



# **DORSET COUNTY PENSION FUND**

## **UK Equity Report for 6 months ending 30 September 2015**

- Internal Managers Report
- Valuation Report
- Transaction Report

## **Dorset County Pension Fund Committee – 26 November 2015**

### **UK Equity Report**

#### **Report of the Internal Manager**

#### **1. Purpose of the Report**

1.1 To review the management of the UK equity portfolio.

#### **2. Recommendations**

2.1 That the report and performance be noted.

#### **3. Background**

3.1 The UK Equity portfolio has 3 active managers, AXA Framlington, Standard Life and Schroders as well as the internally managed passive fund. This combination of managers and styles is designed to give the opportunity of outperformance against the FTSE All Share index and has a two thirds passive and one third active mix. Details of the combined portfolio (£576.7M at 30 September 2015) are shown in the table at paragraph 5.2.

3.2 The internally managed passive fund aims to track as closely as possible the FTSE 350 index which measures the progress of the majority of the UK equity market. At 30 September 2015, the FTSE All Share index was made up of 647 individual stocks ranging from Royal Dutch Shell Plc, the largest UK company (market value £98.5 Billion) down to the smallest in the index, Hansa (market value £32.6 Million). Direct investment is made in the largest 350 companies, which comprises 96.5% by value of the index. Investment in the smallest companies which make up 3.5% of the index is achieved by a holding in the Schroders Institutional UK Smaller Companies Fund which is managed on an active basis.

#### **4. Market Background**

4.1 All major UK Equity markets fell in the six months to 30 September 2015. The best performing index was the FTSE250 which fell 2.4% (408 points), whilst the FTSE100 was the worst performing major UK index falling 10.5% (711 points). In comparison, all major world indices fell over the same period. The Dow Jones fell 8.4% (1,491 points) and the Dax fell 19.3% (2,306 points).

4.2 Over the twelve month period, the UK Equity markets had a mixed performance. The FTSE250 rose 8.5% (1,303 points), whilst the FTSE100 fell 8.5% (561 points). In comparison, major world indices also had a mixed performance. The Shanghai Composite index rose 29.1% (689 points), whereas the Hang Seng fell 9.1% (2,087 points).

Six Months to 30 September 2015

Country	Index	31/03/2015	30/09/2015	% Change
UK	FTSE100	6,773.0	6,061.6	-10.5
UK	FTSE250	17,090.6	16,683.0	-2.4
UK	FTSE350	3,726.4	3,384.7	-9.2
UK	Small Cap	6,165.0	6,105.2	-1.0
UK	Small Cap ex Investment Trusts	5,676.9	5,885.5	3.7
UK	All Share	3,663.6	3,335.9	-8.9
Japan	Nikkei225	19,207.0	17,388.2	-9.5
US	Dow Jones	17,776.1	16,284.7	-8.4
Hong Kong	Hang Seng	24,900.9	20,846.3	-16.3
France	Cac 40	5,033.6	4,455.3	-11.5
Germany	Dax	11,966.2	9,660.4	-19.3
China	Shanghai Composite	3,747.9	3,052.8	-18.5

Twelve Months to 30 September 2015

Country	Index	30/09/2014	30/09/2015	% Change
UK	FTSE100	6,622.7	6,061.6	-8.5
UK	FTSE250	15,379.7	16,683.0	8.5
UK	FTSE350	3,596.2	3,384.7	-5.9
UK	Small Cap	5,804.1	6,105.2	5.2
UK	Small Cap ex Investment Trusts	5,398.9	5,885.5	9.0
UK	All Share	3,533.9	3,335.9	-5.6
Japan	Nikkei225	16,173.5	17,388.2	7.5
US	Dow Jones	17,042.9	16,284.7	-4.4
Hong Kong	Hang Seng	22,933.0	20,846.3	-9.1
France	Cac 40	4,416.2	4,455.3	0.9
Germany	Dax	9,474.3	9,660.4	2.0
China	Shanghai Composite	2,363.9	3,052.8	29.1

4.3 The quarter from July to September was a weak period for UK equities, despite a positive start in July. China's decision to devalue the yuan by 1.9% was particularly detrimental, prompting further fears that the economy was much weaker than assumed. This move, which made exports cheaper, comes after weak economic data from the world's second largest economy. On 24 August the Shanghai Composite was down 38% since reaching its peak in June 2015. This was after shares in China had risen 150% in the twelve months to June 2015.

4.4 Over the period from July to September 2015, the FTSE100 closed down 4.7% on the 24 August 2015 to 5,898.9; its lowest position since January 2013. However, the FTSE100 ended the 25 August 2015 up 3.1% (183 points), its best one day performance since 2011. The FTSE100 had endured ten days of consecutive losses and regained most of its 280 point loss from earlier that week. On 25 August 2015, the Dow Jones closed down 1.3% to 15,666.4; its lowest position since 18 September 2013.

## 5. Performance

5.1 The internally managed passive portfolio is modelled to track the index with a tolerance of +/-0.5% pa allowing for the costs of rebalancing. The figures shown below

are for this part of the Fund only.

Quarter To	Dorset %	Index %
30/06/15	-1.56	-1.72
30/09/15	-5.70	-5.79
Total	<u>-7.17</u>	<u>-7.41</u>

Notes:

- The Dorset Fund has outperformed the benchmark over the three month period to 30 September 2015 by 0.24% which is within the allowed tolerances.

## 5.2

### SIX MONTHS TO 30 SEPTEMBER 2015

Manager	Market Values		Performance	Benchmark	Benchmark Description
	31/03/2015 £M	30/09/2015 £M	%	%	
Internal	401.4	364.4	-7.17	-7.41	FTSE 350
AXA Framlington	108.7	103.9	-4.45	-7.19	All-Share
Standard Life	78.5	70.4	-9.99	-7.19	All-Share
Schroders	34.9	38.0	9.22	3.68	Small Cap*
Total	<u>623.5</u>	<u>576.7</u>	<u>-6.13</u>	<u>-6.77</u>	

\* FTSE Small Cap ex Investment Trusts

The figures for the whole UK equity portfolio show:

- The combined portfolio has outperformed its benchmark over the six month period by 0.64%.
- Two of the three active UK managers outperformed their benchmarks. Schroders and AXA Framlington outperformed their benchmarks by 5.54% and 2.74% respectively, whilst Standard Life underperformed its benchmark by 2.80% in the six month period to 30 September 2015.

### THREE AND FIVE YEAR ANNUALISED PERFORMANCE

Manager	Three Years		Five Years	
	Performance %	Benchmark %	Performance %	Benchmark %
Internal	7.11	7.02	6.65	6.56
AXA Framlington	10.22	7.23	10.27	6.69
Standard Life	8.85	7.23	5.96	6.69
Schroders	19.06	18.60	17.12	14.17

The figures for the whole UK equity portfolio show:

- Over both the three and five year period the Internally Managed Fund has outperformed its benchmarks by 0.09%, within its agreed tolerance.
- AXA Framlington outperformed their benchmark for both three and five years by 2.99% and 3.58% respectively. Standard Life outperformed their benchmark for the three year period by 1.62% but underperformed by 0.73% over the five year period. Schroders outperformed its benchmark over three years by 0.46%

and 2.95% over five years.

- 5.3 The table below shows how the four UK Equity manager's valuations have changed over the year to 30 September 2015. All UK Managers valuations, with the exception of Standard Life have increased over the period to 30 September 2015.

**MARKET VALUE OVER TWELVE MONTHS TO 30 SEPTEMBER 2015**

Manager	Market Value		Total % of UK	Total % of UK
	30/09/14	30/09/15	Equity As At 30/09/14	Equity As At 30/09/15
	£M	£M	%	%
Internal	362.7	364.4	63.4	63.2
AXA Framlington	101.0	103.9	17.7	18.0
Standard Life	75.6	70.4	13.2	12.2
Schroders	32.6	38.0	5.7	6.6
<b>Total</b>	<b>571.9</b>	<b>576.7</b>	<b>100.0</b>	<b>100.0</b>

- 5.4 Each external manager's commentary is summarised below:

**Schroders**

2nd Quarter 2015/16

Performance and Market Summary

During the 2nd quarter, the Fund returned 1.8% against the Small Cap benchmark of -1.7%. Over the twelve month period the Fund returned 17.2% against its benchmark of 9.0%. The quarter produced a positive return for the fund compared to the benchmark. The fund has outperformed over the last three and twelve months. Budget package holiday provider Dart was the largest source of outperformance due to extremely strong summer trading, as reflected in the robust half-year trading update published after the end of the period. Defence and security business Cohort performed firmly on the back of a well received earnings accretive acquisition of a Portuguese global defence supplier. Marine service specialist James Fisher & Sons, which has exposure to the energy sector, and oil and gas equipment group Lamprell performed poorly on the back of renewed weakness in crude oil prices. Not owning continental European electrical retailer Darty and commercial property group Quintain Estates and Development impacted on performance and both attracted bids.

Activity

Kainos is a new purchase which specialises in providing solutions to reducing costs in central government. Its last major project was ending the use of paper car discs in the UK and so dramatically reducing the costs of licensing a car. Eagle Eye Solutions is a new holding which writes software to reduce the processing time for retailing paper discount tokens to one second from the three months currently, thereby dramatically reducing fraud and improving retailer profitability. The fund disposed of its entire holding in Bloomsbury after its unimaginative attempts to create shareholder value from the Harry Potter windfall bore disappointing results. Positions were reduced in ITE and Johnson Services Group, the former reflecting our negative outlook for Russia and the latter the belief that the current share price discounts rather fully the potential strategic development available to the group. Initial public offerings were participated in Kainos and On the Beach. On the Beach lets people book their short-haul beach holidays through its internet portal. Substantial profits were taken in selling holdings in Diploma and Clarkson, choosing to allocate the capital to where potential for outperformance is greater.

## Outlook and Strategy

The slowdown in economic activity in China and many emerging markets is likely to cause many industrial groups to fail to meet market forecasts for the second half of the year. The fund remains underweight in these areas. In the UK, central government budget cuts are starting to bite and also companies employing many low paid workers in the leisure, retail, transport and care sectors will progressively see margin pressures as the National Living Wage is introduced. The fund remains underweight in these areas. In an era of low growth, the expectation of Merger and Acquisitions will continue. This could produce more bid targets in the fund but also sensible additions such as the recent acquisitions in the drinks distribution market by Conviviality Retail are likely to be well received.

## Standard Life

2nd Quarter 2015/16

### Performance

During the quarter, the Fund returned -11.2% against the FTSE All Share Index return of -5.7%. Over the year to 30 September 2015, the Fund returned -6.2% against the index return of -2.3%. In what was a volatile period for markets, the Fund's underweight positions in companies perceived as defensive were detrimental. In particular, SAB Miller detracted from performance after AB InBev made a takeover approach. British American Tobacco also outperformed despite facing earnings risk from its exposure to emerging market economies and currencies. The underweight position will remain as thoughts are that the shares are overvalued relative to their fundamentals, despite their defensive merits. Exposure to Glencore, First Quantum, Lonmin and Anglo American affected performance due to weak commodity prices. Copper, platinum and diamonds which contribute a significant proportion of miners' asset values remain positive. The supply/demand fundamentals should begin to be reflected in commodity prices, as they are substantially below the incentive price for additional capacity to enter the market. However, China's slowdown will contribute to volatility in performance. Elsewhere, automotive engineering firm was a negative to performance. The large European auto manufacturers have expanded their presence in the Chinese market, but data suggests that the competitive threat from cheaper, local manufacturers is intensifying. Positive contributions came from a number of stock-specific reasons. In particular, IAG, the owner of British Airways and Iberia, performed strongly benefiting from robust demand across Europe and its profitable transatlantic routes. French electronics retailer Darty also performed well as the company made good progress with its integration of Mr Good Deal. The company was also the subject of a takeover approach. Online gaming business Bwin. Party digital Entertainment has been holding talks with potential buyers since the end of 2014. Matters finally accelerated in July with 888 Holdings and GVC presenting formal proposals, which helped boost the share price.

### Activity

Activity has been in the commodity related sectors, buying shares in BP, Glencore and Cairn Energy. BP shares now offer an attractive yield with little imminent prospect of a cut. Given the view on oil, the timing is right to use some surplus cash to reduce the negative stance felt on the sector. Similarly, Cairn Energy is trading at a substantial discount to tangible net asset value due to the weak oil price environment. Exploration in Senegal offers upside potential, while a recent meeting with management gave confidence on future activity. With Glencore, there is confidence on the commodity mix, the debt position and the current macroeconomic cycle, particularly as it relates to China. Shares were purchased in Arm Holdings, the microprocessor designer, following share price weakness associated with nervousness about the demand for smartphones. There are reasons to be more positive on handset demands as the move to more advanced 64-bit processing technology should provide some structural uplift to Arm's royalty rates. Sales activity mainly involved profit taking after strong performance across a range of holdings. Some shares were sold in Lloyds which has performed well but is still reporting a declining net asset value and is coming towards

the end of the net interest margin upgrade cycle. Holdings in Barclays were sold after good performance led the valuation to disconnect from the fundamental challenges the business still faces. The position in housebuilder Bellway was reduced. It remains well positioned in an attractive industry, but conviction levels have diminished given the shares' outperformance. Shares were sold in Greene King, whose shares have held up better than others have amid a tough trading environment. This has left the valuation at a premium to the sector.

#### Outlook and Strategy

The health of the global economy, in particular China, is likely to be a focus over the coming months. Investor sentiment has been fragile, and this is likely to continue to be a factor in the short term with the potential to result in higher than normal volatility in share prices. However, despite perceptions, some of the underlying fundamentals are positive. Domestically focused firms for example are benefiting from the UK's improving consumer confidence, wage growth and employment trends. Strength in the US and an improving Europe are also supportive, and this combined with reasonable share price valuations provides support for equity returns over the medium to longer term.

#### **AXA Framlington**

2nd Quarter 2015/16

#### Performance

During the second quarter, the fund returned -5.3% against the FTSE All Share return of -5.7%. For the twelve months to date the Fund returned 2.8% against its benchmark of -2.3%. It was a difficult quarter with a poor absolute return but with relative outperformance. The long term performance was good. Positives to performance included Betfair who announced a proposed merger with Paddy Power and was the best performer in the quarter; not owning Glencore was the second best relative contributor to performance; Consumer services, i.e. media and retailers, was again the best performing sector and being underweight in oil and gas and mining, within basic materials, was a positive relative contributor.

#### Activity

No new holdings were established. Stocks added to included AstraZeneca, Clingen, Inmarsat and the London Stock Exchange. The holding of Imagination Technology was sold. Stocks reduced included Majestic Wine, Rotork, Johnson Matthey, Prudential, ITV and St. James Place.

#### Outlook and Strategy

A very volatile quarter as an overwhelming flow of shocks weakened equity markets around the world. Slower Chinese growth associated with a devaluation of the renminbi, slower global growth, declining oil and commodity prices, weaker US industrial earnings and declining capital expenditure in the oil and gas industry. A year end rally often occurs, but expectations for earnings and dividend growth in many industries is in a state of flux as economic growth slows. The stockmarkets are worrying again about deflation, which could happen if lower growth ultimately tipped the world into recession, when interest rates are already near to zero. Stockmarkets around the world were volatile and weak, adjusting to lower growth rates. The lower oil price and softer commodity prices in general affected the capital goods industry.

## **6 Review of Activity**

6.1 The Internal managed portfolio had seven corporate action in the six month period to 30 September 2015, and include:

- In July, there was a Recommended Cash Offer for TSB Banking by Banco De Sabadell for £0.2M.
- In August, CSR were acquired by Qualcomm Inc for £0.3M.

- In September, there was a Cash Offer of Colt Group by Lightning Investors Limited for £0.1M.

6.2 The UK Equity Internally Passive Fund was rebalanced three times in the six month period to 30 September 2015.

- In June 2015 the total value of purchases and sales were £2.7M with a net purchase of £1.1M. There were 27 purchases (£1.9M) and 12 sales (£0.8M).
- In August 2015 the total value of purchases and sales were £4.7M with a net purchase of £2.1M. There were 15 purchases (£3.4M) and 11 sales (£1.3M).
- In September 2015 the total value of purchases and sales were £5.4M with a net sale of £1.0M. There were 33 purchases (£2.2M) and 110 sales (£3.2M).

## 7 **Stock Lending**

7.1 Stock lending is managed in the UK on an agency basis by HSBC, and overseas on the same basis by Pictet.

7.2 Total overseas stock lending income for the year to 30 September 2015 is £38,843. Net income for UK stock lending was 72,171 over the same period, giving a total of £111,014. This compares to the period to 30 September 2014 where overseas stock lending was £38,816 and the UK stock lending figure was £73,740, giving a total of £112,556.

**Nick Buckland**  
**Chief Treasury and Pensions Manager**  
**November 2015**



**DORSET COUNTY PENSION FUND**

**VALUATION OF PORTFOLIO AT CLOSE OF BUSINESS 30 SEPTEMBER 2015**

Description	Holding	Book Cost £'000	Market Price	Market Value £'000
<b>UK EQUITIES</b>				
<b>MINING</b>				
ACACIA MINING	28,000	133.39	2.48	69.38
ANGLO AMERICAN ORD USD0.54	252,090	2,766.16	5.51	1,388.76
ANTOFAGASTA ORD GBP0.05	69,500	123.37	5.00	347.29
BHP BILLITON ORD USD0.50	408,026	2,079.48	10.05	4,098.62
CENTAMIN EGYPT LTD	213,000	339.24	0.61	129.82
FRESNILLO	33,000	59.36	5.91	195.03
GLENCORE XSTRATA	2,060,243	5,303.59	0.92	1,885.95
KAZAKHMYS ORD GBP0.20	49,584	336.43	0.85	41.92
LONMIN ORD USD1.00	102,535	305.21	0.16	16.66
PETRA DIAMONDS	93,000	134.36	0.84	78.26
POLYMETAL INT'L	42,000	442.83	5.69	238.77
RANDGOLD RESOURCES ORD USD0.05	17,950	371.69	38.62	693.23
RIO TINTO ORD GBP0.10 (REG)	241,050	2,580.47	22.10	5,326.00
SOUTH 32	413,026	0.41	0.63	261.94
VEDANTA RESOURCES ORD USD0.10	19,500	81.53	4.25	82.78
<b>Total MINING</b>		<b>15,057.52</b>		<b>14,854.42</b>
<b>OIL &amp; GAS PRODUCERS</b>				
AFREN PLC	218,000	215.93	0.00	
BG GROUP ORD GBP0.10	656,475	2,132.48	9.51	6,243.08
BP ORD USD0.25	3,519,500	11,585.62	3.34	11,755.13
CAIRN ENERGY ORD GBP0.06153846153	113,207	224.90	1.40	158.26
NOSTRUM OIL & GAS	12,000	80.35	4.63	55.50
OPHIR ENERGY	128,400	487.68	0.90	115.17
PREMIER OIL ORD GBP0.50	102,348	144.53	0.67	68.21
ROYAL DUTCH 'B' ORD EUR0.07	1,220,295	17,333.82	15.62	19,061.01
TULLOW OIL ORD GBP 0.10	177,500	777.37	1.69	300.15
<b>Total OIL &amp; GAS PRODUCERS</b>		<b>32,982.69</b>		<b>37,756.52</b>
<b>CHEMICALS</b>				
ALENT	39,483	139.66	4.85	191.61
CRODA INTL ORD GBP0.10	26,000	128.25	27.09	704.34
ELEMENTIS	90,000	109.57	2.23	200.70
JOHNSON MATTHEY ORD GBP1.00	39,820	336.32	24.47	974.40
SYNTHOMER	50,665	93.78	3.40	172.36
VICTREX ORD GBP0.01	16,000	84.87	17.71	283.36
<b>Total CHEMICALS</b>		<b>892.45</b>		<b>2,526.77</b>
<b>CONSTRUCTION &amp; MATERIALS</b>				
BALFOUR BEATTY ORD GBP0.50	136,020	329.13	2.51	341.95
CRH PLC	157,000	2,080.30	17.38	2,728.66
KELLER GROUP ORD GBP0.10	13,000	126.92	8.63	112.13
KIER GROUP ORD GBP0.01	17,139	231.41	13.50	231.38
MARSHALLS GROUP ORD GBP0.25	39,000	139.37	3.57	139.15
<b>Total CONSTRUCTION &amp; MATERIALS</b>		<b>2,907.13</b>		<b>3,553.27</b>

Description	Holding	Book Cost £'000	Market Price	Market Value £'000
<b>FORESTRY &amp; PAPER</b>				
MONDI PLC EUR0.20	71,250	163.36	13.81	983.96
<b>Total FORESTRY &amp; PAPER</b>		<b>163.36</b>		<b>983.96</b>
<b>AEROSPACE &amp; DEFENCE</b>				
BAE SYSTEMS ORD GBP0.025	610,616	1,143.20	4.48	2,732.51
COBHAM ORD GBP0.25	220,000	193.56	2.85	627.66
MEGGITT ORD GBP0.05	152,187	371.28	4.76	724.26
QINETIQ ORD GBP0.01	115,000	201.03	2.25	259.10
ROLLS ROYCE ORD GBP0.20	354,978	1,058.37	6.77	2,403.20
SENIOR	82,000	110.01	2.51	205.98
ULTRA ELECTRONICS ORD GBP0.05	13,500	98.17	17.11	230.99
<b>Total AEROSPACE &amp; DEFENCE</b>		<b>3,175.62</b>		<b>7,183.69</b>
<b>ELECTRONIC &amp; ELECTRICAL EQUIPMENT</b>				
HALMA ORD GBP0.10	73,017	86.40	7.20	525.36
HELLERMANN TYTON GROUP	38,000	117.47	4.65	176.85
MORGAN ADVANCE MATERIALS	56,000	114.48	2.82	158.09
RENISHAW ORD GBP0.20	7,000	46.45	20.15	141.05
SPECTRIS ORD GBP0.05	23,000	129.32	16.90	388.70
<b>Total ELECTRONIC &amp; ELECTRICAL EQUIPMENT</b>		<b>494.13</b>		<b>1,390.05</b>
<b>INDUSTRIAL ENGINEERING</b>				
BODYCOTE INT ORD GBP 0.10	37,252	158.03	5.51	205.26
IMI ORD GBP0.25	52,968	160.75	9.46	501.08
MELROSE INDUSTRIES	192,452	327.17	2.64	508.27
ROTORK ORD GBP0.05	170,000	106.79	1.65	279.99
SPIRAX-SARCO ORD GBP0.25	13,421	97.13	28.00	375.79
WEIR GROUP ORD GBP0.125	41,250	192.22	11.69	482.21
<b>Total INDUSTRIAL ENGINEERING</b>		<b>1,042.09</b>		<b>2,352.59</b>
<b>AUTOMOBILES &amp; PARTS</b>				
GKN ORD GBP0.50	318,044	312.24	2.68	852.04
<b>Total AUTOMOBILES &amp; PARTS</b>		<b>312.24</b>		<b>852.04</b>
<b>HOUSEHOLD GOODS &amp; HOME CONSTRUCTION</b>				
BARRATT DEVEL ORD GBP0.10	190,634	406.66	6.44	1,227.68
BELLWAY ORD GBP0.125	23,500	142.68	24.85	583.98
BERKELEY GP UNITS	24,580	128.66	33.39	820.73
BOVIS HOMES GROUP ORD GBP0.50	26,000	117.41	10.06	261.56
CREST NICHOLSON ORD GBP0.10	48,000	169.44	5.69	273.12
GALLIFORD TRY ORD GBP0.05	16,000	99.43	15.83	253.28
PERSIMMON ORD GBP0.10	58,645	321.37	20.06	1,176.42
RECKITT BENCKISER ORD GBP0.10	122,850	1,458.99	59.87	7,355.03
REDROW ORD GBP0.10	40,928	63.12	4.56	186.71
TAYLOR WIMPEY ORD GBP0.25	624,000	294.11	1.95	1,218.67
<b>Total HOUSEHOLD GOODS &amp; HOME CONSTRUCTION</b>		<b>3,201.86</b>		<b>13,357.18</b>
<b>BEVERAGES</b>				
BARR (A G )	16,000	35.63	5.25	83.92
BRITVIC ORD GBP0.20	46,000	134.94	6.79	312.11

Description	Holding	Book Cost £'000	Market Price	Market Value £'000
COCA-COLA HBC AG-CDI	38,000	653.72	13.96	530.48
DIAGEO PLC ORD GBP0.28935	485,677	3,155.23	17.70	8,594.05
SABMILLER ORD USD 0.10	182,500	1,602.98	37.36	6,818.20
<b>Total BEVERAGES</b>		<b>5,582.50</b>		<b>16,338.76</b>
<b>FOOD PRODUCERS</b>				
ASSD BRITISH FOODS ORD GBP0.0568	67,460	298.17	33.40	2,253.16
CRANWICK	9,000	62.65	15.91	143.19
DAIRY CREST ORD GBP0.25	27,000	130.96	6.09	164.30
GREENCORE GROUP	80,000	131.70	2.73	218.56
TATE & LYLE ORD GBP0.25	91,400	270.52	5.88	536.98
<b>Total FOOD PRODUCERS</b>		<b>893.99</b>		<b>3,316.18</b>
<b>HEALTH CARE EQUIPMENT &amp; SERVICES</b>				
AL NOOR HOSPITALS GROUP	15,000	128.16	8.32	124.73
NMC HEALTH PLC	12,000	39.34	8.29	99.48
SMITH & NEPHEW ORD USD0.2	173,272	395.57	11.52	1,996.09
SPIRE HEALTHCARE GRP	54,000	163.09	3.60	194.24
SYNERGY HEALTH	11,000	57.79	21.70	238.70
UDG HEALTHCARE	47,000	134.90	5.03	236.41
<b>Total HEALTH CARE EQUIPMENT &amp; SERVICES</b>		<b>918.85</b>		<b>2,889.65</b>
<b>PERSONAL GOODS</b>				
BURBERRY GROUP ORD GBP0.0005	85,372	224.20	13.67	1,167.04
JIMMY CHOO	21,000	36.79	1.39	29.11
PZ CUSSENS ORD GBP0.01	56,970	87.03	2.90	165.33
SUPERGROUP PLC	6,000	38.32	13.54	81.24
TED BAKER PLC	5,000	45.14	32.07	160.35
UNILEVER ORD GBP0.031111	232,728	1,361.32	26.84	6,246.42
<b>Total PERSONAL GOODS</b>		<b>1,792.79</b>		<b>7,849.48</b>
<b>PHARMACEUTICALS &amp; BIOTECHNOLOGY</b>				
ASTRAZENECA ORD USD0.25	244,000	4,463.23	41.82	10,202.86
BTG	75,000	221.28	6.53	489.38
DECHRA PHARMACEUTICALS	17,000	86.64	9.37	159.29
GENUS	12,000	97.70	14.18	170.16
GLAXOSMITHKLINE ORD GBP0.25	938,088	4,984.75	12.65	11,866.81
HIKMA PHARMA ORD GBP0.10	26,000	129.19	22.80	592.80
INDIVIOR	127,050	43.47	2.26	287.64
SHIRE ORD GBP0.05	113,500	1,464.88	45.03	5,110.91
VECTURA GROUP	79,000	142.22	1.75	137.93
<b>Total PHARMACEUTICALS &amp; BIOTECHNOLOGY</b>		<b>11,633.35</b>		<b>29,017.78</b>
<b>TOBACCO</b>				
BRITISH AMERICAN TOBACCO ORD GBP0.25	360,000	3,819.62	36.43	13,114.80
IMPERIAL TOBACCO ORD GBP0.10	186,262	1,945.96	34.06	6,344.08
<b>Total TOBACCO</b>		<b>5,765.58</b>		<b>19,458.88</b>
<b>GENERAL RETAILERS</b>				
AA PLC	119,000	466.77	2.83	337.13
AO WORLD	35,000	57.76	1.68	58.94
B&M EUROPEAN VALUE RETAIL SA	131,000	460.48	3.25	426.27
BROWN (N) GROUP ORD GBP0.1105263157	28,761	26.06	3.06	87.98

Description	Holding	Book Cost £'000	Market Price	Market Value £'000
CARD FACTORY	41,000	105.12	3.91	160.11
DEBENHAMS ORD GBP0.01	231,000	298.72	0.79	182.49
DIGNITY	9,411	102.59	23.78	223.79
DIXONS CARPHONE	194,453	653.77	4.24	824.48
DUNELM GROUP	17,000	34.49	9.00	153.00
HALFORDS GRP ORD GBP0.01	39,000	119.27	4.62	180.06
HOME RETAIL GROUP ORD GBP0.10	161,870	136.32	1.36	219.98
INCHCAPE ORD GBP0.25	87,300	191.57	7.18	626.81
JD SPORTS FASHION PLC	12,000	47.83	9.55	114.60
JUST EAT	82,997	292.58	4.10	340.45
KINGFISHER ORD GBP0.157142857	450,078	878.89	3.59	1,613.98
LOOKERS PLC	62,000	104.29	1.67	103.29
MARKS AND SPENCER GROUP ORD GBP0.25	317,600	574.82	5.01	1,589.59
NEXT ORD GBP0.10	28,500	222.76	76.00	2,166.00
PETS AT HOME GRP	71,000	154.32	2.75	194.97
POUNDLAND GRP	35,000	110.85	2.80	97.90
SAGA	118,000	204.50	2.06	242.49
SMITH WH ORD GBP0.20	22,447	64.42	15.63	350.85
SPORTS DIRECT INT'L ORD GBP0.10	49,000	158.70	7.57	370.69
<b>Total GENERAL RETAILERS</b>		<b>5,466.90</b>		<b>10,665.84</b>
<b>INDUSTRIAL METALS</b>				
EVRAZ PLC	101,000	329.42	0.73	73.63
<b>Total INDUSTRIAL METALS</b>		<b>329.42</b>		<b>73.63</b>
<b>TRAVEL &amp; LEISURE</b>				
BETFAIR GROUP	15,750	123.80	33.15	522.11
BWIN ENTERTAINMENT ORD GBP0.000015	131,900	357.78	1.11	146.41
CARNIVAL ORD USD1.66	34,865	449.87	34.21	1,192.73
CINEWORLD GRP	38,000	128.22	5.53	210.14
COMPASS GROUP ORD GBP0.10	321,893	948.68	10.53	3,389.53
DOMINO'S PIZZA UK& IRL	27,000	87.52	8.88	239.63
EASYJET ORD GBP0.25	48,257	231.91	17.77	857.53
ENTERPRISE INNS ORD GBP0.025	95,000	99.85	1.08	102.79
FIRSTGROUP ORD GBP0.05	236,749	392.95	0.98	231.30
GO AHEAD GROUP ORD GBP0.10	8,500	86.18	24.53	208.51
GREENE KING ORD GBP0.125	59,985	305.74	7.95	476.88
INT'L CONSOLIDATED AIR	353,250	924.57	5.87	2,073.58
INTERCONTINENTAL HOTELS ORD GBP0.13617	45,819	98.51	22.82	1,045.59
LADBROKES ORD GBP0.28333	196,805	670.27	0.96	188.15
MARSTONS ORD GBP0.07375	107,154	108.21	1.50	160.62
MERLIN ENTERTAINMENT	139,000	539.08	3.72	516.39
MILLENNIUM & COPTHORNE HOTELS ORD GBP0.30	22,910	88.40	4.81	110.08
MITCHELLS & BUTLER ORD GBP0.085416	46,430	142.83	3.16	146.63
NATIONAL EXPRESS ORD GBP0.05	79,666	202.13	2.84	226.25
PLAYTECH ORD	41,000	231.70	8.28	339.48
RANK GROUP ORD GBP0.13888	33,215	72.59	2.66	88.42
RESTAURANT ORD GBP0.28125	39,000	61.98	6.74	262.86
SSP GRP	91,000	246.60	3.05	277.64
STAGECOACH GROUP ORD GBP0.009824	84,395	87.57	3.38	284.83
THOMAS COOK ORD EUR0.10	297,000	379.30	1.16	343.33
TUI TRAVEL ORD GBP0.10	90,697	768.68	12.13	1,100.15
WETHERSPOON (JD) ORD GBP0.02	16,500	42.95	7.34	121.03
WHITBREAD ORD GBP0.76797385	34,785	259.97	46.66	1,623.07
WILLIAM HILL ORD GBP0.10	171,552	326.98	3.51	601.46

Description	Holding	Book Cost £'000	Market Price	Market Value £'000
WIZZ AIR HOLDINGS PLC	8,000	139.02	20.47	163.76
<b>Total TRAVEL &amp; LEISURE</b>		<b>8,603.83</b>		<b>17,250.88</b>
<b>MEDIA</b>				
AUTO TRADER GROUP	138,000	483.11	3.39	467.96
ENTERTAINMENT ONE LTD	45,000	106.04	2.17	97.87
EUROMONEY INST INVESTOR ORD GBP0.0025	7,000	46.86	9.50	66.47
INFORMA ORD GBP0.001	126,948	351.72	5.61	712.18
ITV ORD GBP0.10	722,146	835.37	2.46	1,776.48
MONEYSUPERMARKET.COM	87,000	124.82	3.38	293.63
PEARSON ORD GBP0.25	157,027	948.95	11.26	1,768.12
RELX	218,670	723.40	11.31	2,473.16
RIGHTMOVE ORD GBP0.001	17,615	70.62	36.48	642.60
SKY PLC	202,500	1,032.02	10.43	2,112.08
UBM ORD GBP0.338068	85,184	520.50	4.85	413.23
WPP GROUP ORD GBP0.10	253,966	1,266.77	13.73	3,486.95
ZOOPLA PROPERTY GRP	45,000	93.37	2.09	94.01
<b>Total MEDIA</b>		<b>6,603.56</b>		<b>14,404.72</b>
<b>SUPPORT SERVICES</b>				
AGGREKO ORD GBP0.20	46,765	131.70	9.51	444.74
ASHTREAD GROUP ORD GBP0.10	97,000	188.08	9.30	902.10
ATKINS WS ORD GBP0.005	20,000	86.05	13.88	277.60
BABCOCK INTL GRP ORD GBP0.60	96,979	401.51	9.12	884.45
BERENDSEN PLC	33,957	108.59	10.03	340.59
BUNZL ORD GBP0.32142857	63,720	230.98	17.70	1,127.84
CAPITA GROUP ORD NVP	127,902	435.47	11.97	1,530.99
CARILLION ORD GBP0.50	84,699	163.31	3.02	255.54
CONNAUGHT	22,000	89.93	0.00	0.00
DCC ORD	17,500	505.27	49.89	873.08
DIPLOMA PLC	22,000	103.62	6.63	145.86
ELECTROCOMPONENTS ORD GBP0.10	86,000	108.74	1.79	153.60
ESSENTA	50,749	139.36	7.86	398.63
EXPERIAN ORD USD0.10	191,870	520.78	10.57	2,028.07
G4S ORD GBP0.25	299,213	580.32	2.31	689.99
GRAFTON GROUP	42,000	268.38	6.67	280.14
HAYS ORD GBP0.01	277,500	142.98	1.53	425.13
HOMESERVE ORD GBP0.125	50,140	89.48	4.06	203.32
HOWDEN JOINERY GROUP	120,000	113.79	4.86	583.44
INTERSERVE ORD GBP0.10	28,000	102.60	5.72	160.16
INTERTEK GROUP ORD GBP0.01	30,850	231.21	24.30	749.66
MICHAEL PAGE INTL ORD GBP0.01	59,000	111.93	4.73	279.19
MITIE GROUP ORD GBP0.025	72,500	142.01	3.05	221.27
NORTHGATE ORD GBP0.05	26,000	135.97	4.53	117.86
PAYPOINT	12,000	87.03	10.22	122.64
PREMIER FARNELL ORD GBP0.05	72,657	212.23	1.05	75.93
REGUS ORD GBP0.05	124,000	108.83	3.06	379.44
RENTOKIL INITIAL ORD GBP0.01	349,624	287.13	1.47	513.60
SERCO ORD GBP0.02	216,000	344.60	1.02	220.10
SIG ORD GBP0.10	106,285	168.55	1.73	184.09
TRAVIS PERKINS ORD GBP0.10	47,672	222.53	19.66	937.23
WOLSELEY ORD GBP0.25	49,813	779.33	38.58	1,921.79
<b>Total SUPPORT SERVICES</b>		<b>7,342.30</b>		<b>17,428.03</b>

Description	Holding	Book Cost £'000	Market Price	Market Value £'000
<b>INDUSTRIAL TRANSPORT</b>		<b>0.00</b>		
BBA AVIATION ORD GBP0.2976	93,200	172.46	1.91	178.34
CLARKSON PLC	5,000	139.22	20.34	101.70
FISHER (JAMES) & SONS	8,000	76.68	9.31	74.48
ROYAL MAIL	149,000	864.03	4.58	683.02
<b>Total INDUSTRIAL TRANSPORT</b>		<b>1,252.39</b>		<b>1,037.53</b>
<b>FOOD &amp; DRUG RETAILERS</b>				
BOOKER GROUP	319,000	178.45	1.85	589.19
GREGGS ORD GBP0.20	20,000	173.21	10.83	216.60
MORRISON (WM) ORD GBP0.10	418,283	497.21	1.66	694.35
OCADO GROUP PLC	79,000	127.04	3.20	252.80
SAINSBURY (J) ORD GBP0.28571428	273,000	812.42	2.61	711.98
TESCO ORD GBP0.05	1,567,212	2,367.55	1.83	2,870.35
<b>Total FOOD &amp; DRUG RETAILERS</b>		<b>4,155.88</b>		<b>5,335.28</b>
<b>FIXED LINE TELECOMMUNICATION</b>				
BT GROUP ORD GBP0.05	1,615,398	3,459.96	4.20	6,778.21
CABLE & WIRELESS COMMU	544,000	601.03	0.55	301.38
TALKTALK TELECOM	104,000	152.73	3.14	326.77
TELECOM PLUS	11,284	99.42	11.15	125.82
<b>Total FIXED LINE TELECOMMUNICATION</b>		<b>4,313.14</b>		<b>7,532.17</b>
<b>ELECTRICITY</b>				
DRAX GROUP ORD GBP0.1155172	78,744	579.77	2.44	191.98
SSE PLC ORD GBP0.50	190,940	1,200.14	14.95	2,854.55
<b>Total ELECTRICITY</b>		<b>1,779.91</b>		<b>3,046.53</b>
<b>GAS WATER &amp; MULTIUTILITIES</b>				
CENTRICA ORD GBP0.061728395	959,474	1,606.77	2.29	2,199.11
NATIONAL GRID ORD GBP0.11395	728,086	3,256.29	9.19	6,688.93
PENNON ORD GBP0.407	79,279	230.60	7.75	614.41
SEVERN TRENT ORD GBP0.9789	45,509	267.56	21.84	993.92
UNITED UTILITIES ORD GBP1.00	131,439	508.01	9.24	1,214.50
<b>Total GAS WATER &amp; MULTIUTILITIES</b>		<b>5,869.23</b>		<b>11,710.87</b>
<b>BANKS</b>				
ALDERMORE GROUP	27,000	75.64	2.80	75.60
BANK OF GEORGIA HLDGS	7,000	103.91	18.02	126.14
BARCLAYS ORD GBP0.25	3,231,270	6,817.95	2.44	7,889.15
HSBC HLDGS ORD USD 0.50	3,765,447	16,615.66	4.99	18,778.28
LLOYDS TSB GROUP ORD GBP0.25	11,115,923	10,131.79	0.75	8,354.73
ROYAL BANK OF SCOTLAND	608,772	6,660.71	3.15	1,917.02
SHAWBROOK GROUP	18,000	57.08	3.17	57.01
STANDARD CHARTERED ORD USD0.50	403,311	3,254.07	6.41	2,584.01
VIRGIN MONEY HOLDINGS UK	34,000	131.99	3.86	131.14
<b>Total BANKS</b>		<b>43,848.81</b>		<b>39,913.08</b>
<b>NON LIFE INSURANCE</b>				
ADMIRAL GRP ORD GBP0.001	38,000	218.96	15.02	570.76
AMLIN ORD GBP0.28125	98,289	177.73	6.57	645.27
BEAZLEY GROUP ORD GBP0.05	102,421	121.82	3.57	365.64
DIRECT LINE INSURANCE GRP	265,416	660.35	3.75	994.78

Description	Holding	Book Cost £'000	Market Price	Market Value £'000
ESURE GROUP	46,000	142.17	2.47	113.62
HISCOX ORD GBP0.05	55,069	174.39	9.42	518.75
JARDINE LLOYD THOMPSON ORD GBP0.05	24,000	64.64	10.18	244.32
LANCASHIRE HOLDINGS LTD	37,000	209.14	6.91	255.49
RSA INSURANCE	196,216	1,222.45	4.02	788.98
XL GROUP	8,622	0.01	25.50	219.89
<b>Total NON LIFE INSURANCE</b>		<b>2,991.66</b>		<b>4,717.50</b>
<b>LIFE INSURANCE</b>				
AVIVA ORD GBP0.25	780,907	4,463.38	4.52	3,529.70
JUST RETIREMENT GROUP	46,000	71.87	1.63	74.84
LEGAL & GENERAL GP ORD GBP0.025	1,145,334	657.87	2.38	2,725.89
OLD	943,435	1,366.24	1.89	1,783.09
PHOENIX GROUP HOLDINGS	44,479	300.42	8.16	362.95
PRUDENTIAL CORP ORD GBP0.05	492,136	1,602.17	13.93	6,855.45
ST JAMES PLACE ORD GBP0.15	99,000	505.49	8.50	841.50
STANDARD LIFE ORD GBP0.10	377,174	1,237.68	3.87	1,460.04
<b>Total LIFE INSURANCE</b>		<b>10,205.12</b>		<b>17,633.47</b>
<b>EQUITY INVESTMENT INSTRUMENTS</b>				
3I INFRASTRUCTURE LTD	99,900	126.75	1.67	167.13
ABERFORTH SMALLER COS TRUST ORD GBP	18,000	56.55	10.92	196.56
ALLIANCE TRUST ORD GBP0.25	106,735	179.40	4.58	489.06
BANKERS I.T. ORD GBP0.25	21,500	37.86	5.92	127.28
BH MACRO LTD	7,500	122.11	20.52	153.90
BLUECREST ALLBLUE FUND LTD	78,000	115.96	1.89	147.11
BRITISH EMPIRE SEC & GEN TRUST ORD GBP0.10	27,000	53.33	4.56	123.12
CALEDONIA INVESTMENT ORD GBP0.05	6,500	46.64	21.80	141.70
CITY OF LONDON TRUST ORD GBP0.25	59,600	123.35	3.77	224.69
EDINBURGH I.T. ORD GBP0.25	39,100	77.78	6.90	269.79
ELECTRA PRIVATE EQUITY GBP0.25	7,000	54.37	32.64	228.48
F & C INVEST TRUST ORD GBP0.25	109,000	94.30	4.18	456.06
FIDELITY CHINA SPECIAL	111,868	130.43	1.19	133.23
FIDELITY EUROPEAN VALUES ORD GBP0.25	80,000	41.41	1.63	130.08
FINSBURY GR&INC TRUST-ORD	22,000	129.71	5.57	122.43
GCP INFRASTRUCTURE INVESTMENTS	111,000	134.22	1.21	134.53
GENESIS EMERGING MARKETS	27,000	123.63	4.36	117.75
HICL INFRASTRUCTURE CO	245,725	292.52	1.52	373.99
INTERNATIONAL PUB PTR	163,345	176.85	1.31	213.66
JOHN LAING INFRASTRUCTURE	136,125	150.84	1.15	157.09
JPMORGAN AMERICAN IT	55,000	103.73	2.56	140.75
JPMORGAN EMERGING MKTS	25,000	117.67	5.19	129.63
MERCANTILE TRUST	18,700	41.19	16.85	315.10
MONKS INVESTMENT ORD GBP0.05	41,500	35.12	3.79	157.24
MURRAY INTERNATIONAL ORD GBP0.25	24,800	132.69	8.21	203.48
NB GLOBAL FLOATING RATE	246,000	247.65	0.95	232.59
PERPETUAL INCOME & GRTH ORD GBP0.10	46,000	102.55	4.02	184.92
POLAR CAPITAL TECHNOLOGY TR	26,000	68.39	5.33	138.58
RIT CAPITAL PARTNERS ORD GBP1.00	24,479	74.83	14.91	364.98
RIVERSTONE ENERGY LTD	10,000	94.65	9.07	90.65
SCOTTISH I.T ORD GBP0.25	22,100	35.63	5.73	126.52
SCOTTISH MORTGAGE ORD GBP0.25	242,000	94.88	2.41	583.46
TEMPLE BAR IT ORD GBP0.25	13,000	96.37	10.42	135.46
TEMPLETON EMERGING MARKETS I.T. ORD GBP0.25	61,000	107.58	3.99	243.63
TR PROPERTY INVESTMENT TRUST ORD GBP0.25	62,500	50.77	2.93	183.13

Description	Holding	Book Cost £'000	Market Price	Market Value £'000
WITAN IT ORD GBP0.25	37,100	58.47	7.34	272.31
WOODFORD PATIENT CAPITAL TRU	155,000	182.14	1.05	162.75
WORLDWIDE HEALTH	9,000	86.19	16.90	152.10
<b>Total EQUITY INVESTMENT INSTRUMENTS</b>		<b>3,998.51</b>		<b>7,924.92</b>
<b>REAL ESTATE INVESTMENT &amp; SERVICES</b>				
CAPITAL & COUNTIES PROPERTIES	140,333	255.05	4.34	609.47
CLS HOLDINGS ORD GBP0.25	3,000	49.03	18.86	56.58
COUNTRYWIDE PLC ORD GBP0.05	30,000	177.24	5.01	150.15
DAEJAN HOLDINGS ORD GBP0.25	1,000	42.37	63.60	63.60
FOXTONS GROUP	50,000	118.57	2.36	117.90
GRAINGER TRUST ORD0.05	77,000	111.92	2.38	183.26
KENNEDY WILSON EUR REAL EST.	23,000	244.63	11.38	261.74
SAVILLS ORD 2.5GBP	24,000	83.66	9.12	218.88
ST. MODWEN PROPERTIES ORD GBP0.10	35,000	92.73	4.15	145.39
UK COMMERCIAL PROPERTY ORD GBP0.25	118,000	99.70	0.86	101.24
UNITE GROUP ORD GBP0.25	43,142	151.60	6.53	281.72
<b>Total REAL ESTATE INVESTMENT &amp; SERVICES</b>		<b>1,426.50</b>		<b>2,189.93</b>
<b>REAL ESTATE INVESTMENT TRUSTS</b>				
BIG YELLOW GROUP ORD GBP0.10	28,000	139.53	7.24	202.72
BRITISH LAND ORD GBP0.25	195,000	809.36	8.39	1,635.08
DERWENT LONDON ORD GBP0.05	19,096	245.48	36.39	694.90
F & C COMMERCIAL PROPERTY TRUST	99,000	104.94	1.38	136.82
GREAT PORTLAND ESTATE ORD GBP0.125	66,172	189.37	8.55	565.44
HAMMERSON ORD GBP0.25	152,847	538.00	6.24	953.00
HANSTEEN HOLDINGS	135,000	120.85	1.21	162.81
INTU PROPERTIES REIT	177,333	673.13	3.30	584.31
LAND SECURITIES GROUP ORD GBP0.10	152,276	729.63	12.59	1,917.15
LONDON METRIC	110,000	138.21	1.64	180.40
REDEFINE INT'L REIT	191,000	99.10	0.53	100.56
SEGRO REIT	143,052	422.04	4.29	613.12
SHAFTESBURY ORD GBP0.25	54,666	202.86	9.17	501.29
TRITAX BIG BOX REIT PLC	122,000	145.18	1.27	155.31
WORKSPACE GROUP - ORD GBP0.10	23,000	92.29	9.38	215.74
<b>Total REAL ESTATE INVESTMENT TRUSTS</b>		<b>4,649.96</b>		<b>8,618.65</b>
<b>TECHNOLOGY HARDWARE &amp; EQUIPMENT</b>				
ARM HOLDINGS ORD GBP0.05	272,500	575.37	9.48	2,581.94
LAIRD GROUP ORD GBP0.28125	52,000	69.10	3.76	195.73
PACE PLC	62,000	147.10	3.60	223.45
<b>Total TECHNOLOGY HARDWARE &amp; EQUIPMENT</b>		<b>791.56</b>		<b>3,001.11</b>
<b>SOFTWARE &amp; COMPUTER SERVICES</b>				
AVEVA GROUP ORD GBP0.0333	12,686	137.58	20.19	256.13
COMPUTACENTER PLC ORD GBP0.05	12,705	43.83	7.56	96.05
FIDESSA GROUP	7,500	60.73	17.94	134.55
MICRO FOCUS INT'L ORD GBP0.10	31,683	171.91	12.02	380.83
SAGE GROUP ORD GBP0.01	208,263	259.73	4.99	1,039.86
TELECITY GROUP	40,000	171.65	10.87	434.80
<b>Total SOFTWARE &amp; COMPUTER SERVICES</b>		<b>845.43</b>		<b>2,342.22</b>
<b>FINANCIAL SERVICES</b>				



Description	Holding	Book Cost £'000	Market Price	Market Value £'000
3I GROUP ORD GBP0.738636	185,781	470.82	4.66	865.00
ABERDEEN ASSET MGT ORDGBP0.10	194,000	304.74	2.96	575.02
ALLIED MINDS	22,000	101.02	3.52	77.44
ASHMORE GROUP ORD GBP0.0001	77,000	208.60	2.47	189.81
BREWIN DOLPHIN HLDGS	52,000	87.56	2.57	133.54
CLOSE BROTHERS GROUP ORD GBP0.25	28,500	139.77	14.93	425.51
HARGRAVES LANSDOWN	43,000	145.15	12.07	519.01
HENDERSON GRP ORD GBP0.125	207,518	145.27	2.60	539.75
ICAP ORD GBP0.10	103,000	271.84	4.56	469.99
IG GROUP ORD GBP0.05	70,000	158.83	7.69	537.95
INTERMEDIATE CAPITAL GRP ORD GBP0.20	63,294	236.09	5.15	325.96
INTL PERSONAL FINANCE ORD GBP0.10	45,236	55.08	3.86	174.70
INVESTEC ORD GBP0.0002	98,500	281.76	5.06	497.92
IP GROUP PLC	103,620	171.39	2.30	238.33
JOHN LAING GROUP	27,000	53.02	1.97	53.19
JUPITER FUND MANAGEMENT	82,000	242.74	4.33	355.39
LONDON STOCK EXCHANGE ORD GBP0.069186	59,925	745.74	24.18	1,448.99
MAN GROUP ORD USD0.0342857	295,375	430.75	1.53	452.51
ONESAVINGS BANK PLC	18,000	70.00	3.90	70.16
PARAGON GRP OF COMPANIES ORD GBP1	60,000	113.37	3.95	236.88
PROVIDENT FINANCIAL ORD GBP0.20727272	28,118	180.53	31.39	882.62
RATHBONE BROTHERS ORD GBP0.05	9,000	94.60	20.60	185.40
SCHRODERS ORD GBP1.00	21,999	74.82	28.04	616.85
SVG CAPITAL ORD GBP1.00	33,000	89.53	4.67	154.11
TULLETT PREBON ORD GBP0.25	45,500	131.43	3.74	170.12
<b>Total FINANCIAL SERVICES</b>		<b>5,004.48</b>		<b>10,196.14</b>
<b>GENERAL INDUSTRIAL</b>				
REXAM ORD GBP0.64285714	135,632	476.64	5.23	709.36
RPC GROUP	49,332	184.24	6.34	312.52
SMITH (DS) ORD GBP0.10	181,475	234.83	3.94	714.65
SMITHS GROUP ORD GBP0.375	76,527	414.91	10.04	768.33
VESUVIUS	53,281	182.42	3.52	187.76
<b>Total GENERAL INDUSTRIAL</b>		<b>1,493.04</b>		<b>2,692.62</b>
<b>MOBILE TELECOMMUNICATIONS</b>				
INMARSAT ORD EURO0.0005	87,000	350.35	9.82	853.91
VODAFONE GROUP ORD USD0.11428571	5,127,281	9,636.16	2.08	10,687.82
<b>Total MOBILE TELECOMMUNICATIONS</b>		<b>9,986.51</b>		<b>11,541.72</b>
<b>OIL EQUIPMENT SERVICES &amp; DISTRIBUTION</b>				
AMEC ORD GBP0.50	75,500	350.53	7.16	540.58
HUNTING ORD GBP0.25	27,000	116.89	4.00	107.89
PETROFAC ORD USD0.025	51,000	175.30	7.68	391.43
WOOD GROUP (JOHN) ORD GBP0.03333	70,833	257.69	6.15	435.27
<b>Total OIL EQUIPMENT SERVICES &amp; DISTRIBUTION</b>		<b>900.41</b>		<b>1,475.17</b>
<b>Total UK EQUITIES</b>		<b>218,674.70</b>		<b>364,413.22</b>

**Summary of Transactions for the Period****1 April - 30 September 2015**

## Cash Transaction Summary

Schedule	Purchases	Sales	Net Cash Invested
	£	£	£
UK Equities	7,774,479.97	6,510,417.70	1,264,062.27
	<u>7,774,479.97</u>	<u>6,510,417.70</u>	<u>1,264,062.27</u>

**UK Equities****Purchases**

No. of Shares	Description	Date	Price £	Cost £
8,622	XL Group	15-Apr	0.00	8.62
108,000	Serco	17-Apr	1.01	109,080.00
20,000	SSP Group Plc	23-Apr	3.07	61,478.00
30,000	Merlin Entertainment	23-Apr	4.53	135,852.00
49,000	BT Group Plc	23-Apr	4.59	224,728.70
21,000	Saga Plc	23-Apr	1.86	39,047.40
14,000	CRH Plc	23-Apr	18.76	262,693.20
13,000	Just Retirement	23-Apr	1.74	22,629.10
29,000	Ophir Energy Plc	23-Apr	1.58	45,733.00
119,000	AA Plc	23-Apr	3.92	466,765.60
14,000	Rank Group Plc	23-Apr	1.89	26,476.80
19,000	Redefine International Plc	23-Apr	0.58	11,078.90
47,000	Imagination Tech Group Plc	23-Apr	2.11	99,395.60
23,000	Virgin Money Holdings Uk	23-Apr	3.90	89,706.90
10,000	Dixons Carphone Plc	23-Apr	4.45	44,452.00
4,000	BTG Plc	23-Apr	7.46	29,851.20
7,000	Sage Group Plc	23-Apr	4.78	33,432.00
3,000	City of London Investment Tr	23-Apr	4.10	12,290.10
6,000	Poundland Group Plc	23-Apr	3.35	20,125.20
4,000	Inmarsat Plc	23-Apr	9.76	39,030.40
7,000	John Laing Infrastructure	23-Apr	1.22	8,556.80
7,000	Tui	23-Apr	12.25	85,718.50
3,000	Arm Holdings Plc	23-Apr	11.96	35,878.50
1,000	Derwent London Plc	23-Apr	35.48	35,476.20
2,000	De La Rue Plc	23-Apr	5.70	11,409.80
1,000	Riverstone Energy Ltd	23-Apr	10.86	10,855.00
1,000	Bank of Georgia Holdings Plc	23-Apr	19.51	19,513.30
1,000	Domino Printing Sciences Plc	23-Apr	9.14	9,144.40
1,000	Shire Plc	23-Apr	55.58	55,576.00
413,026	South32	20-May	0.01	413.03
7,139	Kier Group	28-May	8.58	61,252.62
9,997	Just Eat	29-May	4.25	42,487.25
79,000	Vectura Group Plc	5-Aug	1.80	142,215.80
38,000	Barclays Plc	5-Aug	2.83	107,399.40
51,000	HSBC Holdings Plc	5-Aug	5.92	301,889.40
592,000	Lloyds Banking Group Plc	5-Aug	0.83	489,584.00
122,000	Tritax Big Box Reit Plc	5-Aug	1.19	145,180.00
138,000	Auto Trader Group Plc	5-Aug	3.50	483,110.40

**UK Equities****Sales**

No. of Shares	Description	Date	Price £	Proceeds £	Profit / (Loss) £
66,331	Catlin	15-Apr	3.88	257,364.28	-6,177.32
16,000	Game Digital Plc	23-Apr	2.57	41,048.00	-729.60
9,000	Royal Dutch Shell Plc-B	23-Apr	21.29	191,610.00	64,200.13
10,000	Oxford Instruments Plc	23-Apr	9.00	89,968.00	-37,987.00
40,000	Intl Consolidated Airline	23-Apr	5.84	233,612.00	128,918.59
5,000	SVG Capital Plc	23-Apr	5.11	25,542.50	11,977.29
6,000	Marks & Spencer Group Plc	23-Apr	5.57	33,437.40	22,578.06
2,000	British Emp Sec & Gen	23-Apr	5.50	10,998.00	7,047.84
3,000	WPP Plc	23-Apr	15.78	47,327.70	32,363.80
3,000	Reed Elsevier Plc	23-Apr	11.40	34,185.00	24,260.43
2,000	Capita Plc	23-Apr	11.15	22,302.60	15,493.09
2,000	Inchcape Plc	23-Apr	8.39	16,770.00	12,381.17
1,000	Mercantile Investment Trust	23-Apr	15.88	15,881.20	13,678.63
21,000	Brit Group	29-May	2.80	58,800.00	8,870.33
22,000	Domino Printing Sciences	8-Jun	9.15	201,300.00	125,485.12
5,160,223	Rolls Royce C Shares	3-Jul	0.00	51,602.89	51,602.89
49,000	TSB Banking	10-Jul	3.40	166,600.00	38,123.50
0	Coca Cola	3-Jul	0.00	9,930.85	9,903.85
48,000	Vodafone Group Plc	5-Aug	2.44	117,081.60	26,870.84
3,000	Reckitt Benckiser Group Plc	5-Aug	62.42	187,262.40	151,633.94
3,000	Astrazeneca Plc	5-Aug	43.99	131,971.50	77,095.69
33,000	BP Plc	5-Aug	3.94	130,089.30	21,458.73
19,998	De La Rue Plc	5-Aug	5.12	102,297.77	-52,632.10
9,000	Glaxosmithkline Plc	5-Aug	14.08	126,707.40	78,883.79

**Other Transactions**

The following Capitalisation / Consolidation issues took place

during the 3 month period 1 April - 30 September 2015 )

<u>Company</u>	<u>Old Holding</u>	<u>New Holding</u>
<b>Capitalisation Issues</b>		
Lonmin	80,027	102,535
Rotork	17,000	170,000
<b>Consolidation Issues</b>		
3i infrastructure	111,000	99,900
Direct Line	295,000	270,416
Homeserve	54,000	50,140
Intermediate Capital	76,181	65,294
Spirax Sarco	14,961	13,421