HYPERION
ASSET MANAGEMENT

Advisor Webinar: Disruption, Growth and Value in the New Economic Framework

Mark Cormack (Pinnacle Director) with Mark Arnold (Managing Director and CIO) and Jason Orthman (Deputy CIO)

This transcript is intended be read in conjunction with viewing the webinar via the Hyperion Adviser webinar portal.

Mark Cormack:

Good morning and welcome to the Hyperion webinar on Disruption, Growth and Value in the New Economic Framework. It is great to be back here with the Hyperion fund management team. My name is Mark Cormack, and I am a director with Pinnacle Investment Management (Pinnacle). Pinnacle are equity partners and work alongside Hyperion to distribute their suite of Australian and Global equity funds to the financial advisory marketplace.

Today, I am delighted to be joined by Hyperion CIO, Mark Arnold, and Hyperion Deputy CIO, Jason Orthman. In terms of background, Hyperion have a 20-year track record of investing in equities with a concentrated benchmark unaware approach that only invests in the highest quality businesses. Hyperion defines quality investments as those with a high return on equity, low or no debt, and businesses that can deliver strong EPS growth through extremely strong competitive advantages.

Hyperion's track record of outperformance for over 20 years speaks for itself. However, we all recognize that periods like the GFC or more recently during the 2020 COVID market sell off, are the ultimate stress tests for any portfolio. As an example, during the COVID period, Hyperion's Australian Growth Companies Fund for the one-year period to the 30th of June 2020 has delivered over 25% outperformance[1] over the benchmark, when many peers and the index has been negative. Hyperion's approach to quality investing has shown that they have delivered in both up and down markets. As advisors and researchers often say to me, with Hyperion you get the best of both worlds: a fund manager who has the ability and has been able to protect portfolios in downturns and grow and outperform the equity market since their inception[1]. This has all been recognized by major research houses here in Australia, with positive ratings from Lonsec, Zenith, and Morningstar across all of their funds.

Turning to today's webinar which will last around 30 minutes. All attendees have the opportunity to ask questions via the questions tab on your screen. Mark, before we kick off, can you take our listeners through the DNA and the fabric that sits behind Hyperion, in terms of the business, its mission, its values, its beliefs?

[1] Any opinions or forecasts reflect the judgment and assumptions of Hyperion and its representatives on the basis of information at the date of publication and may later change without notice. Returns from investments may fluctuate and past performance is not a reliable indicator of future performance.

Mark Arnold:

Good morning everyone. Hyperion's mission is to protect and grow clients' capital sustainably over the long term. Our values are that:

1. We are research driven: We're not marketing driven and we try to make our decisions evidence-based and merit-based;
2. We are super alpha focused: We realize that the only reason why Hyperion exists is that clients believe that we can generate alpha in the future;
3. We try to think long term: Our average holding period for our stocks is 10 years;
4. We see ourselves as business owners and not share traders; and
5. We try to put the collective first, which really means putting clients first.

When looking at our FUM levels, the vast majority of our FUM has been generated from investment returns, not from raising capital from clients. In fact, 35% of our total funds under management is from pure alpha over the last 24 years. Hyperion has identified a new economic framework. We believe the world faces a low growth environment, a disrupted environment, and it is an internet enabled, and smart phone enabled world. Hyperion has always backed progress rather than betting against change. We believe that innovation is important and makes the world better, and the businesses that innovate are the ones that create the most value. We believe in investing in modern businesses that drive structural change. We think that in the globalized world we live in, there is going to be a narrow group of structural winners that will lead the market higher.

Today, the topics we will cover include:

1. What does the new economic framework look like?
2. What investment styles are going to work?
3. Who are the disruptive companies?
4. What does the market misunderstand about assessing values for structural growth businesses?
5. Which sectors can drive EPS growth irrespective of GDP growth?
6. Finally, we will give a portfolio and market update.

The world is facing a significant number of structural headwinds; from ageing populations and lower population growth, higher debt levels that have been built up over the last 50 years that will impede future growth, rising wealth inequality in most countries around the world and a hollowing out of the middle class. The world also faces natural resource constraints and disruption, including climate change, ongoing disruption from technology including AI (artificial intelligence), better robots and better computers, which are disrupting human capital markets. The tailwind that we've had for 40 years where we saw interest rates move from double digit rates down to very low levels, is no longer going to drive economic growth and markets.

Hyperion has identified a new economic framework that started in 2008. It is a low growth, low inflation, low interest rate world. Competition and disruption have been increasing as a result of the internet and technology has moved from the edges of society and business into the core. We believe that the only sustainable source of revenue growth in this sort of environment is businesses that can actually take market share organically. We think that mean reversion has been replaced with dispersion, and it has become a winners-take-all environment in a globalized sense.

Jason Orthman:

In this new economic framework we have identified, we believe most incumbent investment styles could actually struggle. As most of these strategies have relied on benign economic growth conditions, they do not actually work that well when conditions toughen up, either from a competitive standpoint or just a broader economic standpoint. These investment styles are not really comfortable with working in this new framework of really low growth. We believe this includes value investing and passive investing where we don't see either of those doing well in a low growth disruptive environment as they rely on averages. As we talk through this presentation, we are really focused on finding the next winners. We have highlighted here, shorting has also struggled over the last number of years to smooth volatility, and we argue if you are a long-term investor, we are not necessarily sure of the relevance of shorting strategies over those short periods. I am going to hand back to Mark who is going to talk through COVID-19 and the impact on the value anomaly.

Mark Arnold:

This is a chart that we have shown before and we have updated it for the COVID-19 crisis. This is a Fama-French data over almost a hundred years. When the line is going up, it means that value as a style is outperforming growth, and when the line is going down, it means that growth is outperforming value. Value over the last almost 100 years has outperformed growth. The interesting thing is that during difficult economic conditions, when corporate profit growth in aggregate is going backwards, value underperforms pretty dramatically. This can be observed starting with the Great Depression, and then the recession before World War II as where there are red dots is when value underperformed. Moving through times during the 1950s, there were several recessions where value underperformed, similarly moving through to the 1980 recession which was followed by the 1991 recession. Since the GFC, there has been a big underperformance period, which has continued as a result of the COVID-19 crisis. We observe where the red dots have dropped away, value has dramatically underperformed. We think that this situation is unlikely to improve. We think that given the structural headwinds that we have mentioned before, we think we are stuck in a low growth environment, and that is really bad for value investing as a style. We do not see any reprieve. You may get short periods of reflationary activity, where you go from a really low level of economic growth to something higher, but over the next 10 years, we think it is very likely that there will be not much economic growth, inflation will stay low, and interest rates will stay low. The normal economic cycle that we got used to prior to the GFC is likely to remain very muted. So, the opportunities for value investors to outperform are going to be very limited.

Jason Orthman:

In order to look forward you need to understand how markets work and how human behavior works. In first-year studies, we are all taught that normal distributions are a good way to model and think about outcomes. However, normal distributions actually are not that common in investing, or really anywhere where humans are involved. It is the winners and the reference sites that drive outcomes. For long-term investors, power law distributions are more relevant, and that is really a narrow set of winners that drive markets higher. We have seen that historically, and we believe that will continue. What this chart shows is that looking at US equity returns above treasury bills from 1926 to 2016, only 4% of companies listed in the history of the US stock exchange have driven all the excess value. This is around 1,100 companies. The characteristic bell curve on the left is how lots of people think in theory about how markets work, and we have shifted to the right where there is a winner-takes-all effect.

We have seen that through COVID-19 there has been a change in market leadership, and there has been a narrow number of companies driving the markets higher as it recovered this calendar year. Many of these stocks have not joined in on the rally. The question is whether this is actually normal. What we have shown here on these charts is that if you look at over the past 20 to 30 years, the top 25 companies have typically accounted for 30% to 40% of market value and the top five companies sit somewhere between 10% to 20% of market value. The current dominance of some of the large listed companies is not fundamentally unusual or wildly out of character. In fact, on the right, you can actually see their contribution to market earnings is relatively higher than from the past leaders. Those strong market leaders are actually wildly profitable and contribute a lot to the exchange.

Moving forward to the next slide we provide some examples in our three funds of companies that we think are going to be structural winners. We have listed some of them in bold such as Square in the Global Growth Companies Fund and Afterpay in the Australian Growth Companies' Fund. We are going to touch on them in a bit more detail later. There is also Dominos, which Hyperion has had a long history with and it is still in the Small Cap Fund. This is an example of a company that uses technology really well and is exporting a model globally out of Australia that we think can grow at double-digit rate for a long time.

The question is how are we confident that these companies can continue to grow at double digit rates? We believe the qualitative elements of investing have always been really important, but they would be never more important in this new economic framework. Some of the things we look for include:

- Do these companies have big structural tailwinds?
- How big is their addressable markets?
- How strong is their competitive advantages?
- How strong is their balance sheet?
- How good are management as stewards?

All of these qualitative elements fit in. On the next slide, what we are trying to really do is value structural growth. It is one thing identifying these companies that grow at double digit rates, however how do you value them? We believe that is actually really difficult.

One of the inefficiencies Hyperion exploits is distinguishing between elite businesses, above average businesses, and just average businesses. To be able to do that, you need some qualitative elements, but in order to value them, even more importantly, is that you need to actually look out 10 years' time. We believe this is hard to do because the market and human nature, frankly, is really obsessed with the short term. However, as we have explained, equity markets are driven high by the few which are the exponential compounders. We get comfort because there are examples historically. Mark is going to go through Amazon and Xero to give a sense of what compounding[2] can actually do.

Mark Arnold:

On this slide, you can see the performance of Amazon since they listed in 1997. The growth has been enormous – the compound return[2] has been 37% per annum for Amazon compared to the MSCI World of just over 5%. This is a good example of a business that has always looked expensive on short-term metrics. For many years, Amazon did not earn any money. There were extended periods of time where Amazon

[2] *Compounding* or *compounding return* is the rate of return calculated as the cumulative effect of gains and/or losses over time on an original amount (i.e. price, sales levels, or earnings).

would either just break even or be loss-making. Amazon have always been focused on the customer and making sure the value proposition is really strong and disruptive. That has enabled them to take substantial market share. The sales growth on this chart, which is a dotted line, and the share price has actually followed that organic sales growth over a long period of time.

If you are a value investor you would never have invested in Amazon, and quite a few other highly successful businesses as well. We think that this illustrates the power of looking long term and at the qualitative aspects of the business rather than fixating on short term PEs (Price to Earnings Ratios). Similarly with Xero which has been loss-making for a long period of time, has only moved into profits recently. The company has never really had a PE, but the performance of Xero has been 46.6% per annum in terms of return, which is substantially above what the benchmark has achieved at around 10.5%. Again, sales growth has been really strong over a long period of time and that has driven up the share price over that period of time.

Jason Orthman:

If we move forward to COVID-19, it has obviously taken a horrible human toll. However, from a finance point of view, it is quite interesting because it gives everybody a glimpse into the future. Under lockdown, we have all had to break out of habits and learn new ways to use technology well. We have had no choice but to learn how to consume, transact, pay, and operate both remotely and digitally. From Hyperion's point of view, that has really built conviction in the structural themes and the tailwinds that are unique to our companies. Some of the winning sectors that have been confirmed through COVID-19 have been digital media, e-commerce, electronic payments, and cloud-based software. These are all structural themes that will continue over the next couple of decades, but they have all been accelerated and brought forward a number of years.

Finally, there are losing sectors, and Hyperion has made a conscious decision to stay away from these over time. These include traditional retail businesses, traditional media, traditional banks, retail REITS, and any other economically sensitive businesses that have all struggled through this period. Coming out of COVID-19, we have tried to identify some sectors which we think will be really disrupted and actually find the proven leaders to enjoy those tailwinds. Payments is one of those. We have seen consumer behavior shift this calendar year. Payments is a $100 trillion global opportunity. What we have seen is that the share of those dollars is really going to be dictated by the next generation and those that are underbanked. So, the Millennials and Gen Z will drive behavior going forward and they don't have much loyalty to traditional banks, and don't necessarily like credit cards.

On the slide, we have estimated that about 70% of under 30 years old in the US don't actually have a credit card. So, it is extremely different to how the baby boomers have behaved and driven consumption. We have seen through COVID-19, there's been a switch in use from credit cards and cash to peer-to-peer apps and buy now, pay later. That is very obvious to us.

We have highlighted Square and Afterpay as two companies that can actually take advantage of this structural shift that is going on. I think the interesting thing about these two charts is it shows what exponential growth actually looks like in practice, not just in theory. Square is on the left. They are 2% penetrated in their consumer business, which is a product called a Cash App offering peer-to-peer lending we referenced. They are also 3% penetrated in the seller business, which is effectively providing terminals and point of sale technology to merchants.

On the right, we show Afterpay. This has clearly developed and pioneered the buy now, pay later product in Australia. It has taken that to New Zealand, UK and the US very successfully. On the left we observe Square's consumer numbers in red have been compounding very high, and it's GPV in blue has been scaling as well. Square's Cash App has over 30 million active users whereas two and a half years ago, it had seven million. That is an example of what exponential growth looks like. To the right with Afterpay, it has scaled to 10 million consumers and 55,000 merchants. Again, it is really enjoying exponential growth into large tailwinds.

Mark Arnold:

In terms of the energy industry and the transportation industry, these two industries really have not innovated. Big auto has not innovated for almost a hundred years now. We think that there is a massive opportunity in this area. The industries have been externalizing costs and we do not think that is sustainable. Eventually governments and society are going to internalize the costs that have been produced in these industries. We do not think that the natural resource constraints and the disruption risks are being appropriately priced. We think many of these businesses in these traditional industries will go bankrupt over the next 10 years. Distributed energy generation and storage combined with autonomous transportation is about to significantly lower household energy and transportation costs.

The energy market is estimated to have a value of around 11 trillion dollars and the auto industry has a value of around 3 trillion dollars. Lastly the ride sharing market has an estimated value of 5.7 trillion dollars. They are big industries, and the legacy auto guys are not innovative businesses. They have managed to outsource just about all of their functions apart from making internal combustion engines, which they do really well. But this is very old technology, and it's about to be substantially disrupted. Ride sharing businesses like Uber and Lyft are likely to be disrupted in the next five years as a result of autonomous driving technology coming to the forefront. We think that the big oil companies and many of the traditional utilities are likely to be bankrupted as well over the next 10 to 20 years.

It is really a combination of better technology, and also the cost of that technology is dropping at double digit rates. The cost of batteries has been dropping at double digit rates for a long period of time. Solar and wind have been dropping at similar rates. That has really been driving and improving the value proposition for these new technologies and that is not going to stop, it will continue to decline. So, these new technologies will disrupt more and more of these traditional industries.

You can see that our exposure across the three products is very low in terms of carbon emissions. We are a fraction of the benchmark for the global portfolio and also for the two domestic portfolios. This means that if governments do start to tax carbon, we are in a very good position to protect our clients' capital.

Jason Orthman:

We obviously believe that the world is not going to save you anymore in terms of global GDP growth. So, you really need to do something different. We view the world through a prism of 10 structural themes. Through these 10 ways, we believe you can actually get some structural growth where the world simply will not grow. We are not interested in sectors or countries or benchmarks. We are interested in identifying areas where we can grow and find leadership within there. We want to emphasize the actual move from software from the edges of society and business to the core as a structural theme. It really is fundamental because it means people cannot ignore technology or these modern businesses anymore. It

is coming from the fringes of society and businesses in investing and it cannot be put it in the too hard basket. Searching for modern businesses is really crucial, and that flows through some of the other themes such as the shift from traditional media to online and traditional retail to e-commerce. If you can identify those structural themes and market leadership, you can get compounding of earnings per share growth. We have got a number of slides here, but Mark's is going to touch on global EPS growth that Hyperion's achieved.

Mark Arnold:

In this chart on slide 24, you can see the tight relationship over long periods of time between EPS and the value of the shares. The green line is the EPS (Earnings Per Share) of the global portfolio, and the black line is effectively the unit price of the global fund. There is a pretty tight relationship over time and we have previously shown this in the domestic portfolios as well which have a similar relationship. The gradient for the EPS is steeper for the global portfolio because the businesses are higher quality and they have more structural growth. Over the last six years, the average EPS growth has been above 20% for the global portfolio, which is substantially above what the EPS growth has been for the MSCI World, shown in the blue dash line on the chart. The difference is the alpha, where the differential between the EPS growth of our portfolio and the EPS growth of the MSCI World is the alpha that was generated.

Jason Orthman:

Continuing with the global portfolio, we present attribution analysis here. This slide shows how broad-based the attribution has been, or the contribution to alpha. Obviously, Amazon and PayPal have been really useful in capturing some alpha for Hyperion over the last six years, yet this slide shows we haven't just got lucky and relied on a few big winners. There are multiple mid-cap companies contributing to alpha, and importantly outside the FANG name. Stocks like MasterCard, Intuit, Costco, and Hermes, have all added considerable alpha to the product over the last six years. On the losing side, we have done a great job of minimizing any mistakes. Of course, we will make mistakes at a stock level, and we have got a process and portfolio that will mitigate that.

The future is unknown, and mistakes do happen however you can see there is a big positive skew to the upside, which is important. This slide tries to capture the fact that we believe we can add value in both up and down markets. In normal conditions, if you have an elite business, that will actually compound earnings at very high rates and take market share and share prices will follow. In good markets, we believe Hyperion can add significant alpha. Even more importantly, when things get really difficult, the elite businesses actually have more resilience and persistence than most think. The market share capture really comes into play and the best businesses aren't that sensitive to economic conditions. With the perception that you can only add value in an up or down market, we believe is actually demonstrated to be incorrect. On the chart, the key numbers are that Hyperion has outperformed in 64% of up markets over the last five to six years, and outperformed in 67% of down markets. These are pretty similar scenarios whether the market's going up or down.

Mark Arnold:

The return outlook for the portfolios that we manage is attractive. It is EPS growth that drives the projected returns over the next 10 years. We do have some PE contraction over the next 10 years, which is quite normal as the portfolios start to mature, and a small contribution from dividends. We think that

the superior return profile for the global portfolio is attractive, particularly on a risk adjusted basis because globally there are more opportunities for us to find really high-quality businesses with lower fundamental risk and higher structural returns.

Mark Cormack:

Thanks guys. It is great to get your views on disruption, growth and value in the new economic frameworks with some outstanding insights there. To summarize: ultimately alpha and performance is what matters for our investors. Hyperion have been able to deliver some outstanding performance across the Australian Small Growth Companies Fund, the Australian Growth Companies Fund, and the Global Growth Companies Fund. While short-term performance numbers are exceptional, Hyperion will always point investors to their longer-term track record of delivering alpha. Since inception, Hyperion's Global Growth Companies Fund has outperformed by over 8% per annum, the Australian Growth Companies Fund has outperformed by over 3% per annum, and the Small Growth Companies Fund has outperformed by over 8% per annum[3]. These are truly amazing numbers across a long period of time and across different market environments.

Now, turning to questions. All attendees have had the opportunity to ask questions via the questions tab on your screen. As usual, we have had a number of questions submitted and we will go straight to Q&A. A lot of fund managers have been talking about their cash levels, so I am not surprised about this first question that has come in. The question is, how have cash levels moved with Hyperion portfolios during COVID-19 and throughout 2020?

Mark Arnold:

Prior to the crisis, we had run the cash weight up to double digit levels for the three products. This is because we were worried about the economic outlook generally, and the IRRs for the portfolios had declined over the last couple of years prior to the crisis. Normally, when the return profile for the portfolios reduces, we tend to increase cash levels. Once the crisis hit, the IRRs went up for the portfolios, so we deployed that cash, and it enabled us to add some new names into the portfolios that have lifted the return profile of the products, particularly in the global fund. We added quite a few names during the crisis. That system has worked well, and we are quite comfortable with having cash weights of around 3% or 4% across the three products at the moment.

Mark Cormack:

Combining a couple of questions here. How has your key weights and top holdings changed in global throughout COVID-19 and over 2020?

Jason Orthman:

We have been quite active this calendar year, and uncharacteristically so. When you look at Hyperion's history, at best we might add one or two names per annum and remove one or two names that have matured. COVID-19 gave us the opportunity to effectively raid the bench or the watchlist. As the market

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sold off, some of the internal rate of returns on the bench went up significantly. We were able to upgrade the quality structural growth and internal rate of returns of a number of stocks in the global portfolio. Examples include past winners such as Facebook, Google, and Microsoft, where the actual weights of have halved this calendar year. They have been replaced by reallocating to the next winners, such as Tesla, Square, and ServiceNow. For us, we are pretty excited because it feels like day one again. If you go back six years ago, we identified a number of the next blue chips in the global fund, and we believe we have done something similar through COVID-19. We are excited as we look forward that some of these next structural winners will be part of the market moving higher.

Mark Cormack:

You mentioned in the webinar the sector of payment stocks. Has your research on payment space impacted your view on incumbent payment providers like MasterCard and Visa in the global fund, and noting that these have been long-term holdings in the portfolio?

Jason Orthman:

They have, Mark, but we still believe that those holdings like MasterCard and Visa have got really formidable market positions and moats. That certainly has not changed and the fact that they've got huge efficiencies and a cost advantage in their processing rails that hasn't gone away. Even a lot of FinTech businesses are still relying on MasterCard and Visa for processing, but also for their flywheel. The number of merchants and the number of consumers that both Visa and MasterCard have is immense. Although we have highlighted earlier in the presentation that there is a structural shift in behavior going away, and that is as the digital natives come up, to balance this, MasterCard and Visa are still brilliant businesses and are still in the portfolio. Again, the weights have more than halved this calendar year, and we've made room for some of the next structure winners like Square.

Mark Cormack:

Now to a more macro question. It sounds like one of the main risks to your framework could be high inflation. Any thoughts here?

Mark Arnold:

We think that inflation is likely to stay low. The reason why we say this is that we think with the middle class being hollowed out and more people working in the gig economy, the pricing power of human capital has been declining. We think that process will continue as the computers and robots get better over time. Also, the disruption that we spoke about in the energy and transportation industry is likely to mean that energy becomes cheaper over time. This will feed through into a lower cost of transport and a lower cost of goods as well.

We think that all of those factors are deflationary, and that means the chances of a rerun of the oil crises we had in the 1970s is very low. The technology cost curves that I mentioned before, where the cost of technology is declining at double digit rates means that inflation is likely to stay low. The only scenario where we can see inflation going up is if there is gross mismanagement by governments and central banks, and they create hyperinflation, similar to what happened in Germany in the 1920s. We think that is unlikely because politicians are not going to stay in power very long if they end up creating hyperinflation situation.

Mark Cormack:

While we are talking about macro, there is a question that has come in. Japan has been low growth for decades. How has value and growth worked in that market, in a market that has already experienced this type of framework?

Mark Arnold:

Very similar to the Fama-French data that we showed. Even though nominal GDP growth was low in Japan from the 1990s up until the GFC, value did actually perform quite well. That was because corporate profits as a percentage of GDP were increasing during that period. Average margins for corporates went up over that period and aggregate profit growth in Japan was quite strong over that period, even though nominal GDP growth was quite low. Since the GFC, value has substantially underperformed in Japan, as it has done in most countries around the world, so there is no difference. This is because corporate profits have been under pressure globally, and also in Japan. In that sort of environment, value fails as an investment style.

Mark Cormack:

We have time for one last question. We will get back to anyone who has asked a question via an email response.

One fascinating point that you raised was that 4% of US listed companies explained the entire net gain of the US equity market since 1926. Who were some of the biggest contributors, and how does that impact your thinking?

Jason Orthman:

The big winners in the US stock market might not surprise anyone. It is companies like Apple and Amazon that have become multi trillion-dollar companies. Even when you look at Australia, where the actual narrowness is even higher than in the US, those names will be familiar to people, such as CBA and BHP. CSL is actually doing a lot of that heavy lifting now. It has impacted our thinking because there has been a shift, as we discussed, from normal distributions to power laws. In life, in business or in investing this does not seem to be linear.

What we think about is if you have a narrow bunch of winners, and they' drive the markets higher, how do you identify them? If you look back historically, a lot of these companies have multiplied up at 100 times or been one-hundred baggers. How do you actually identify them and avoid the 95% of the losers? We spent seven days a week trying to sift through and think about it. At the moment, we are really excited. Coming out of COVID-19 the structural growth, quality, and IRRs of all the three funds have never been higher, and it's day one for us. So, it is good fun.

Mark Cormack:

Excellent. That is all we do have time for today. Many thanks for the questions that have come in and as usual, we will get back to you via the Pinnacle distribution team.

A couple of brief reminders:

After being closed for five years, Hyperion's Australian Growth Companies Fund is now fully reopened and available in the retail market. Whilst Hyperion's Australian funds are widely available throughout the market, Hyperion's Global Growth Companies Fund does have some more limited access on platforms. We do want to hear from you if you do want your access to the Hyperion fund on your platform so we can work with the relevant platforms or research teams there.

The information that Mark and Jason have spoken about today has been supported by academic quality research the team has written over the last number of years. This covers the 12 research papers that we have spoken about before which you can access on the site. The Hyperion team are in the process of writing a number of new research articles such as Hyperion's Alpha Framework, Culture and Leadership, that was released yesterday, as well as How Excessive FUM Can Destroy Active Asset Managers. This will be published on the website and be available later today. The team are working on two or three more articles that will be out in the coming weeks.

We will be making the webinar available on the Hyperion Asset Management website later today. If you have any further inquiries, refer to the Hyperion website or please contact your local representative from the Pinnacle distribution team.

I would like to thank everyone very much for your attendance today. We look forward to catching up with you on our next webinar, or in a one-on-one meeting if you want further detail. Our Hyperion team are more than happy to take you through one-on-one meetings. Thanks for your time today. Goodbye. Take care.

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