

AXA's Global Equity – Value Fund

Fund performance^{1, 2, 3}

One year rolling return

	Dec 2011 %	Dec 2010 %	Dec 2009 %	Dec 2008 %	Dec 2007 %
Distribution	0.0	0.0	0.0	1.2	6.4
Growth	-15.3	-7.5	1.4	-42.1	-15.0
Total	-15.3	-7.5	1.4	-40.8	-8.6
Benchmark	-5.3	-2.0	-0.3	-24.9	-2.6

Fund return at 31 December 2011

	3 months %	1 year %	3 years % pa	5 years % pa	7 years % pa
Distribution	0.0	0.0	0.0	1.6	1.7
Growth	2.0	-15.3	-7.4	-17.1	-8.3
Total	2.0	-15.3	-7.4	-15.5	-6.6
Benchmark	2.0	-5.3	-2.6	-7.5	-1.8

Market and fund review

Global equities rose sharply in the fourth quarter as macro events continued to drive the behaviour of the financial markets. The huge overhang of sovereign debt continued to burden Europe and weigh on the capital markets. The rescue plan put forward by European leaders in October, subsequently deemed to be insufficient to resolve the two year old crisis, sparked a large relief rally which accounted for all the gains made during the quarter. The MSCI World Index climbed 2.0% for the quarter.

AXA's Global Equity Value Fund was equal with its benchmark for the December quarter.

Financial stocks declined in the fourth quarter, as an agreement by European leaders to enforce tighter budget controls failed to convince investors that it would address the crisis. Fund holding Société Générale detracted amid fears that the sovereign debt crisis could eventually undermine its balance sheet. Contributors came from various sectors including the pharmaceutical, energy and industrial commodity segments of the market. US drugmaker Pfizer benefited from its defensive profile and strong third quarter results. Energy firm BP rose sharply following forecast beating results. Leading global manufacturer of commodity petrochemicals and fuel LyondellBasell contributed following quarterly results which came in ahead of expectations and as it doubled its dividends.

While volatility is likely to remain high until conditions stabilize, the rally in the fourth quarter has shown that when confidence improves, markets can gain momentum very quickly. Bernstein Value Equities continue to take advantage of attractive valuations across a wide range of sectors and remain confident that value stocks are in the early stages of a prolonged rebound. Bernstein Value Equities expect research driven stock selection to deliver strong long term returns as investors start to pay more attention to differences in company fundamentals.

¹ Past performance is not necessarily indicative of future performance. The performance figures for the retail Global Equity - Value 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.



Sector allocation at 31 December 2011

	Portfolio Benchmark	
	%	%
Energy	14.3	11.8
Materials	6.6	7.2
Industrials	5.0	11.0
Consumer Discretionary	18.6	10.3
Consumer Staples	7.3	11.0
Health Care	12.3	10.5
Information Technology	9.2	12.0
Telecom. Services	5.8	4.4
Utilities	5.4	4.0
Financials	14.0	17.8
Liquidity & Other	1.5	0.0
Total	100.0	100.0

Regional allocation at 31 December 2011

	Portfolio	Benchmark
	%	%
North America	52.5	59.9
Europe	20.8	17.9
United Kingdom	10.9	10.2
Japan	10.6	9.5
Asia ex Japan	2.2	2.0
Other	3.0	0.5
Total	100.0	100.0

Fund size at 31 December 2011: \$31.1 million

Inception date: December 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 Bernstein Value Equities, the value 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 retail Global Equity - Value Fund was closed to new investors on 30 September 2004. The Fund is now offered as Generations Bernstein Value 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.

Top 10 holdings at 31 December 2011

		Portfolio Benchmark	
		%	%
BP	UK	3.5	0.6
Pfizer	US	2.6	0.8
AstraZeneca	UK	2.3	0.3
Hewlett Packard	US	2.1	0.3
Wellpoint	US	1.9	0.1
Time Warner Cable	US	1.9	0.1
Johnson & Johnson	US	1.8	0.8
Citigroup	US	1.7	0.4
Viacom	US	1.6	0.1
Kroger	US	1.6	0.1
Total		21.0	3.6
Total Number of Holdings		132	1546

Currency Management

	% of Portfolio
Hedging Level as at 31 December 2011	1.8

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