

AXA's Wholesale Global Equity – Value Fund

Fund performance^{1, 2, 3}

One year rolling return

	Jun 2010 %	Jun 2009 %	Jun 2008 %	Jun 2007 %	Jun 2006 %
Distribution	0.0	0.0	1.6	8.4	3.9
Growth	4.2	-32.9	-30.8	8.2	22.4
Total	4.2	-32.9	-29.2	16.6	26.3
Benchmark	5.2	-16.2	-21.3	7.8	19.9

Fund return at 30 June 2010

	3 months %	1 year %	3 years % pa	5 years % pa	7 years % pa
Distribution	0.0	0.0	0.6	2.4	2.2
Growth	-8.8	4.2	-21.5	-8.5	-3.1
Total	-8.8	4.2	-20.9	-6.1	-0.9
Benchmark	-4.8	5.2	-11.5	-2.2	1.0

Market and fund review

The Benchmark MSCI World ex Australia Index was down 4.8%, as volatility returned to global financial markets in the second quarter. Investors grew increasingly concerned about unsustainable levels of government debt in Greece and other peripheral euro-area countries. Markets withdrew as investors reacted to these concerns and a host of other new uncertainties, from the oil spill in the Gulf of Mexico to rising tensions between North and South Korea. As volatility rose, stocks fell in both developed and emerging markets and credit spreads widened. All sectors declined during the quarter, with energy, financials and materials faring worse. The defensive telecom, consumer staples and utilities sectors held up best.

The US dollar strengthened relative to most major currencies, particularly the Euro. It also gained against the Australian dollar, sterling, Canadian dollar and Swiss franc. The yen strengthened relative to the US dollar.

AXA's Wholesale Global Equity Value Fund underperformed in the June quarter.

Detractors included Nokia, Esprit Holdings and Transocean. Nokia warned that second-quarter financial results could miss previous guidance. Shares in fashion and lifestyle retailer Esprit fell as the company derives a large portion of its sales in the Euro area, where consumer sentiment suffered during the period. Offshore contract driller Transocean weakened due to uncertainty surrounding its potential liability related to BP's oil spill in the Gulf of Mexico. On the positive side contributors included consumer staples holdings Altria and Carlsberg. US tobacco company Altria benefited from its defensive nature. Carlsberg, the Danish brewer, reported first-quarter earnings that beat analysts' estimates.

Bernstein Value Equities indicates that with the aftershocks of recession and tighter credit still taking a toll, investors remain sceptical about the durability of the earnings recovery—and, thus, more wary of making wagers on the cycle's eventual winners and losers than they would be under more stable conditions. Bernstein Value Equities continue to take advantage of attractive valuations across a wide range of sectors while at the same time using their research to identify stocks which also offer lower volatility characteristics to help provide downside protection given current high levels of market risk aversion.

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.



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Sector allocation at 30 June 2010

	Portfolio %	Benchmark %
Energy	12.8	10.1
Materials	4.4	6.6
Industrials	7.5	11.3
Consumer Discretionary	20.1	10.2
Consumer Staples	7.5	10.5
Health Care	7.8	10.5
Information Technology	11.5	12.4
Telecom. Services	5.8	4.3
Utilities	1.3	4.5
Financials	20.6	19.6
Liquidity & Other	0.7	0.0
Total	100.0	100.0

Top 10 holdings at 30 June 2010

	Country	Portfolio %	Benchmark %
Vodafone Group	UK	2.8	0.6
Royal Dutch Shell	UK	2.2	0.8
Time Warner	US	2.0	0.1
Allianz Se	GER	1.8	0.2
Pfizer Inc	US	1.8	0.6
AstraZeneca	UK	1.7	0.4
Wells Fargo	US	1.7	0.7
Altria Group Inc	US	1.7	0.2
E On Ag	GER	1.6	0.3
Ford Motor	US	1.5	N/av
Total		18.8	3.9
Total Number of Holdings		132	1580+

Regional allocation at 30 June 2010

	Portfolio %	Benchmark %
North America	44.8	56.8
Europe	24.3	20.3
United Kingdom	14.1	9.9
Japan	11.1	10.9
Asia ex Japan	3.7	2.0
Other	2.0	0.1
Total	100.0	100.0

Currency Management

	% of Portfolio
Hedging Level as at 30 June 2010	6.2

Fund size at 30 June 2010: \$1,757.5 million.

Inception date: December 2001

Investment objective: To provide investors with long-term capital growth. The fund aims to outperform the Morgan Stanley Capital International World 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 Wholesale Global Equity – Value 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.

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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