

AXA's Wholesale Australian Equity – Value Fund

Fund performance^{1, 2, 3}

One year rolling return

	Nov 2011 %	Nov 2010 %	Nov 2009 %	Nov 2008 %	Nov 2007 %
Distribution	6.4	3.0	7.5	6.7	12.6
Growth	-17.4	-2.4	24.8	-46.3	6.7
Total	-11.0	0.6	32.3	-39.5	19.3
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	6.4	5.6	7.3
Growth	-6.0	-4.4	-17.4	0.2	-10.4
Total	-6.0	-4.4	-11.0	5.8	-3.1
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 Wholesale Australian Equity Value Fund underperformed its benchmark in November.

Contributors for the month included Telstra and Telecom New Zealand. Telstra held its investor day presentations and reiterated its low single digit growth. Telecom New Zealand benefited as its credit rating was upgraded by Moody's. Detractors included OneSteel and BlueScope Steel. OneSteel shares declined after announcing that it expects first half 2012 profits to be approximately half of first half 2011 results. BlueScope Steel suffered significantly upon announcing it would sell shares to raise additional capital and is expected to report a small underlying loss in the first half of 2012.

AllianceBernstein indicates that there is an abundance of cheaply priced stocks in the Australian market, with valuation spreads at close to all-time highs, and they believe there is an exceptional value opportunity for them to capture. However, AllianceBernstein also indicate that in the face of continued global macro uncertainty, they do not believe that now is the right time to increase the overall risk in the portfolio. Hence, their objective is to take the appropriate combination of risks and seek the right balance between cyclicals and defensives.

¹ Past performance is not necessarily indicative of future performance. Performance figures are calculated using exit prices, are net of management fees, ongoing fees and expenses, assume distributions are reinvested and tax is not deducted. The Growth return reflects changes in the capital value of units, while the Distribution return reflects total distributions paid from the Fund.



AXA's Wholesale Australian Equity - Value Fund

Sector allocation at 30 November 2011

	Portfolio %	Benchmark %
Energy	2.3	7.4
Materials	21.3	25.4
Industrials	3.6	7.2
Consumer Discretionary	11.4	4.0
Consumer Staples	2.0	8.9
Health Care	0.0	3.5
Information Technology	0.0	0.7
Telecommunication Services	10.4	4.2
Utilities	0.0	1.5
Financials Inc. Listed Prop. Trusts	46.9	37.2
Liquidity	2.1	0.0
Other	0.0	0.0
Total	100.0	100.0

Top 10 holdings at 30 November 2011

	Sector	Portfolio %	Benchmark %
NAB	Financials Ex Prop. Trust	9.9	5.1
BHP Billiton	Materials	9.5	11.1
Telstra	Telecom Services	8.3	3.9
ANZ Bank	Financials Ex Prop. Trust	8.3	5.2
Rio Tinto	Materials	6.6	2.7
Westpac	Financials Ex Prop. Trust	6.3	6.2
Macquarie Group	Financials Ex Prop. Trust	4.4	0.8
NewsCorp	Consumer Discretionary	4.3	0.8
CBA	Financials Ex Prop. Trust	4.3	7.4
Fairfax Media	Consumer Discretionary	3.4	0.2
Total		65.3	43.4
Total number of holdings		42	294

Fund size at 30 November 2011: \$143.9 million

Inception date: April 2003

Investment objective: The Fund aims to outperform the S&P/ASX 300 Accumulation Index after costs and 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 S&P/ASX 300 Accumulation Index.

³ The Wholesale Australian Equity – Value Fund is available by way of PDS which you can obtain from your financial adviser or by calling 1800 780 085. You should read the PDS before making an investment decision.

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 an 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. Detailed information about the product is contained in the PDS. Applications for investment in AXA Australia products will only be accepted on receipt of an application form accompanying a current PDS. A copy of the PDS can be obtained by calling 137 292. National Mutual Funds Management Ltd and its associates derive income from issuing interests in the product, full details of which is contained in the PDS. 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.

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