

AXA's Wholesale Australian Monthly Income Fund

Fund performance^{1,2,3}

One year rolling return

	Nov 2011 %	Nov 2010 %	Nov 2009 %	Nov 2008 %	Nov 2007 %
Distribution	5.3	4.8	4.0	7.9	6.9
Growth	-0.1	-0.1	0.0	0.0	0.0
Total	5.3	4.8	4.0	7.9	6.9

Fund return at 30 November 2011

	1 month %	3 months %	1 year %	3 years % pa	5 years % pa
Distribution	0.4	1.3	5.3	4.7	5.8
Growth	0.0	0.0	0.0	0.0	0.0
Total return	0.4	1.3	5.3	4.7	5.8

Please be advised that this investment is not a bank deposit and is not guaranteed. Loss of some or all of the principal investment is a risk associated with the product.

Market and fund review

The Fund's November earning rate was 4.5% for retail and 5.0% for wholesale.

At its December meeting, the Reserve Bank lowered the cash rate by 25 basis points to 4.25%. This followed its previous 25 basis point cut in November 2011. These reductions in the cash rate were influenced by concerns over the slowing pace of global growth and the impact of ongoing sovereign debt issues in Europe. Inflation was at 3.5% for the year to September 2011. The RBA expects that inflation should be around its preferred 2-3% range in 2012 and 2013 as commodity prices soften, the effects of natural disasters in early 2011 unwind and labour markets soften, reducing the likelihood of accelerating labour costs outside of the resources sector.

The reduction in the cash rate has flowed through to lending rates, which are now around the average level for the past 15 years. Credit growth remains subdued despite banks being willing to lend.

In October 2008, the Federal Government announced a deposit guarantee initiative applicable to a range of bank and non-bank authorised deposit-taking institutions. This guarantee (which was removed from 1 April 2010 for wholesale funding only) did not extend to mortgage funds and as a result, the Fund saw an increase in withdrawal requests. Consequently, it was decided to extend the period for the payment of redemption requests with effect from 23 October 2008. Eleven quarterly withdrawal offers were paid under this regime from 2009 to September 2011.

A decision has now been made to wind up these funds effective 3 October 2011. Investors will now receive quarterly returns of capital in place of withdrawal offers. The first payment will be made in December 2011.

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 Distribution return reflects total distributions paid from the fund, while the Growth return reflects changes in the capital value of units. There is a risk that the Fund may achieve lower than expected returns.



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Sector allocation⁴

at 30 November 2011

	% of Fund	\$ million
Commercial loans		
- Hospitality	1.5	14.8
- Residential	0.2	2.0
- Industrial	17.0	162.0
- Commercial	19.1	182.6
- Retail	28.2	269.6
- Specialised & other	1.4	13.1
Mortgage Backed Securities	0.1	0.6
Income securities	8.4	80.4
Cash	24.1	230.1
Total	100.0	955.1

Top 10 fixed interest securities⁴

at 30 November 2011

	% of Fund
Westpac Banking	1.6
ANZ Bank	1.2
General Prop Trust	1.1
National Capital	1.0
Snowy Hydro Ltd	0.7
Suncorp-Metway Insurance	0.7
Australian Unity Health	0.5
Reds Trust	0.5
NAB	0.5
Macquarie Bank	0.4
Total	8.3

Commercial loans geographical allocation

at 30 November 2011

	% of loans
WA	37.7
NSW & ACT	26.8
VIC	19.5
QLD	15.2
TAS	0.0
SA & NT	0.8
Total	100.0

Total average loan to valuation ratio across commercial loan portfolio: 58.1%

Fund size at 30 November 2011: \$552.6 million

Inception date: July 2000

Investment objective: To provide a competitive interest income return on a monthly basis, while at the same time providing a stable unit price.

Investment manager: AXA Australia is responsible for the Fund's exposure to mortgage investments. AllianceBernstein is the investment manager for the Fund's exposure to fixed interest securities and cash/money market securities through the AllianceBernstein Fixed Income Investment team.

2 The Wholesale Australian Monthly Income Fund, issued by National Mutual Funds Management Ltd, 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.

3 Withdrawals from the Fund are subject to any Withdrawal Offer made by the responsible entity.

4 The Wholesale Australian Monthly Income Fund invests predominantly and sometimes fully in the Australian Monthly Income Fund. The figures shown refer to the Australian Monthly Income Fund's investment holdings.

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 is 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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