

LWM FUND SPOTLIGHT

AXA FRAMLINGTON AMERICAN GROWTH FUND

INVESTMENT OBJECTIVE

The aim of this Fund is to provide long-term capital growth. The Fund invests principally (meaning at least 80% of its assets) in large and medium-sized companies listed in the US. The Fund invests in shares of companies which the Manager believes are attractive investment opportunities, relative to their industry peers. The Manager selects shares based upon analysis of a company's financial status, quality of its management, expected profitability and prospects for growth.

INCEPTION DATE

22nd March 2006

FUND FACTSHEET

<https://www.trustnet.com/factsheets/o/03tf/axa-framlington-american-growth-z-acc>

MANAGEMENT

Manager Name

Stephen Kelly

Start Date

22nd March 2006

RATIO DATA (3-years)

Alpha	Beta	Max Drawdown	Max Gain	Max Loss	Negative Periods	Positive Periods	Tracking Error
-1.06	1.14	-23.71	13.38	-14.26	72	84	6.36

OTHER DATA

Benchmark	S&P 500
Fund Size	GBP 1003.58 (Mil)
Fees	1.57% (R Share Class)

BULL POINTS (PRO)

- Long term established fund management team.
- Focus on growing sales.
- Still retains the creativity of Framlington but access to all the resources of the AXA Group.
- Access to other teams including healthcare, biotechnology, thematics and technology.

BEAR POINTS (CONS)

- Style bias means this will underperform when growth is out of favour.
- High weighting to technology.

AXA Framlington American Growth Fund – August 2023

FUND PERFORMANCE

Performance Chart in (GBX)



Cumulative Performance (GBX)

	3 Months	6 Months	1 Year	3 Years	5 Years
Fund	4.91%	8.04%	2.81%	32.92%	77.60%
Sector	4.69%	5.26%	-0.29%	32.65%	54.49%
Relative to Sector	0.21%	2.64%	3.10%	0.20%	14.96%
Rank in Sector	51 / 103	21 / 102	17 / 95	54 / 82	4 / 74
Fund Quartile	2	1	1	3	1

Performance by Calendar Year in (GBX)

	YTD	2022	2021	2020	2019
Fund	15.56%	-17.21%	28.12%	32.67%	32.17%
Sector	9.30%	-10.31%	26.42%	15.55%	24.92%
Relative to Sector	5.73%	-7.69%	1.35%	14.81%	5.80%
Rank in Sector	13 / 101	77 / 90	39 / 84	8 / 79	5 / 75
Fund Quartile	1	4	2	1	1

Discrete Annual Performance to Last Quarter End (GBX)

	0-12m	12m-24m	24m-36m	36m-48m	48m-60m
Fund	19.45%	-8.45%	30.91%	18.92%	16.82%
Sector	11.59%	-3.42%	27.86%	8.24%	11.19%
Relative to Sector	7.04%	-5.20%	2.39%	9.86%	5.06%
Rank in Sector	8 / 95	72 / 85	21 / 82	8 / 76	9 / 74
Fund Quartile	1	4	1	1	1

Fund Price Movement (GBX)

12 Month High	601.50 (Pence)	12 Month Low	496.90 (Pence)
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Annualised Ratios Over 36 Months

	Alpha	Beta	Sharpe	r ²	Volatility
Fund	-1.25	1.21	0.61	0.86	15.58
Fund Quartile	3	1	3	2	4

Please note that past performance is not a reliable indicator of future returns, and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

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Top 10 Holdings as at July 31, 2023

Rank	Change	Name	%	Sector Ranking*
1	►	APPLE INC.	8.26	n/a
2	►	MICROSOFT CORP	6.62	n/a
3	►	ALPHABET INC	4.31	n/a
4	►	NVIDIA CORP	3.25	n/a
5	►	AMAZON.COM, INC.	3.25	n/a
6	►	TESLA, INC.	1.79	n/a
7	►	UNITEDHEALTH GROUP INCORPORATED	1.72	n/a
8	►	SALESFORCE, INC.	1.62	n/a
9	►	SERVICENOW, INC.	1.59	n/a
10	►	EQUINIX INC	1.58	n/a
Total			33.99	

* This is the holding ranking within the fund sector composite portfolio (calculated from all available concurrent full portfolios of funds within the sector).

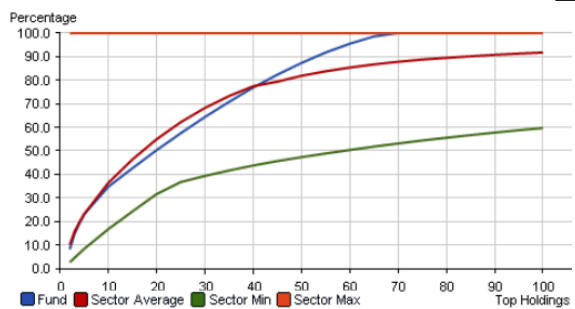
[Click here for full portfolio holdings as at 31/07/2023](#)

▼ Faller ▲ Riser ► No Change ■ New Entry

Current Concentration Analysis as at July 31, 2023

Total Holdings in portfolio	67
Portfolio Representation by	%
Top 5 Holdings	26.44
Top 10 Holdings	36.41
Top 20 Holdings	51.83
Top 30 Holdings	65.73
Top 50 Holdings	88.32
Top 100 Holdings	100.00

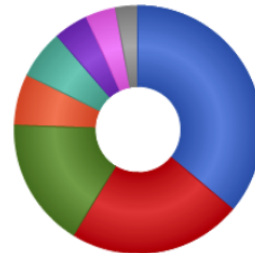
Relative Concentration Analysis as at July 31, 2023



Sector Weightings as at July 31, 2023

Rank	Change	Name	%
1	►	TELECOM, MEDIA & TECHNOLOGY	36.10
2	►	CONSUMER PRODUCTS	22.65
3	►	HEALTH CARE	16.80
4	►	INDUSTRIALS	6.73
5	►	FINANCIALS	6.38
6	►	BASIC MATERIALS	4.49
7	►	MONEY MARKET	3.94
8	►	REAL ESTATE	2.92

▼ Faller ▲ Riser ► No Change ■ New Entry



Holdings

Equity ▼

Current

Portfolio Date
30 Jun 2023

Equity Holdings
68

Bond Holdings
0

Other Holdings
4

% Assets in
Top 10 Holdings
33

Reported
Turnover %
51.00

Active Share ⓘ

58.05

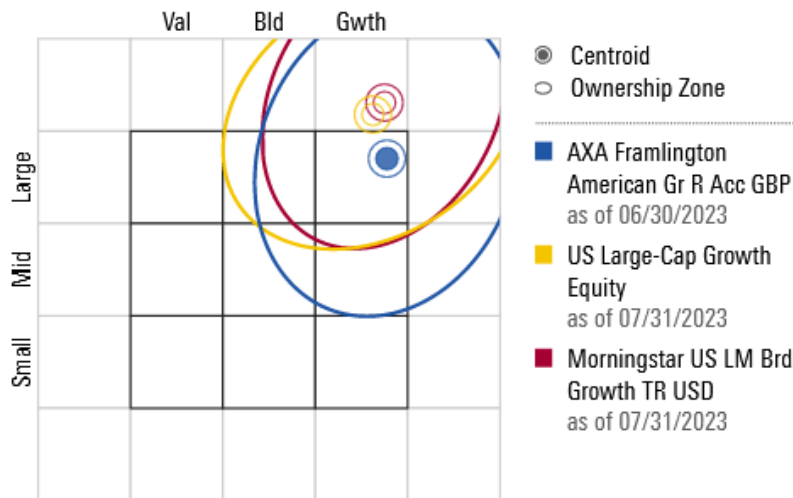
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Stock Style

Map

Weight

Historical



Factor Profile

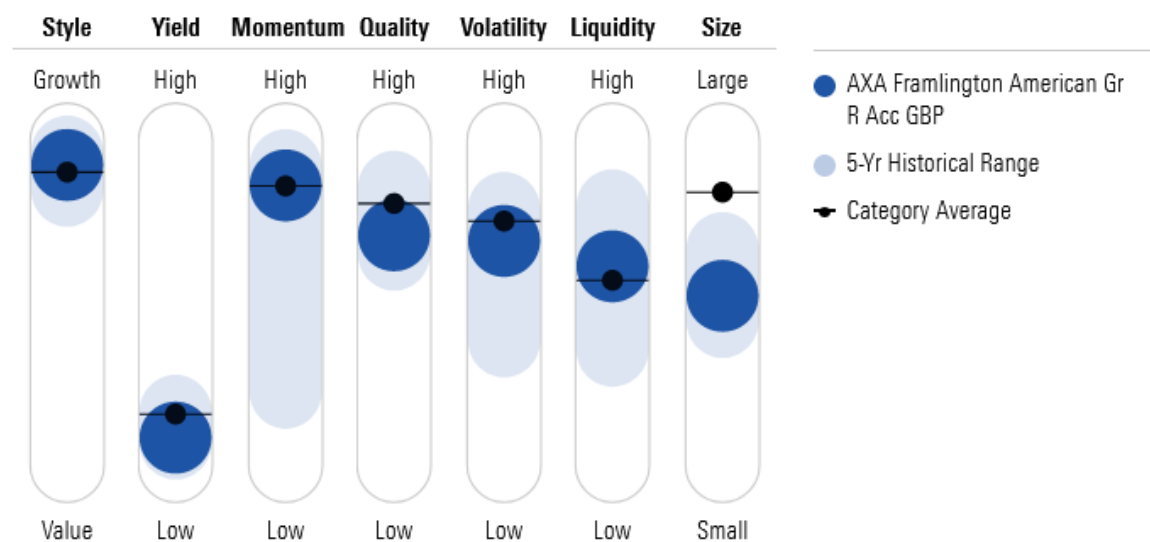
1-Yr

3-Yr

5-Yr

vs. Category

i



Investment as of 30 Jun 2023 | Category: US Large-Cap Growth Equity as of 30 Jun 2023

AXA Framlington American Growth Fund – August 2023

Style Measures

Measures

Market Cap

Value & Growth Measures	Investment	Cat. Average	Index
Price/Earnings	30.11	29.07	30.16
Price/Book	6.23	6.41	7.14
Price/Sales	3.81	4.08	3.99
Price/Cash Flow	21.25	19.59	19.12
Dividend Yield %	0.55	0.77	0.76
Long-Term Earnings %	13.69	12.37	12.96
Historical Earnings %	14.48	13.45	15.98
Sales Growth %	13.22	13.86	15.27
Cash-Flow Growth %	8.17	6.15	10.99
Book-Value Growth %	7.65	8.79	11.20

Investment as of 30 Jun 2023 | Category: US Large-Cap Growth Equity as of 31 Jul 2023 | Index: Morningstar US LM Brd Growth TR USD as of 31 Jul 2023 | Data is based on the long position of the equity holdings.

Style Measures

Measures

Market Cap

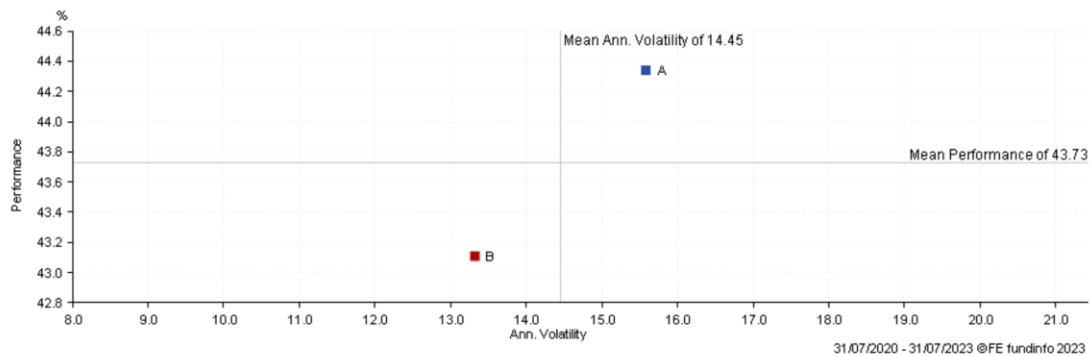
Avg Market Cap	Category Avg Market Cap		Index Avg Market Cap
97.16 Bil	254.93 Bil		327.63 Bil
Size	Investment %	Cat. Average %	Index %
Giant	32.52	51.43	57.85
Large	41.26	20.79	23.95
Mid	10.94	18.89	18.11
Small	10.63	1.94	0.09
Micro	1.26	0.21	0.00

GBP | Investment as of 30 Jun 2023 | Category: US Large-Cap Growth Equity as of 31 Jul 2023 | Index: Morningstar US LM Brd Growth TR USD as of 31 Jul 2023 | Data is based on the long position of the equity holdings.

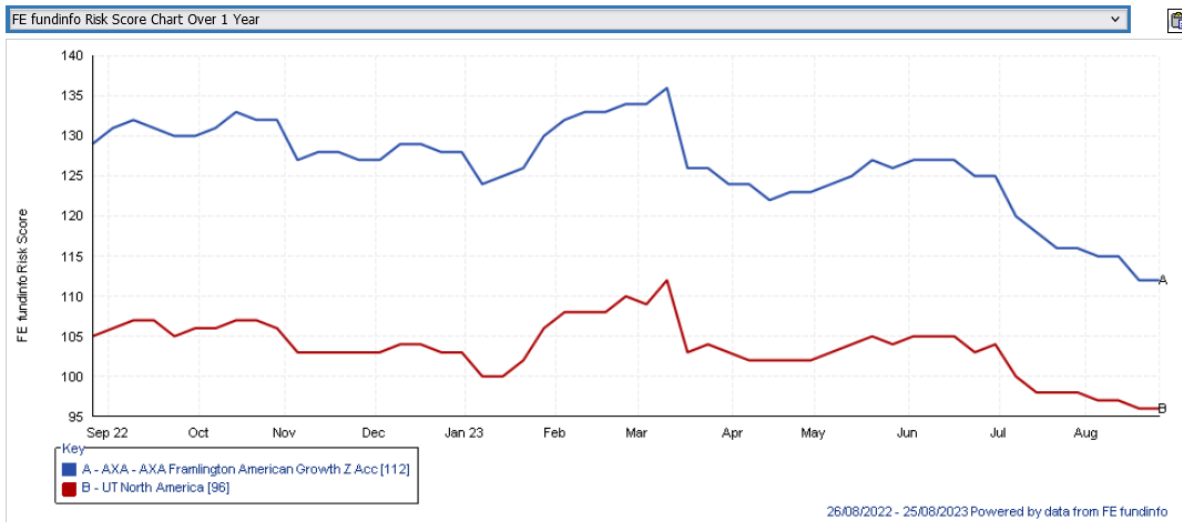
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Volatility

Pricing Spread: Bid-Bid • Currency: Pounds Sterling



Key	Name	Performance	Annualised Volatility
A	AXA - Framlington American Growth Z Acc in GB	44.34	15.58
B	S&P 500 in GB	43.11	13.32



ISS ESG Data

ESG Rating Scores

ESG Performance Score	45	ESG Performance Score Peer Average	46	Fund ESG Prime Status	Not Prime
ESG Rating Percent of Coverage			100.00%		

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LWM FUND ANALYSIS

There is a lot of debate as to whether an investor is better to invest in a fund that actively tracks an index rather than paying additional fees for an active manager. The fund manager took over the strategy in 2006, and the chart below shows the performance vs the benchmark since that date.

Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling



22/03/2006 - 31/07/2023 Data from FE fundinfo 2023

Over five-years the chart is similar:

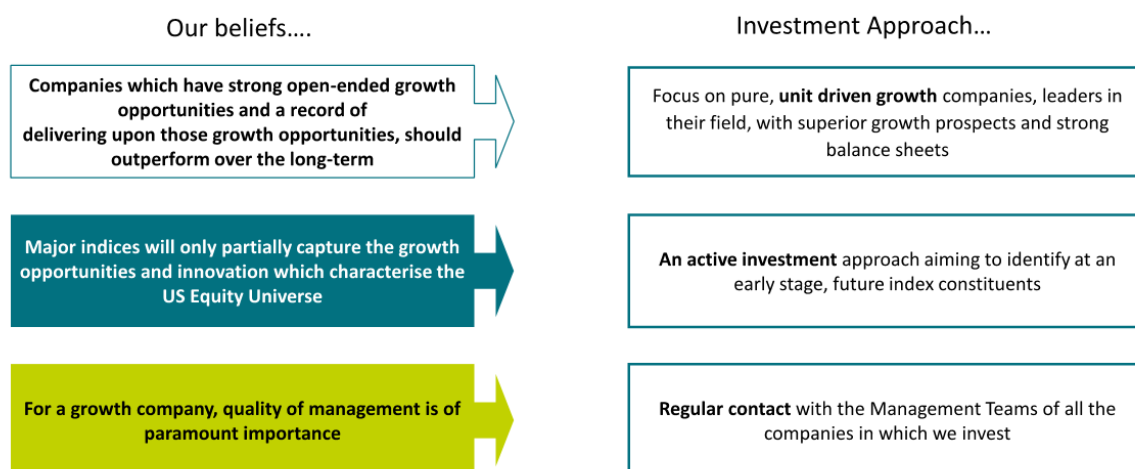
Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling



01/08/2018 - 31/07/2023 Data from FE fundinfo 2023

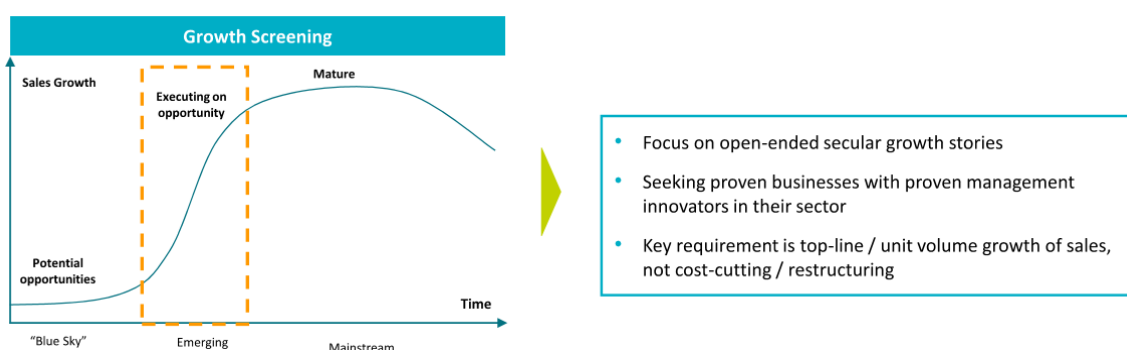
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The investment philosophy is set out below:



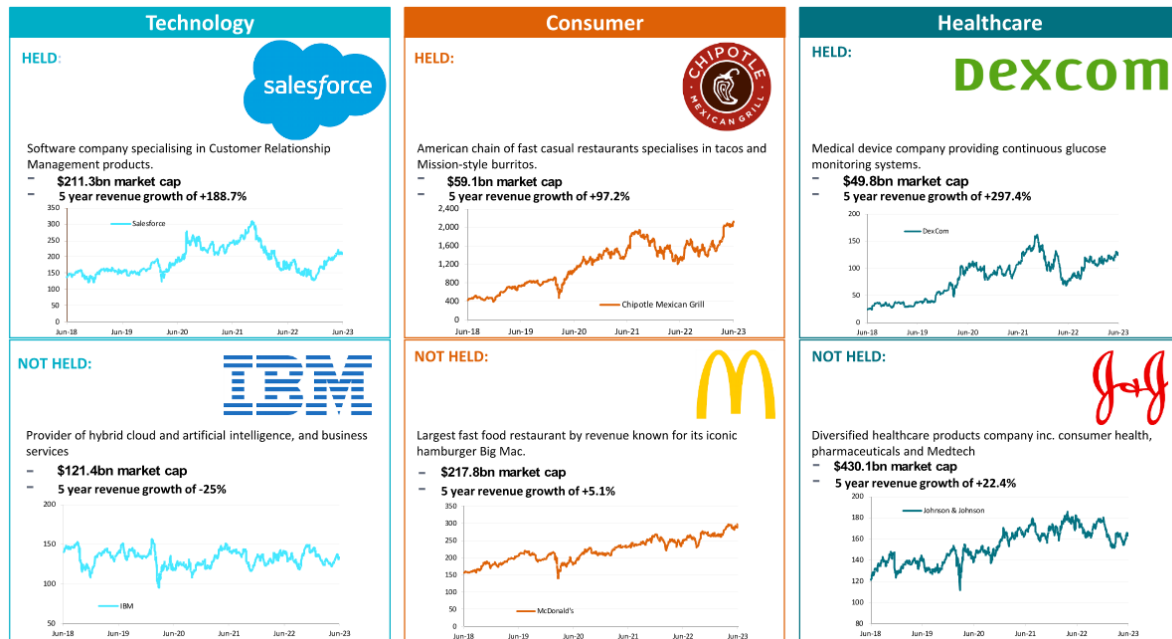
Seeking proven businesses with proven management, innovators in their sector with top-line/unit volume growth of sales

The team see themselves as stock pickers, focusing on those companies that are growing sales year on year.



The strategy does have more of a tilt towards technology and this reflects the access the team have to other parts of the investment, especially biotechnology, healthcare, and technology. The chart below shows their definition of growth.

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The strategy has a relatively low active share at around 60%. This means that more of the holdings are close to the index. They do look for companies with strong balance sheets, high quality management and expanding market share. The valuations of their companies are at the top end. However, the team are active on this. As an example, with Nvidia they have reduced the holding to reflect the increase in valuation this year.

In July they sold out of Activision Blizzard which develops and publishes interactive entertainment content and services. The largest sectors are Technology (31.80%), Consumer Discretionary (16.7%) Health Care (16.5%).

In summary, for those seeking exposure to the US market, this may be a fund to consider. What investors get at the top level is a staple investment team who have access to knowledge from across the group, and in particular technology, biotechnology, and healthcare. The strategy has delivered performance above the S&P 500 since the manager came on board and over the past five years. The fund is also near the top of its peers. The focus is on high quality businesses which are growing sales. However, it does mean the valuations are higher and therefore when growth as a style is out of favour, this can underperform.

The active share class weighting is lower than we would expect at 60%, but this really reflects where they see the opportunities and value within the US.

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The source of information in this note has been provided by AXA Framlington and is correct as of August 2023. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this, and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.

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