

AXA's Global Equity – Growth Fund

Fund performance^{1, 2, 3}

One year rolling return

	Sept 2011 %	Sept 2010 %	Sept 2009 %	Sept 2008 %	Sept 2007 %
Distribution	0.0	0.0	0.0	0.0	0.0
Growth	-10.9	-3.8	-22.1	-28.6	2.3
Total	-10.9	-3.8	-22.1	-28.6	2.3
Benchmark	-4.5	-2.8	-13.4	-16.7	1.4

Fund return at 30 September 2011

	3 months %	1 year %	3 years % pa	5 years % pa	7 years % pa
Distribution	0.0	0.0	0.0	0.0	0.0
Growth	-10.7	-10.9	-12.6	-13.4	-6.3
Total	-10.7	-10.9	-12.6	-13.4	-6.3
Benchmark	-8.0	-4.5	-7.0	-7.5	-1.6

Market and fund review

Global equities faced the most volatile conditions since 2008 during the third quarter. Investors fled to safer sectors, regions and assets amid growing fears that the European debt crisis and renewed economic weakness could push the global economy into recession. In the broad-based rout, every global sector fell. Cyclical sectors were hit hardest while defensive sectors held up better. Equities in Europe suffered more than in other regions. The flight to safety pushed yields on government bonds down to multiyear lows. The yen and US dollar strengthened against other major currencies.

AXA's Global Equity Growth Fund underperformed its benchmark during the September quarter.

Detractors for the quarter included Antofagasta, First Quantum Minerals and Juniper Networks. Shares of Chilean-based copper miner Antofagasta declined due to concerns about commodity forecasts stemming from expectations of lower growth in 2012. Africa-focused mining company First Quantum Minerals, with its significant exposure to Zambia, slid on concerns about the change in government there, as a regime that was very favourable to the mining industry in terms of taxation and royalties was replaced by one less hospitable. Outside the materials sector, Juniper Networks faltered after reporting disappointing second-quarter results and issuing a negative guidance revision for the remainder of the year. Contributors included Apple and British American Tobacco. US-based consumer electronics giant Apple surged on strong sales growth. The strong performance of UK-based tobacco giant British American Tobacco was attributable to strong first-half results and a positive pricing outlook.

Alliance Growth Equities believes that advanced countries will come perilously close to recession in the near term. As business, consumer and investor confidence have all eroded, and the market is now pricing in the kind of earnings decline typically found during a recession. In the euro area, Alliance Growth Equities take the view that common sense will ultimately prevail and a credible solution will be found to the debt crisis. Alliance Growth Equities indicates that there is no question that downside risks remain, but nevertheless, they maintain a modestly procyclical tilt in the portfolio as they see corporate balance sheet in much better shape than in the 2008 financial crisis.

¹ Past performance is not necessarily indicative of future performance. The performance figures for the Global Equity - Growth Fund 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 margin of 0.40%, 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 Global Equity – Growth Fund

Sector allocation at 30 September 2011

	Portfolio Benchmark	
	%	%
Energy	8.3	10.9
Materials	6.0	7.3
Industrials	11.2	10.8
Consumer Discretionary	13.0	10.4
Consumer Staples	10.0	11.0
Health Care	9.1	10.5
Information Technology	23.2	12.2
Telecom. Services	0.5	4.6
Utilities	0.0	4.2
Financials	12.8	18.1
Liquidity & Other	5.9	0.0
Total	100.0	100.0

Top 10 holdings at 30 September 2011

	Country	Portfolio Benchmark	
		%	%
Apple Inc	US	4.1	1.7
British American Tobacco	UK	3.1	0.4
IBM	US	2.1	1.0
Oracle Corp	US	1.9	0.6
Google Inc	US	1.8	0.6
Anheuser-Busch	BEL	1.7	0.2
Qualcomm	US	1.7	0.4
Procter & Gamble	US	1.6	0.9
Danaher Corp	US	1.5	0.1
BG Group	UK	1.4	0.3
Total		20.9	6.2
Total Number of Holdings		131	1560

Regional allocation at 30 September 2011

	Portfolio	Benchmark
	%	%
North America	51.5	58.3
Europe	16.4	18.7
United Kingdom	12.6	10.1
Japan	5.9	10.5
Asia ex Japan	6.3	2.0
Other	7.3	0.4
Total	100.0	100.0

Currency Management

	% of Portfolio
Hedging Level as at 30 September 2011	1.5

Fund size at 30 September 2011: \$5.6 million

Inception date: August 2001

Investment objective: To provide investors with long-term capital growth. The Fund aims to outperform the MSCI World ex Australia Index (net dividends reinvested) in Australian dollar terms, 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. This expertise is delivered to Australian investors through a joint venture between AXA Asia-Pacific Holdings and AllianceBernstein Australia Limited.

² The Benchmark is the MSCI World ex Australia Index (net dividends reinvested) in Australian dollar terms.

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

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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