Head of Equities at M&G), who is head of multi asset funds at Miton, alongside Anthony Rayner, who has worked with David for many years.

The fund targets an annual return of 4-6% and is in the IA 20% to 60% equity peer group. Prior to the launch in June 2011, David ran a similar product at M&G from 2007-2010. The process is pragmatic in approach and both managers would describe themselves as momentum investors.



INVESTMENT PROCESS

The fund focuses on short to medium term macro driven views and longer term thematic positions. The managers are, by their own admission, momentum investors, looking to take advantage of macro and market trends as part of a genuine global multi asset approach. Macro trends are analysed by the team, with input from outside providers such as 'Longview Economics' and '13D Research'. Trends, once observed, are invested via baskets of equities and bonds designed to take advantage of the developing momentum, rather than using ETFs. This stock selection, driven by market observations, comes from the market judgement and interaction of David and Anthony working as a team of experienced fund managers, rather than an identifiable quantitative driven process. The same approach is applied across both equity and bond markets. There is no formal Miton house view on markets or assets and the individual teams have the latitude to take positions based on their own process. But Jane and Rayner will seek input and opinion from colleagues when required.

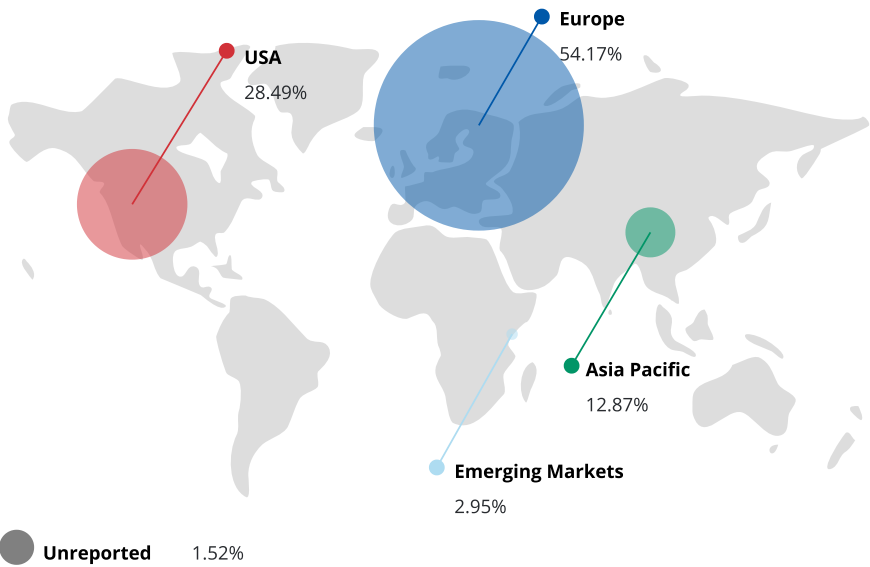
The fund is unlikely to be early into a trend, nor sell out at the top, such is the nature of momentum investing. Attractive valuations alone would not be sufficient to generate a purchase, but improving fundamentals and/or improving price momentum are more likely triggers. The longer term thematic investments are designed to offer genuine diversity of returns, as well as reducing the portfolio correlation to shorter term market dynamics. These longer term thematic views would be expected to be part of the portfolio on a long term basis. There are currently two key thematic views, built around technological and demographic change.

There is a focus on understanding correlation and tail risk across assets and themes, to ensure that not every theme and position in the portfolio is pointing in the same direction. Abrupt turning points in market direction and sentiment can pose a challenge to the fund.

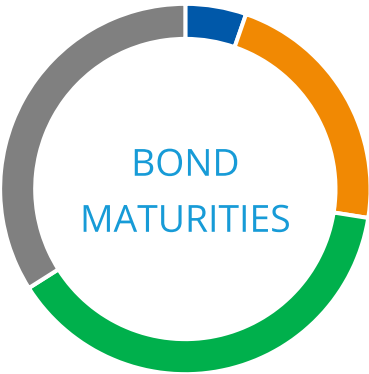
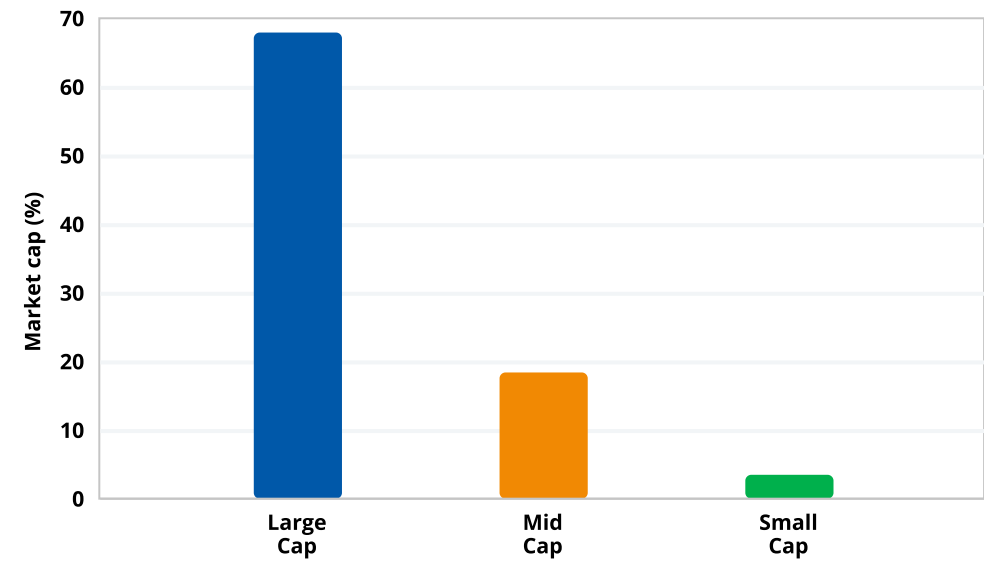
Given the nature of the process, this fund is about backing the market knowledge and 'feel' of the two fund managers.

AGGREGATED NET EXPOSURE

REGIONAL EXPOSURE



EQUITY MARKET CAP (%)



Short Term (1-3 yr)	5.32%
Intermediate Term (3-10 yr)	22.18%
Long Term (>10 yr)	38.52%
Unreported	33.98%



Investment Grade	63.52%
Speculative Grade/High Yield	34.74%
Unreported	1.74%

OVERALL PERFORMANCE

● Premier Miton Cautious Monthly Income Fund B Acc ● Multi-Asset Benchmark(FI/EQ) - 50/50

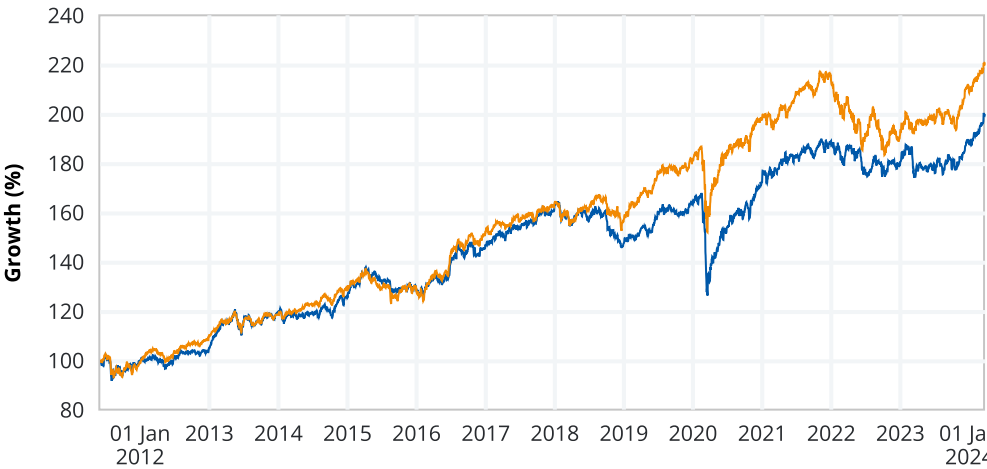
GROWTH (%) - OVER 1 YEAR

3 Apr 2023 - 29 Mar 2024



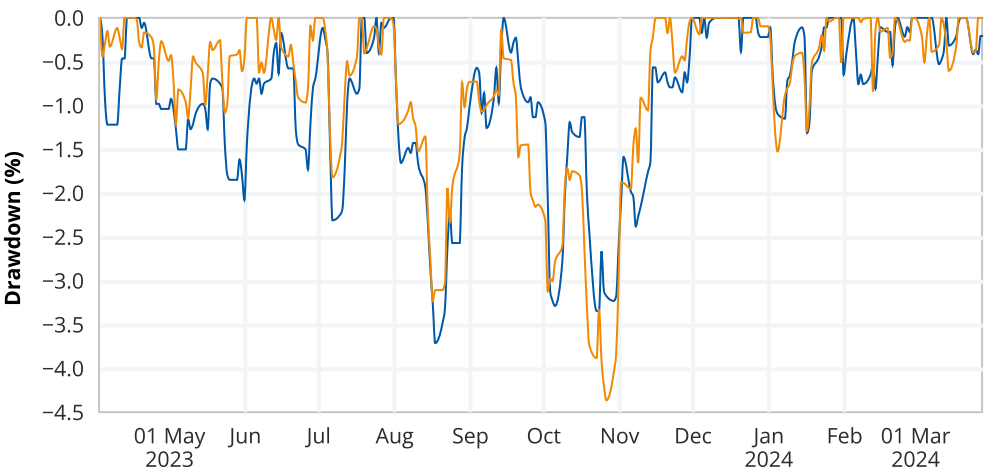
GROWTH (%) - FROM INCEPTION

10 Jun 2011 - 29 Mar 2024



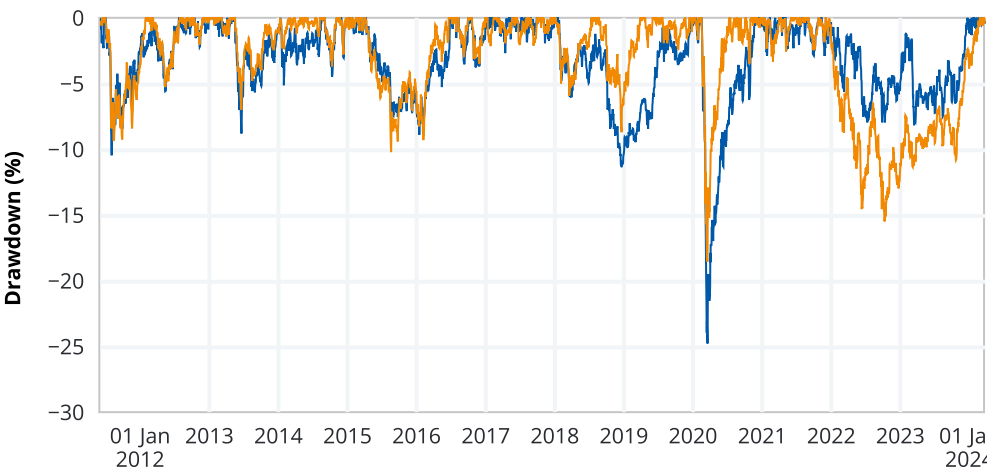
DRAWDOWN (%) - OVER 1 YEAR

3 Apr 2023 - 29 Mar 2024



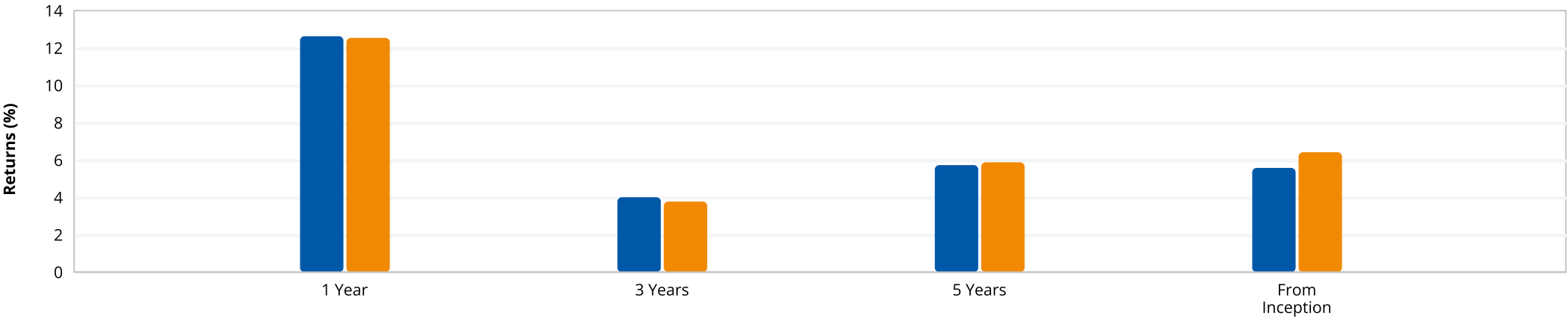
DRAWDOWN (%) - FROM INCEPTION

10 Jun 2011 - 29 Mar 2024



RETURNS

● Premier Miton Cautious Monthly Income Fund B Acc
● Multi-Asset Benchmark(FI/EQ) - 50/50



MONTHLY BREAKDOWN AND YEARLY TOTALS (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2024	1.59	0.49	3.44										5.60
2023	2.15	0.11	-3.12	0.29	-0.76	1.12	1.69	-1.09	1.04	-2.23	2.81	3.64	5.57
2022	-1.93	-1.41	2.51	-0.67	0.00	-4.54	0.06	1.88	-2.31	0.41	2.35	-1.03	-4.80
2021	0.67	0.96	2.09	1.81	0.63	-0.11	1.20	1.47	-1.50	1.41	-0.56	1.51	9.96
2020	0.44	-4.81	-13.82	6.96	4.29	1.48	2.14	2.74	-0.20	-1.17	5.87	2.68	4.96
2019	2.68	-0.69	1.56	1.51	-0.82	3.23	3.43	-0.31	-0.84	-1.17	1.39	1.22	11.61

Capped to 6 years.

ANNUALISED ROLLING RETURNS (%)

	1 YEAR	3 YEAR	5 YEAR	INCEPTION
<div></div>	12.63	4.01	5.73	5.58
<div></div>	12.54	3.78	5.88	6.42

CUMULATIVE RETURNS (%)

	1 YEAR	3 YEAR	5 YEAR	INCEPTION
<div></div>	12.53	12.46	32.00	99.96
<div></div>	12.44	11.70	32.92	120.99

● Premier Miton Cautious Monthly Income Fund B Acc
● Multi-Asset Benchmark(FI/EQ) - 50/50

PERFORMANCE - OVER 1 YEAR

3 Apr 2023 - 29 Mar 2024

RETURNS (%)	12.63	12.54
VOLATILITY (%)	6.18	5.85
ALPHA	0.07 *	
BETA	0.49 *	1.00
CORRELATION	0.68 *	1.00
SHARPE RATIO	1.19	1.24
SORTINO RATIO	1.75	1.91
MAX DRAWDOWN (%)	-3.71	-4.37

*Calculated over a 3 year period where history permits.

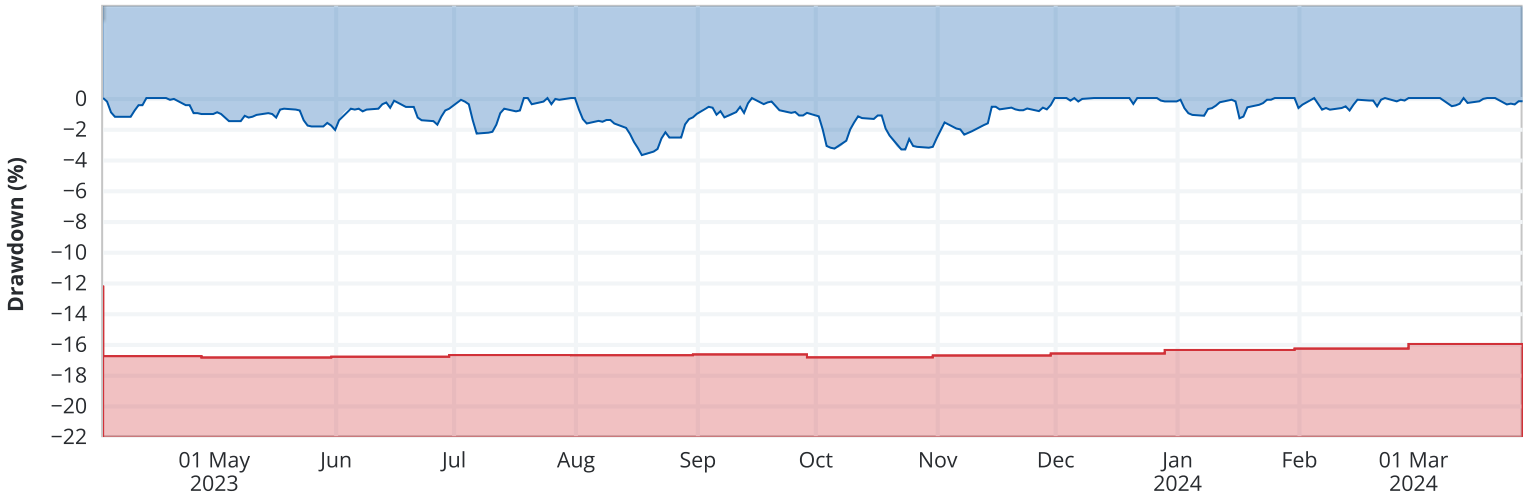
PERFORMANCE - FROM INCEPTION

10 Jun 2011 - 29 Mar 2024

RETURNS (%)	5.58	6.42
VOLATILITY (%)	7.87	7.52
ALPHA	-0.01	
BETA	0.88	1.00
CORRELATION	0.83	1.00
SHARPE RATIO	0.57	0.71
SORTINO RATIO	0.78	0.98
MAX DRAWDOWN (%)	-24.78	-18.55

SIMPLE STRESS TEST DRAWDOWN (%)

3 Apr 2023 - 29 Mar 2024



Stress test notes

The chart shows the calculated drawdown over a trailing 12-month period. The Review Point is a potential intervention point. Any drawdown above this line indicates a typical drawdown in a normal market cycle. Should the drawdown exceed the Review Point, then this indicates that market conditions may be abnormal. This is the point at which immediate action should be considered.

DISCLAIMER

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