

# AXA's Australian Equity – Growth Fund

## Fund performance<sup>1, 2, 3</sup>

### One year rolling return

	Nov 2011 %	Nov 2010 %	Nov 2009 %	Nov 2008 %	Nov 2007 %
Distribution	4.4	1.3	3.6	9.0	25.4
Growth	-12.7	-1.1	27.5	-48.5	2.7
<b>Total</b>	<b>-8.3</b>	<b>0.2</b>	<b>31.1</b>	<b>-39.5</b>	<b>28.1</b>
Benchmark	-6.3	1.8	32.5	-40.5	23.8

### Fund return at 30 November 2011

	1 month %	3 months %	1 year %	3 years % pa	5 years % pa
Distribution	0.0	0.0	4.4	3.2	8.9
Growth	-3.5	-4.6	-12.7	3.2	-10.3
<b>Total</b>	<b>-3.5</b>	<b>-4.6</b>	<b>-8.3</b>	<b>6.4</b>	<b>-1.4</b>
Benchmark	-3.4	-3.0	-6.3	8.1	-1.4

## Market and fund review

The Australian market, measured by the S&P/ASX 300 Accumulation Index, fell to -3.4% as continued uncertainty over the euro area crisis once again came into play. The RBA commenced a rate easing cycle, cutting the cash rate by 25 bps to 4.5% on 1 November and then a further 25 bps to 4.25% on 6 December. Market expectations regarding future rate cuts remain wide. With investor sentiment remaining particularly cautious, more defensive sectors including healthcare, telecommunications and utilities fared well and cyclically sensitive sectors such as materials, energy and financials lagged the market.

AXA's Australian Equity Growth Fund underperformed its benchmark in November.

Contributors included NRW Holdings, Brambles and Emeco Holdings. NRW Holdings announced a guidance upgrade while Brambles was assisted by the rising US dollar. Detractors included Challenger Financial, Henderson and Wesfarmers. Challenger announced the resignation of their CEO in November.

Alliance Growth Equities indicates the investment outlook continues to be highly uncertain as the US economy slowed; China and other emerging countries are still fighting inflation and the European debt problems still prevails. Alliance Growth Equities further indicates that significant tail risks are possible as markets are unusually dependent on the skill and judgement of policy makers. Alliance Growth Equities still hold the view that the global economy will battle through with below trend growth as the world takes time to recover from the financial crisis. With so much uncertainty in the macro picture, Alliance Growth Equities continues to keep focus on companies that have a better control of their destinies, a robust outlook and a sustainable competitive advantage that have potential to deliver beyond market expectations.

<sup>1</sup> Past performance is not necessarily indicative of future performance. The performance figures have not taken into consideration the following fees: an entry fee of up to 4.4% on each amount invested; or where the investor has chosen the nil-entry fee option, deferred fees of up to 0.3625% per quarter on application of the first 4 years and early withdrawal fees of up to 5.28% on redemptions made within the first 4 years (both payable by reduction in units), a buy-sell spread of 0.30%, a sliding scale management fee rebate applicable for balances over \$50,000, an optional adviser review fee where applicable and any trail commission rebates. The Growth return reflects changes in the capital value of units, while the distribution return reflects total distributions paid from the fund.



# AXA's Australian Equity - Growth Fund

## Sector allocation at 30 November 2011

	Portfolio %	Benchmark %
Energy	8.1	7.4
Materials	26.1	25.4
Industrials	10.8	7.2
Consumer Discretionary	5.5	4.0
Consumer Staples	7.9	8.9
Health Care	2.6	3.5
Information Technology	0.0	0.6
Telecommunication Services	5.7	4.2
Utilities	0.0	1.5
Financials Inc. Listed Prop. Trusts	30.7	37.3
Liquidity & Other	2.6	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Top 10 holdings at 30 November 2011

	Sector	Portfolio %	Benchmark %
BHP Billiton	Materials	11.8	11.1
ANZ Bank	Financials Ex Prop. Trusts	6.4	5.2
CBA	Financials Ex Prop. Trusts	6.3	7.4
Westpac	Financials Ex Prop. Trusts	5.9	6.2
Wesfarmers	Consumer Staples	5.9	3.5
Telstra Corp	Telecom. Services	5.7	3.9
NAB	Financials Ex Prop. Trusts	5.5	5.1
Newcrest Mining	Materials	4.3	2.6
Rio Tinto	Materials	4.1	2.7
Origin Energy	Energy	2.9	1.5
<b>Total</b>		<b>58.8</b>	<b>49.2</b>
<b>Total number of holdings</b>		<b>36</b>	<b>294</b>

**Fund size at 30 November 2011:** \$20.9 million

**Inception date:** August 2001

**Investment objective:** To provide investors with long-term capital growth. The Fund aims to outperform the S&P/ASX 300 Accumulation Index after costs and over rolling five year periods.

**Investment manager:** The Fund uses the global investment resources and capabilities of Alliance Growth Equities, the growth style investment and research management unit of AllianceBernstein L.P. (AllianceBernstein), a leading global investment management firm.

2 The benchmark is the S&P/ASX 300 Accumulation Index.

3 The Australian Equity - Growth Fund was closed to new investors on 30 September 2004. The Fund is now offered as Generations Alliance Growth Australian Equity as part of the Generations range.

4 During May 2011 participation in an off-market buy-back of BHP Billiton shares reduced the before-tax return for the month by 0.4%. However, AXA believes that such participation increased the after-tax return for the majority of unitholders in the Fund.

### Important information

This publication has been prepared to provide general information only and does not take into account the financial objectives, situation or needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Before making any investment decision, you need to consider (with or without the assistance of an adviser) whether this information is appropriate to your needs, objectives and circumstances. Past performance is not necessarily indicative of future performance. Unless specifically stated, the repayment of capital or performance of our products is not guaranteed. This information is provided for persons in Australia only and is not provided for the use of any person who is in any other country. The Fund is closed to new applications for investment.

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