For professional clients only ROB BAILEY: Hello and welcome to today's AXA Investment Managers' webcast. I'm Rob Bailey. I'm Head of UK Wholesale Distribution at AXA Investment Managers. And today I'm joined by two of my colleagues from the Framlington Equities team: Nigel Thomas, Portfolio Manager of the UK Select Opportunities Fund, and Chris St John, Fund Manager of the AXA World Funds Framlington UK and AXA Framlington UK Mid Cap Fund. Morning. CHRIS ST JOHN: Morning. NIGEL THOMAS: Morning Rob. ROB BAILEY: Let's move on, Chris, Nigel, just a couple of quick introductions. Nigel has been with AXA Framlington running the AXA Framlington UK Select Opportunities Fund since 2002. Chris joined what was then Framlington back in 2005; originally to work with Roger Whiteoak on the small cap funds. Tell us how your role has evolved over the last 13 years. CHRIS ST JOHN: Yes, thanks Rob. Well, it started in the small cap space and prior to Framlington I managed small cap money particularly, which was benchmarked typically against the Hoare Govett – which some people may not know out there, that's actually 80% mid-cap in terms of exposure. And how my career has progressed whilst being at AXA Framlington; in 2007 Nigel and I actually pitched on a segregated mid and small cap mandate, which was very successful and off the back of that in 2011 we launched the AXA Framlington UK Mid Cap Fund with essentially the same mandate. And part of that mandate, without going into any detail, allows me to hold up to 15% in FTSE 100 stocks. Subsequent to that, in 2016, we launched the AWF Fund, which is a multi-cap offshore fund, which I know I've spoken to many people about and no doubt we'll touch on it during this presentation; and that really just was an evolution of my career, looking at equities across the entire multi-cap space. It's worth making the point that in the same way that we have to think globally as multi-cap UK managers, as a small cap and mid-cap manager you have to think in terms of multi-cap. Because very often the small cap companies you're investing in could be suppliers to the large cap. Cranswick for example supply to Tesco's. You get to learn a lot about Cranswick and the relationship that the likes of Tesco have with their suppliers by actually meeting Tesco's. So when you're investing in small cap, you're investing in mid-cap; it's always a multi-cap approach in terms of eking out alpha. ROB BAILEY: Great, thanks. So, Nigel, you announced earlier on this year that you're retiring in March 2019. NIGEL THOMAS: Yes. ROB BAILEY: Tell us how the handover to Chris as the successor of the AXA Framlington UK Select Opportunities Fund Manager, how that's evolved and how you see that progressing over the next six months or so. NIGEL THOMAS: OK. Well, when I reached 60 we put in a succession plan and Chris was that succession plan. I didn't know when I was going to retire. It's only recently that I've decided to do that and we'd given the market a year's notice. I'll be 64 years old in March 2019 and I'll have done 40 years in the securities industry, so I feel it's now time. Things like MiFID II don't help the attitude towards investing in terms of research flows, but that's only a minor part of the decision. But it's one of the parts of the decision. In terms of the transition, we've always worked together very well. We've been working together for 13 years. Chris and I are very similar investors in terms of growth style. And I will give up running the AXA Framlington UK Select Opps Fund at the end of the year. And also another mandate, as people will be aware I do two mandates, at Cambridge College, I'll be giving that up at the end of the year. So I'll be hanging around for three months causing and being a bit of a nuisance, probably, and saying farewell to a lot of people in the City, but I'm not giving up in life. I'll be doing some advisory work and other things, a bit more travel. And Chris, I'm passing a lot of the buy and sell ideas via Chris at the moment, because obviously he'll inherit the Fund on January the 1st and he wants it in the shape that he wants it to be in by that point and any new money or redemptions I pass by him in terms of selling shares or purchase ideas. ROB BAILEY: So you're working very much hand-in-hand at the moment. NIGEL THOMAS: Yes, we sit next to each other. We've known each other a long time. We've very similar styles. It's not going to be revolutionary in terms of change with the attitude to how we invest; it's just more his ideas coming into the Fund over the next few years. ROB BAILEY: OK great. Well, let's move on and have a look at the AXA

Framlington UK Select Opportunities Fund first. We'll come on and talk about the Luxembourg SICAV shortly. The performance of the Fund over the last two or three years has been challenged a bit. I think Brexit was clearly a big issue. NIGEL THOMAS: Yes. ROB BAILEY: Talk us through how you've seen the last couple of years evolving, all the macro impacts on the market and how that's impacted the Fund. NIGEL THOMAS: Yes, obviously the Fund had a bad Brexit. It was my worst relative year, 2016 was my worst relative year against the All Share Index in 28 years of running funds in the public domain. And the Fund is actually doing a lot better, as you can see from the year-to-date numbers and over a year we're doing better than the All Share Index, but the three-year numbers are being stuffed up by 2016, to be perfectly frank and honest. And obviously some of the, I was underweight overseas earners, which did well when the sterling weakened over Brexit and some of the domestic stocks in the FTSE 100 and the FTSE 250 fared less well than those overseas earners. But what we both, Chris and I, like to do is buy companies that can grow their dividends. A lot of those big stocks that perform well over Brexit, low P/Es, high yields, they're not growing their dividends; Shell, Glaxo, for example, and we prefer to go to companies in the FTSE 100 or the 250 where we can see earnings growth and growth of dividends. ROB BAILEY: OK. So one of the big trends, looking at the longer-term performance, we've had a number of people have said when they've submitted questions that how grateful they are for the longer-term performance, and I think this slide here illustrates perhaps the point they're making. We talk a lot about people moving their investments to more international equity exposure, more global funds and so on and so forth. NIGEL THOMAS: Yes. ROB BAILEY: This slide here shows actually you outperformed the average or the MSCI World by 150% over your time running the Fund. NIGEL THOMAS: Yes. ROB BAILEY: What are your views on the idea that you should be running a more global portfolio? NIGEL THOMAS: Well, we like showing that chart to actuaries when we're going to see pension trustees, because a lot of people are moving assets on a global mandate. And when you look at the UK economy, it's a global economy. We don't live in isolation. We're an island nation, obviously, but we have to follow trends, and Chris and I look at global companies and compare them to UK ones. I think the All Share Index, 27% of revenues on the All Share Index are UK domestic, the Fund matches that, so we have to think internationally all the time. And if people asset allocate away from the UK equities, obviously Brexit's not helping that, but we like to show that to a lot of the pension trustees when they're discussing these things. ROB BAILEY: And I guess a lot of the outperformance we've seen from international funds over the last three years or so has been driven by that currency fall following Brexit, because otherwise the last couple of years the market is marginally behind international equities, but it's not a long way behind, is it? NIGEL THOMAS: But value stocks have done a little bit better, if you call value stocks the big stocks with low P/Es and high yields, they've done slightly better, but no, we stick to what we're good at, stock picking within the UK economy and companies that think globally and can cope with change really. ROB BAILEY: Let's move on and talk about the AWF – Framlington UK. It's an AXA World Fund, which is a Luxembourg SICAV, and we launched this Fund back at the beginning of March 2016, into the teeth of the Brexit referendum, if you like, and again that time around the referendum was quite painful for the Fund. Since then obviously the performance has been much stronger. We had a very good 2017. You outperformed by about 5% in 2017. You're above the All Share again this year. CHRIS ST JOHN: Yes. ROB BAILEY: Talk to us about what happened in the portfolio around Brexit and what you've done subsequently and how that's evolved. CHRIS ST JOHN: Brexit was clearly a very difficult time for multi-cap fund managers. I think one of the real issues with it, it took people completely by surprise, and you can look at the huge move in sterling subsequent to the result of the vote. And in addition to that the immediate response that we had from a number of the big banks; Barclays immediately downgraded UK GDP into a recession, an immediate recession. So when you're running a multi-cap fund, typically, and that's certainly the case for AXA Framlington UK Select Opps and the offshore fund, we are underweight the mega-caps, we are underweight those very, very big businesses which have the vast majority of their earnings in overseas currencies. So a big fall in sterling actually leads to an upgrade in the earnings of businesses like that and you had a very divergent move as a consequence in stock prices. So the mega-caps actually rallied and went up quite a bit. Mid-cap stocks, UK domestic stocks, small caps actually went down quite dramatically. Now, that of course led to some opportunities and took advantage of some of those opportunities and share price falls, but nevertheless it was a very difficult period. I talk a lot about the fundamentals of the business, the long-term fundamentals and compounding power of profit growth and the short-term effect of capital flow. And this is a real extreme, I think, example of capital flow absolutely knocking a number of share prices down dramatically and then the fundamentals having a chance to reassert themselves over time and then equity prices consequently recovering. ROB BAILEY: And I guess it takes a lot of discipline in that kind of environment not to get swayed by the macroeconomic noise, if you like, and to remain focused on the fundamental elements of the individual companies you're investing in. CHRIS ST JOHN: Yes, my investment philosophy and process hasn't changed since I've been involved in equities. And I think Nigel and I probably end up gravitating towards each other, because my fundamental beliefs, which I had before meeting Nigel, are very similar to his and in place. So yes absolutely we're looking for these companies that can compound their earnings, have a chance to compound their dividends, are generating good cash flow and effectively increasing their economic output. Because if the balance sheets are strong and in the right place and the profits have a chance to accrue to the equity holders, then over time, as long as those fundamental drivers remain in place, you should make good returns as an equity holder. And that's what we're trying to give exposure to. Now, we're agnostic about where it is in the market capitalisation spectrum and hence the multi-cap approach. ROB BAILEY: OK. Let's move forward and have a look now at how the two funds compare. We've had a lot of questions here about the similarities between the portfolios. Now, the charts in front of us here are showing a value growth skyline. So this is showing where the portfolios as a whole are exposed to. Looking at these two from a quick glance, the shape of the portfolios looks very similar. Is that reflected in your opinion of the portfolios? CHRIS ST JOHN: Yes, I must admit we ran this comparison towards the first quarter of this year for the first time, and I was actually quite amazed by how similar they are. I would have expected them to have been similar, but it was reassuring to see it in the actual stats that were shown and that principally are these funds are invested relative to the index and companies that are growing their earnings faster than the market. There's quite a big contribution from sales growth. So it's not just companies growing their profits by cutting costs, but companies that are growing their turnover, therefore these companies are investing. And if you've got companies who are investing and growing their sales then we would argue there's more chance actually of the profit growth that derives from that being sustainable. You'll also notice stronger balance sheets in the market as well, and that's an important part of the investment process. And low earnings variability, we usually do pretty well on that. We tend to have relatively low beta in the funds and the volatility of the earnings of the underlying businesses tends to be lower as well. And that really is what we're trying to do is think in absolute terms in terms of risk, in terms of growth, in terms of reward and try and keep that volatility down as well. ROB BAILEY: OK. So, Nigel, obviously you've had access to these kind of reports for some time. NIGEL THOMAS: Yes. ROB BAILEY: Is that fairly typical of what you'd expect to see the outcome on this of your portfolios through the years? NIGEL THOMAS: Yes. So every skyline we present to investors shows that we have a growth bias and we want to establish that. That is a true reflection of both funds and we've been working like that for years together, looking for good quality growth companies in the UK that can, as I say, grow their earnings and dividends. ROB BAILEY: We've spoken a lot about the similarities between the two. The actual investment approach, Nigel, there's a couple of your favourite straplines here: "think globally, invest locally"; "tomorrow, tomorrow, tomorrow". NIGEL THOMAS: Yes. ROB BAILEY: Those foundations I guess are what you're taking forward with running the AXA Framlington UK Select Opportunities Fund? CHRIS ST JOHN: Oh absolutely, the whole ethos of investing is all about tomorrow. Companies' ability to cope with change is absolutely vital. I know Nigel's great mantra about change, but that ultimately coping with change, having the balance sheet to deal with change, having the management to deal with change and management with the fortitude to make changes within their own business to cope with end markets that are very fluid and dynamic. That's what leads to sustainability of equity returns. ROB BAILEY: So one of the questions we've had here relates to how the portfolio evolved from here. Now, Nigel you've already said that you're engaged with Chris on a lot of the decisions you take within the portfolio currently. NIGEL THOMAS: Yes. ROB BAILEY: So the question is can you give us some thoughts on how the portfolio positioning may change by the time you assume full control? I'm guessing it's going to be fairly minor change between now and the end of the year, but tell us what you think. CHRIS ST JOHN: Yes, I would envisage minor change between now and the end of the year and then evolution. I keep trying to get this message across that there's no big bang here, there's no big change in style, there's going to be no change in the make-up of the portfolio in terms of stocks; it will just evolve over time as it would do if Nigel was here, no change. ROB BAILEY: And so another question, obviously your track record with the AXA Framlington UK Mid Cap Fund and the question was whether we expected to see more exposure in the mid-cap space. I think the mid-cap weightings to your fund is just above 35% and to the AXA Framlington UK Select Opps is just below 35%. CHRIS ST JOHN: Yes. ROB BAILEY: That you don't see changing massively? CHRIS ST JOHN: No. I think AXA Framlington UK Select Opps has about 8 to 10% more in the FTSE 100. But if you look at the make-up of those businesses, it's very much made principally of the companies that have been promoted from the mid-cap space. And as a percentage difference that's in the ballpark of what you can expect really. And it'll just be as opportunities present themselves investments will be made. But a point I made earlier is market cap agnostic and that's the great thing about those vehicles. ROB BAILEY: You can go anywhere. CHRIS ST JOHN: Yes. ROB BAILEY: You can buy stocks and typically what sort of size position do you buy within the portfolio? CHRIS ST JOHN: Well, it very much depends. The investments themselves are risk/reward weighted. So if we are going down the market capitalisation spectrum, the holding size could be half a percent from a starting position. Now, that doesn't mean we won't add to it at a higher price as long as we feel the risk/reward has come our way. Likewise, if there is a pathway to increasing the size of holding over time we may take a very small holding in a business, if a company, a management team has come with a specific mandate and business model to acquire then we would expect to be putting further capital in going forwards. As you move up the market cap spectrum, you know, we'd be working towards a unit size of 2%, particularly when you get towards the top end of the mid-cap and into the FTSE 100. ROB BAILEY: OK. Now, one of the questions we've had, or actually we've had a couple of questions on this, was around thematics. Obviously, as you know, the research on a global basis within Framlington Equities has been geared more towards thematics, but aside from that there are some general trends that Nigel and yourself have spoken about a lot over the recent years, trends that you've seen coming through into the market, and the first one here is about online sales, online penetration. Tell us what your thinking is here Nigel. NIGEL THOMAS: Well, obviously, ecommerce works very well in the UK, because you can get to 80% of the purchasing power from four places, four locations within a 100 kilometre radius. Now, you can't do that in big countries like USA or France, so UK has adopted ecommerce. And you can see on there, UK, 24% of all apparel is now bought online, against France at 15% and Spain at 6. So ASOS say that globally they get 40% of everything they sell comes back to them. I think in the UK it's higher than that, it's more like 50-60%, but the global average is 40. And that's led to the development of the reverse supply chain and we invested in Eddie Stobart Logistics when they IPOed. ESL was their moniker. They've got 26 distribution centres in the UK and 4,300 lorries, which are taking for the middle mile, not the end, the final mile, it's in the middle mile, they're moving around goods around the country for those ecommerce companies and taking back product. They've got a subsidiary that works for John Lewis. Any apparel that comes back, they re-steam it, they bag it and then send it back to John Lewis's central distribution centre. So that whole industry is growing very fast. And given the utilisation rates on Eddie Stobart's lorries, they can make a decent return and pass through rising costs of fuel to the customers, so they don't have that liability on their profit and loss account. ROB BAILEY: And I guess at the turn of the century people were talking a lot about investing in the people who sell the picks and shovels rather than the tech miners, if you like, and I guess this is a good example of that. NIGEL THOMAS: Yes and we've talked to a lot of companies. We've met Coats plc recently, who do industrial threads. They supply companies like Nike to sew your trainers, also Levi Strauss for jeans and a lot of apparel and garment manufacturers. And they were saying Zara – we all know Zara do very fast turnarounds, fast fashions, we always thought it was about six weeks compared to seasonal merchandise – but we heard from Coats that some of the garment manufacturers in the Far East are on three-week turnarounds with Zara. Now, that's management coping with change again, with those such short lead times and it's those sort of anecdotal stuff that tells us that this industry is changing. It wasn't just about Brexit and the high street, it's also the structural changes that are going on in the high street, whether it's fast fashion or restaurants coping with Deliveroo and Uber Eats and Just Eat; or hotels coping with Airbnb. ROB BAILEY: And I guess, Chris, a lot of this change, we've seen the changes at House of Fraser, there was Homebase the other day, those kind of changes. I guess, avoiding the pitfalls is as big a part of the job as actually finding the winners, isn't it? CHRIS ST JOHN: Yes absolutely and it's very, we talk about change and we talk about the internet and a lot of the arguments are well-versed, but the implications are absolutely stark in terms of spawning new industries like reverse logistics for example. But also exacerbating perhaps some of the problems that I know Brexit perhaps gets some of the blame for. But the problems that these traditional high street retailers have, particularly those that have been in private equity ownership historically often have incredibly long leases, very, very high fixed charges, big rental bills, long duration rental bills, rates, employ lots of people. And they're up against a very different competitor where the playing field perhaps isn't level. ROB BAILEY: So I guess another example of this type of trend I guess is Worldpay. NIGEL THOMAS: Yes. ROB BAILEY: Explain to us the perspective on Worldpay. NIGEL THOMAS: Worldpay was IPOed out of, well, it was in private equity after being owned by Royal Bank of Scotland. It's now merged with an American company. Worldpay weren't great in the States, but they were good globally. Whereas Vantiv, who they've merged with, were good in the USA, but not very good globally, so it's been quite a successful merger to date. Worldpay, FTSE 100 company, enabling a lot of this ecommerce across borders to develop. And UK, as you can see from that chart, the UK comes up pretty well globally in terms of embracing ecommerce, and Worldpay seemed a very good thematic investment to enable this sort of growth. ROB BAILEY: And I guess this is another good example of a company that isn't dependent upon the UK economy for its continued success. NIGEL THOMAS: No. One of its biggest customers is Tesco's. They don't make a lot of margin out of Tesco. I think they get a penny, every time you pay a bill in Tesco's they get a penny, but it's the margins on the ecommerce side where we heard from companies like Next. Next are big in the UK, but their second biggest market is in Russia. And they were telling us how Worldpay facilitated them collecting funds from all the customers in Russia and how they charged a decent margin to do that. ROB BAILEY: Do you have a perspective on Worldpay, where do you see that progressing, going forward? CHRIS ST JOHN: Well, it's similar to Nigel, yes, there's a big increase in demand for online payments, for cross border transactions as the internet grows, as just the proliferation of methods of payment, as payment methods are made easier, as more people have access to smartphones and to broadband, this thematic will continue. Going back to the point you made earlier just about thematics and it is part of our investment philosophy and principally our investment philosophy is built and our stock picking, is built around meeting companies, but when we're meeting those companies we question them about a whole array of things. Not only about the business themselves, but about the wider market, and when we're doing that we build up these thematic views. We hear about drivers within businesses that are perhaps influencing other companies as well. So when we talk about these types of businesses, we're talking about companies that tick the box from a bottom-up perspective, but also from a structural perspective. To simplify it: the economic tailwinds are with these businesses rather than headwinds. You can find companies with good management, with strong balance sheets, but they're perhaps in a part of the market that's structurally challenged. And with the best will in the world, they're going to find it difficult to grow the business and offer those compounding returns that we're looking for. NIGEL THOMAS: It's ironic that one of Eddie Stobart's larger customers is Amazon, so they're trunking, between Amazon's distribution centres they're trunking goods for them, but that's a part of the growth of that sort of business. CHRIS ST JOHN: Yes and we like to hear about this technological change. A lot of people talk about the tech market in the UK and there are very few companies we can invest in. Actually you go down the market cap spectrum there are plenty, but even at the top end there are many companies that are benefiting from technological change. We had BP in recently and they were talking about the drillers over in the US using augmented reality, wearing these glasses and as they're drilling they can get real-time information about the parts, how they're working, whether they need replacing, talking about inspections of oil rigs using drones and just looking at the natural evolution of an oil rig for example. BP was saying well we've got people sitting on these oil rigs pressing buttons. Everything is really driven by wire. Well, there's no reason why they can't all sit on the mainland and just press the same buttons but be onshore. Now, if that happens, the size of the rig shrinks, you don't need accommodation, therefore the capital investment required to build them falls. And so the capital intensity drops and therefore as a consequence the breakeven point in terms of oil price drops and businesses become more efficient. So we're looking at how technology improves the businesses that we invest in and makes them more efficient and increases the profitability as a consequence. NIGEL THOMAS: Yes, they said it in shale for example, they can optimise flows from the different wells and do very good reservoir management in real-time. But in the old days they'd have to send a guy down there with a big spanner to turn the valves on and off. So they're using technology to optimise shale, which has now become much more profitable. ROB BAILEY: OK, let's just have a quick look at the team because clearly, Chris, you won't be running this Fund on your own, you're part of a very significant team that we have running UK equities within Framlington Equities. We announced today that Simon Young is joining that team. Talk us a little bit through the interactions within the team, how you work together, but also what Simon will bring to the table. CHRIS ST JOHN: Yes, we have a very, our culture is really important. It's very easy to dismiss that as being irrelevant, but it really isn't. When you're working in a team the flow of information is really important, comparing notes, making sure we're inviting each other to meetings, having relatively low barriers to making a bit of a prat of yourself. We're all quite happy to put our hands up and say things that we believe in even if the rest of the team disagrees, so we have some great debates around the desk. We have all our monitors are that height so we can actually look at each other and hear what each other is saying and talking about. And that is a really, really important part of investment philosophy and process, not just for finding new ideas, but for just trying to cut down the error rate as well. So when you're bringing new people into the team, and John King is a great example of this, one of the crown jewels is that culture and that is something that we're very protective of and when new members join the team, we want to put that culture at the least amount of risk as possible. And in our view the best way of doing that is to employ people we know. Now, John joined just over two years ago now? NIGEL THOMAS: Yes, about that. CHRIS ST JOHN: And both Nigel and I knew John well. He'd been sending us great company reports, independently written, he wasn't just regurgitating what his analysts were telling him. And we learnt over a four or five year period that he thinks like a fund manager, he has his own views and it dawned on us that he'd be a very, very good addition to the team. And Simon Young I think falls into that category as well. He's got a lot of experience. Both Nigel and I know him well. We both know him independently as well. And I think he'll bring a lot of knowledge. He's got a great enquiring mind, he's got a lot of knowledge throughout the market capitalisation spectrum as well, and he's been there and done it. He's an outperforming fund manager and no doubt he's got a few scars and battle wounds to share as well, so that's what we want. ROB BAILEY: OK. One point and John's a good example of maybe the impact of this, but we've had a couple of questions on MiFID II and the impact that has on you. Clearly you get a lot of research from in-house, but I know you use external brokers as well. What's been your experience of the impact of MiFID II, how has it changed your working life? CHRIS ST JOHN: Yes, it's definitely having an effect. I think there are a number of points. One I think is an acceleration of what we were seeing before and that really is the money that the banks are making in cash equities has continued to decline. And as a consequence it strikes us that the amount of resource being put into that traditional resource in terms of research is dropping. So if you look at the number of companies that have been covered by individual analysts they've gone up over time and the number of analysts covering each individual stock has fallen over time. So we've certainly seen an increase in that trend. Now, we have to layer, I think, a larger slice of cynicism onto anything we're told, given if all the money is now made on the primary side, there are some interesting conflicts of interest that can be thrown up. But there's other change as well. We are seeing I think a slight fragmentation of the sell side. So I'm starting to get calls now from little research boutiques that have set up, given now we have much more control over who we pay for research. It's giving the opportunity for some top analysts to leave and set up on their own without the overhead. And I think it's also forcing the sell side, and I'm seeing this more actually in the mid-cap, small cap broking place, just to be more creative with their research, so engaging us more with private businesses, for example, or industry experts, running a symposium on a particular area of the economy. So I think a lot more value add rather than just the plain corporate line being run by people. Having said that, we meet a lot of businesses, we do the research ourselves, we're not broker led, so we're well set up to deal in a MiFID II world. So at the moment no change, but we'll see how things go. ROB BAILEY: And the investment in the team with Simon joining I think is a good illustration of the commitment to the space as well. CHRIS ST JOHN: Yes absolutely. ROB BAILEY: Right, one final slide, because we're running very short on time now. Just quickly look at the top 10 holdings. On the left we've got the offshore AWF – Framlington UK; on the right-hand side we've got the AXA Framlington UK Select Opportunities Fund top 10 holdings. Just talk quickly if you can, Chris, about I guess the importance of the top 10, but also the crossover with the onshore AXA Framlington UK Select Opportunities Fund. CHRIS ST JOHN: Yes, the top 10 is here. I suppose observations include no big concentration at the top of these funds. Even the biggest holding, Royal Dutch Shell in AXA Framlington UK Select Opportunities, is still an underweight position relative to the comparative benchmark. So I'd probably make a couple of points. One is we think about absolute risk, absolute return when we're investing. We don't see it, holding 9% of the Fund, UK Select Opps or AWF for that matter, in one company, we wouldn't see as a very low risk/reward way of investing. So we're much more interested in the absolute size of the holding we're taking for the absolute return and risk we think that we're getting. Another point that I would make therefore is there are plenty of companies outside of this top 10. It's very easy to focus on the top 10, but a lot of alpha is generated by getting lots of little things right across the entire holdings of the fund and I'd certainly make that point. A lot of the alpha is coming from not just top 10, but the rest of the portfolio as well. ROB BAILEY: So, Nigel, this is your final webcast, 40 years in the industry, do you have a message for the people watching today's webcast? NIGEL THOMAS: Yes, thanks Rob. Yes, it's 40 years, a long time in this industry, but I've had the support of many clients and investors and thank you for those who've been watching today and I'll miss the industry and all those relationships we've had all over the UK and the Channel Islands with clients and investors and I will miss that. 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