

## AXA Framlington Global Technology Fund Z GBP

**JEREMY GLEESON****Fund Manager****Joined July 2007**

Jeremy joined AXA Investment Managers in July 2007 and is the lead fund manager of the AXA Framlington Global Technology Fund. In 2017 he was named winner of the Tech Fund Manager of the Year Award at the UK Tech Awards. Previously he was named winner of the Investment Week Tech & Telecoms Fund Manager of the Year Award for 2011 and 2012.

Previously, he was a senior portfolio manager at Close Investments (formerly Reabourne Technology), a subsidiary of Close Brothers Group PLC, from 2003 to 2007, having been a portfolio manager for the previous three years and an assistant portfolio manager from 1997 to 2000 with Reabourne Technology. During his time at Close Investments / Reabourne, Jeremy was the lead fund manager on several technology funds and won the FTSE techMARK Technology Fund Manager of the Year award in 2003 and 2005.

Jeremy holds a BSc (Hons) in Mathematics (1st class) and an MSc. in Systems Engineering from Cardiff University (1992-1996). He is also a CFA charterholder.

**Objective**

The aim of this Fund is to provide long-term capital growth.

**Fund manager's commentary****Main changes to the portfolio during January**

We started positions in EPAM Systems, an IT services business with a focus on helping customers with their digital transformations. The investment will sit alongside our existing exposures to this opportunity in Globant and Endava. We also initiated a position in Global Payments, a fintech play on digital payments. We sold our investment in eBay, as the sum-of-the-parts opportunity has now largely played out, and we believe the core auction business continues to cede market share.

**Factors affecting performance during January**

Global equity markets were broadly flat in January, with the MSCI World Index dropping 0.1%, while the technology sector outperformed, with the MSCI World Information Technology Index gaining 3.9%.

Notable performers during the month included Twilio (internet communications platform), Atlassian (project management and collaboration software), ZScaler (cloud-based security), Globant (digital IT services) and ServiceNow (IT operations management software).

**Current market influences and outlook**

The technology sector started 2020 from where it left off in 2019; with optimism over trade deals helping lift stocks. Earnings season has also started well and mega-caps such as Apple and Amazon have reported strong fourth-quarter results. However, the outbreak of the coronavirus in China has cast a cloud over the good news and markets have been more volatile into month-end.

Technology stocks have generally had a strong start to the year; so, with the current uncertainty raised by this virus outbreak, it is not surprising to see some investors take profit. From an investment perspective, we are monitoring these events and if fundamentals for the sector continue to be robust, we will use any weakness in share prices as an opportunity to invest.

According to Gartner, worldwide enterprise IT spending in 2020 is forecast to rise 3.8% in 2020, which in our view remains a healthy level of spend. Areas such as digital transformation, cybersecurity, and cloud computing, which are all well represented in the Fund, are expected to benefit from this growth in spending.

Past performance is not a guide to future performance. The value of investments and the income from them can fall as well as rise and you may not get back the full amount originally invested. **Before investing you should read the fund's Key Investor Information Document (KIID) for full product details including investment risks and contact a financial adviser where unsure.**

**Top 10 fund holdings**

	Weight
APPLE INC	8.40%
ALPHABET INC	7.81%
VISA INC	4.72%
CISCO SYSTEMS INC	3.00%
QUALCOMM INC	2.96%
FACEBOOK INC	2.83%
SERVICENOW INC	2.57%
SALESFORCE.COM INC	2.38%
PROOFPOINT INC	1.95%
PAYPAL HOLDINGS INC	1.90%
<b>Total*</b>	<b>38.52%</b>
<b>Total number of holdings</b>	<b>66</b>
<b>Turnover (1 rolling year)</b>	<b>11.47</b>

\* Total may not equal sum of top ten holdings weightings (above) due to rounding.  
Stocks shown for information purposes only. They should not be considered as advice or a recommendation.  
Turnover : (abs(purchase) + abs(sale) - abs(subscription - redemption)) / (2\* average AUM)

## FRAMLINGTON EQUITIES

## AXA Framlington Global Technology Fund Z GBP

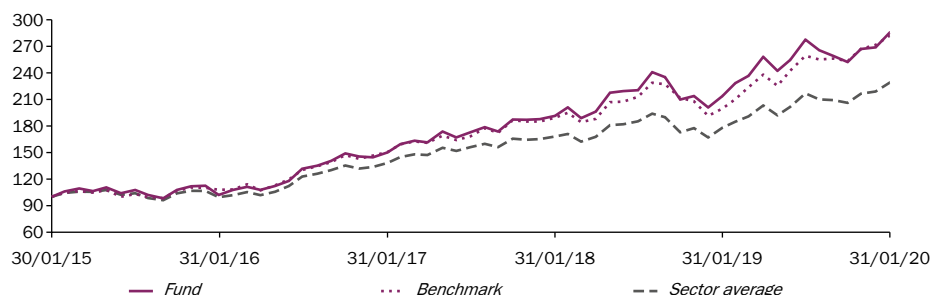
## Discrete performance over 12 month periods to latest quarter end (%)

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
	- 31/12/15	- 31/12/16	- 31/12/17	- 31/12/18	- 31/12/19
AXA Framlington Global Technology Fund Z GBP	13.2	28.5	29.8	7.0	33.8
Benchmark**	10.8	32.9	26.3	3.5	41.9

## Cumulative performance

	Fund (%)	Benchmark** (%)	Sector median*** (%)	Ranking	Quartile
6 M.	2.9	8.8	5.4	10/16	3
Year to date	6.3	3.9	4.8	5/16	2
1 Y.	33.6	41.3	30.1	4/16	1
3 Y.	90.3	87.4	74.4	2/14	1
5 Y.	185.7	182.1	165.1	3/11	1

## Cumulative performance over five years



Source: AXA Investment Managers and Morningstar. Figures are quoted on single price basis, net of Z share class fees and expenses with net income reinvested, in GBP. Performance takes into account ongoing charges but not any initial charge that may be payable. Between 8/9/2014 and 6/10/2014, AXA Framlington Authorised Unit Trusts moved to a single pricing basis (Net Asset Value - NAV), prior to this, they were on a dual pricing basis (bid to bid). To ensure consistent performance figures between bid and NAV prices an adjustment factor has been applied. Past performance is not a guide to future performance.

\*\*Benchmark is the MSCI World Information Technology Total Return Net. Prior to 01/01/2013 the benchmark of the fund was MSCI World Information Technology Total Return Gross. The benchmark index is shown for comparison purposes only. The fund manager has full discretion to select investments for the fund in line with the fund's investment policy and in doing so may take into consideration the benchmark index.

\*\*\*The fund's peer group sector is the IA Technology & Telecoms sector.

The breakdowns provided look through to the underlying investments (including cash) of any in-house collective investment schemes held by the fund. Breakdowns may not sum to 100% due to rounding.

The geographical breakdown is based on the country classification as published by the index provider. The second available source is the Country ISO from Bloomberg (or Ultimate Country of risk for Emerging markets funds).

## Geographical Allocation

	%
North America	85.02
Emerging	7.07
Europe Ex UK	3.32
UK	1.73

## Sector Allocation

	%
Software	29.63
Semiconductors & Semiconductor Equipment	19.65
Interactive Media & Services	12.07
Technology Hardware, Storage & Peripherals	10.56
IT Services	9.34
Communications equipment	5.81
Internet & Direct Marketing Retail	3.74
Entertainment	2.07
Real estate invest. trusts (reits)	1.89
Health care technology	1.17
Electronic Equipment, Instruments & Components	1.01
Diversified telecom. services	0.20
Cash	2.85

## Fund facts

Fund type	Unit Trust
Fund size	£880.7m
Underlying Yield*	0.00%
Launch date	15/04/99
IA Sector	Technology and Telecommunications
Currencies available	GBP
Dealing day	09:00 to 17:30 business hours
Valuation point	12:00 London time

\* As at 31/01/2020. \* Net of tax, net of expenses. All information in this factsheet relates to unit class Z only. The underlying yield reflects the annualised income net of expenses of the fund as a percentage of the mid-market unit price of the fund as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include any initial charge and investors may be subject to tax on distributions.

## Investment information

Initial charge	Nil%
Ongoing charges	0.82%
Min initial investment	£100,000
Min subsequent investment	£5,000
ISA status	Eligible

## Fund codes

Sedol	accumulation income	B4W52V5 B5MQXC3
ISIN	accumulation income	GB00B4W52V57 GB00B5MQXC30
MEX	accumulation income	FRMNFA FRMNF1
Valoren	accumulation income	801389 801372
Bloomberg	accumulation income	AXAGTIA LN FRANETI LN

## Income payments

Accounting Final Ref Dates	15 Jan
Interim	15 Jul

Sources: AXA Investment Managers UK Limited and Morningstar. Unless otherwise stated all data shown is at 31/01/2020.