Annual Long Report & Audited Financial Statements
For the year ended
30 June 2019

AXA Fixed Interest Investment ICVC

Issued by
AXA Investment Managers

AXA Investment Managers

Issued by AXA Investment Managers UK Limited Authorised and regulated by the Financial Conduct Authority

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* Collectively, these comprise the Authorised Corporate Director's Report.

Directory

The Company and Head Office
AXA Fixed Interest Investment ICVC
7 Newgate Street
London EC1A 7NX

Authorised Corporate Director ("ACD")
AXA Investment Managers UK Limited
7 Newgate Street
London EC1A 7NX
www.axa-im.co.uk

Authorised and regulated by the Financial Conduct Authority in the conduct of investment business.
Registered in England and Wales No. 01431068.
The company is a wholly owned subsidiary of AXA S.A., incorporated in France.
Member of the Investment Association (IA)

The Administrator and address for inspection of Register
DST Financial Services International Limited and DST Financial Services Europe Limited
DST House
St Nicholas Lane
Basildon
Essex, SS15 5FS

Sub-Investment Managers
AXA Investment Managers Inc
100 West Putnam Avenue
4th Floor
Greenwich
CT 06830 USA

Legal Advisers
Eversheds LLP
One Wood Street
London, EC2V 7WS

Fund Accounting Administrator
State Street Bank & Trust Company
20 Churchill Place
London, E14 5HJ
Authorised and regulated by the Financial Conduct Authority.

Depositary
HSBC Bank plc,
8 Canada Square,
London, E14 5HQ
HSBC Bank plc is a subsidiary of HSBC Holdings plc.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Independent Auditors
PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh, EH3 8EX

Report of the Directors of AXA Fixed Interest Investment ICVC

AXA Fixed Interest Investment ICVC ("the Company") is an investment company with variable capital incorporated in England and Wales and authorised by the Financial Conduct Authority ("FCA").

Shareholders are not liable for the debts of the Company.

There are eight sub-funds which are currently available in the Company (each a "Fund"), and in the future there may be other sub-funds in the Company.

Each Fund has the investment powers equivalent to those of a UCITS (Undertakings for Collective Investment in Transferrable Securities) under the FCA's Collective Investment Schemes Sourcebook ("COLL"). The Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund, and shall not be available for any such purpose. Further details in relation to the segregated nature of the Funds can be found in the Prospectus.

AXA Global Short Duration Bond Fund has a holding of 6,300,000 units in US Short Duration High Yield Fund with a market value of £9,053,100. There are no other cross holdings.

Important Events During the Year

During the period from 1st July 2018 to 30th June 2019 there were no significant changes to the Prospectus or the Instrument of Incorporation.

Compulsory Conversion of Net Share Classes

With effect from 6 April 2017, HMRC introduced tax rule changes which required the Funds to pay all interest distributions gross without any deduction for tax. As a result, there is no longer any need for there to be net paying share classes in the Funds. Therefore on the 12th October 2018 (the "Conversion Date"), the net paying shares converted into the existing gross paying shares.

AXA Global High Income Fund

Investment Manager's Report

For the year ended 30 June 2019

Investment Objective

The aim of the Fund is to provide long-term high income combined with any capital growth.

Investment Policy

The Fund invests primarily in a diversified portfolio of high yield bonds issued by companies anywhere in the world. The fund manager focuses on credit analysis to create a portfolio of bonds that seeks diversification across companies showing improving resilience against default. The Fund is managed with reference to the composition and risk profile of the BofA Merrill Lynch Global High Yield Index. However the Fund manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index.

Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

Risk and Reward Profile

As at 30 June 2019

By investing in the Fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with Funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. You are aware that investing in the Fund which has a global remit can increase risk because of currency movements in return for greater potential reward. However, the Fund is hedged back to Sterling. You are also aware that investing in sub investment grade bonds increases the potential income but also increases risk to your investment. Typically you would be investing for a period of at least five years.

Lower Risk **Higher Risk**

Potentially lower reward Potentially higher reward

1	2	**3**	4	5	6	7

The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings). See further below under "High yield bonds risk".

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

AXA Global High Income Fund

Investment Manager's Report

For the year ended 30 June 2019

• High yield bonds risk - high yield bonds (also known as sub-investment grade bonds) are fixed interest securities issued by companies or governments with lower credit ratings (Ba1 and below (Moody's) or BB+ and below (Standard & Poor's and Fitch Ratings)). They are potentially more risky than investment grade bonds which have higher ratings. The issuers of high yield bonds will be at greater risk of default or ratings downgrades. The capital value of the Fund's investment in high yield bonds and the level of income it receives may fall as a result of such issuers ceasing to trade. The Fund will endeavour to mitigate the risks associated with high yield bonds, by diversifying their holdings by issuer, industry and credit quality.

This is an inherent risk for Funds invested within high yield bonds. Internal investment guidelines (which may include measures of credit quality, measures of sensitivity to credit spread moves and diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual Fund's investment objectives and investment policy.

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

Other risks which could have an impact in extreme market conditions include:

• Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The ACD may be forced to buy or sell such investments as a consequence of Shareholders buying or selling Shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

AXA Global High Income Fund

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For the year ended 30 June 2019

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• Currency risk - assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's Price. It may not be possible or practicable to hedge against such exchange rate risk.

The ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.

Investment Review

The period under review covers a classic year of two halves. There have been a number of themes that have continue through the year, mostly notably macroeconomic headwinds and increased geopolitical and trade tensions, but the pivotal difference between the second half of 2018 and the beginning of 2019 has been the messaging of central banks led by the US Federal Reserve (Fed).

In the second half 2018, the Fed continued its central bank tightening cycle in the US and the European Central Bank (ECB) ended quantitative easing (QE) on schedule. US President Donald Trump toned down trade disputes with the North American Free Trade Agreement (NAFTA) and Europe but continued to ratchet up and down concerns with China; meanwhile, Italy disputed its budget with Brussels. The German economy slowed significantly in the second half as car production was affected by environmental law changes, although the broad slowdown across Europe does suggest that the slowdown in the Chinese economy is having a larger impact than, perhaps, anticipated. Of course, Brexit continued to rubble on unresolved in the background.

By the year-end, signs of slower growth in the Euro area and China had combined to reduce confidence that the US economy would be able to sustain growth once the impact of fiscal stimulus had faded. With ongoing trade tensions, a more conflicted US political situation since the mid-term elections and a rapidly declining oil price financial markets began rapidly pricing in a much worse economic environment for 2019.

Against this background, H2 2018 became increasingly challenging for Global high yield. In Q3, the Fund's much greater weight in US dollar assets was an advantage. US equity markets remained strong and high yield trends followed with CCCs and weaker names continuing the outperformance of H1 2018.

AXA Global High Income Fund

Investment Manager's Report

For the year ended 30 June 2019

However, after a relatively benign period in the third quarter, this all began to reverse in Q4 as the macro trends discussed began to have greater impact and risk assets generally began to sell off, led by equities and oil. After being a top-performing sector for the first three quarters of the year, the energy sector experienced a significant sell-off to finish the year, returning -9.77% during the quarter and -6.37% for 2018. Healthcare and telecommunications maintained their lead and outperformed in 2018. Q4 also witnessed a significant rise in idiosyncratic risk, particularly in Europe. Across October and November, several names were subject to negative headlines and experienced a significant drop in bond prices. Retail globally has consistently been a difficult area for market generally and results here continued to be mixed, with spreads moving quite sharply wider.

US high yield, which had outperformed well though the first three quarters of 2018, suffered the worst quarterly return since third quarter of 2015, and the seventh-worst return over the last 20 years. In the absence of a 70 basis points (bps) market rally during the last three days of the year, this quarter's return would have been the worst since the third quarter of 2011.

In our six-month review to end 2018 we commented that "many typical conditions for recession are not in place" and "there is reason for optimism". Wide valuations did begin to draw money back into the market but, what turbo charged the market rally to start 2019 was the U-turn in policy by the US Federal Reserve from what felt like a constant ratchet tighter in interest rates to opening the door to possible cuts. While it is too early to say whether the Fed will be successful in engineering a soft landing it is clear they do not what to be held responsible for strangling the economy.

Over the period in review, the Fund generated a total net return of +4.65% (Z Acc, net of fees) and +5.23% (Z Acc, gross of fees), while its comparative benchmark, the ICE BofAML Global High Yield Index delivered a return of +6.46% (GBP hedged).

Looking at regions, the ICE BofAML US High Yield Index returned +5.49%, behind Europe as the ICE BofAML European Currency High Yield Index's return of +6.74%; meanwhile, emerging markets somewhat recovered from the lows at +9.33% as measured by the ICE BofAML High Yield US Emerging Markets Corporate Plus Index (all index returns are hedged to GBP).

The Fund outperformed in the weak fourth quarter 2018 where the overweight position in short duration, particularly in the US but also in Europe, proved defensive. Positioning in the energy sector was also key, specifically the underweight in the oilfield services subsector, which was down 14% in H2 2018. Our underweight position in emerging markets, which protected the Fund so well in Q2 2018, was a negative in Q4 as emerging markets held up reasonably well against other high yielding fixed income. We did take some credit hits, including Sanchez Energy, which cost 20 basis points (bps), and Nystar (mining) in Europe which cost 5bps. We have exited these positions. During the very strong market rally in 2019, the Fund has found it harder to keep up with the index rally. While there continue to me some credit issues, this has been less about micro credit risk positioning and more about macro interest rate risk as our lower duration position has not benefited in an environment of strongly rallying government bonds. This has led BB bonds which tend to have longer duration (and where we are underweight) to perform better than might be expected in such a robust credit rally. In fact, there is limited difference in performance in BB, B and CCC cohorts in 2019 year to date.

As we look forward, credit spreads are at the tighter end of the recent ranges, but we continue to believe that default rate will also remain low. Key challenges remain a slowing global economy and complex geopolitical currents. The behaviour of central banks remains pivotal.

All performance data source: AXA Investment Managers, ICE BofA Merrill Lynch and Bloomberg.
Past performance is not a guide to future performance.

Major Purchases

- Bausch Health 7% 15/03/24
- CommScope 6% 01/03/26
- Bombardier 7.875% 15/04/27
- Reynolds 5.80338% 15/07/21
- Scientific Games International 10% 01/12/22

Major Sales

- Staples 8.5% 15/09/25
- Intrepid Aviation 6.875% 15/02/19
- Tenet Healthcare 7.5% 01/01/22
- Altice Luxembourg 7.75% 15/05/22
- Greatbatch 9.125% 01/11/23

James Gledhill & Yves Berger
30 June 2019
AXA Investment Managers UK Limited

AXA Global High Income Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 96.08% (30/06/18: 98.64%)			
Australia 0.36% (30/06/18: 0.51%)			
Nufarm Australia 5.75% 30/04/26	504,000	377	0.36
Austria 0.26% (30/06/18: 0.00%)			
Sappi Papier 3.125% 15/04/26	EUR 302,000	278	0.26
Bahamas 0.18% (30/06/18: 0.16%)			
Silversea Cruise Finance 7.25% 01/02/25	224,000	190	0.18
Belgium 0.00% (30/06/18: 0.12%)			
Bermuda 0.04% (30/06/18: 0.57%)			
IHS Markit 5% 01/11/22	50,000	42	0.04
Canada 4.74% (30/06/18: 4.07%)			
Bausch Health 4.5% 15/05/23	EUR 200,000	182	0.17
Bausch Health 5.5% 01/11/25	234,000	192	0.18
Bausch Health 7% 15/03/24	876,000	734	0.70
Bombardier 7.875% 15/04/27	701,000	552	0.52
Bombardier 8% 01/12/21	300,000	257	0.24
Clearwater Seafoods 6.875% 01/05/25	309,000	245	0.23
Entertainment One 4.625% 15/07/26	GBP 100,000	103	0.10
GFL Environmental 7% 01/06/26	370,000	298	0.28
Kronos Acquisition 9% 15/08/23	507,000	350	0.33
New Red Finance 4.625% 15/01/22	832,000	657	0.62
New Red Finance 5% 15/10/25	358,000	284	0.27
NOVA Chemicals 4.875% 01/06/24	531,000	433	0.41
Parkland Fuel 5.875% 15/07/27	218,000	174	0.16
Precision Drilling 7.125% 15/01/26	113,000	86	0.08
Precision Drilling 7.75% 15/12/23	433,000	348	0.33
Quebecor Media 5.75% 15/01/23	155,000	130	0.12
Cayman Islands 0.70% (30/06/18: 0.83%)			
Avolon 5.25% 15/05/24	200,000	168	0.16
HNA Ecotech Panorama Cayman 8% 15/04/21	375,000	269	0.25
Mizzen BondCo 7% 01/05/21	GBP 142,050	139	0.13
UPCB Finance IV 4% 15/01/27	EUR 180,000	170	0.16
Czech Republic 0.22% (30/06/18: 0.19%)			
Residomo 3.375% 15/10/24	EUR 250,000	233	0.22
Denmark 0.16% (30/06/18: 0.14%)			
Norican 4.5% 15/05/23	EUR 200,000	167	0.16
France 2.16% (30/06/18: 2.81%)			
Altice France 5.625% 15/05/24	EUR 120,000	112	0.11
BNP Paribas 7.195% Perpetual	200,000	170	0.16
BPCE 12.5% Perpetual	EUR 175,000	161	0.15
Casino Guichard Perrachon 4.498% 07/03/24	EUR 300,000	228	0.22
Credit Agricole 7.375% 18/12/23	GBP 150,000	185	0.18
Crown European 3.375% 15/05/25	EUR 195,000	194	0.18
Elis 2.875% 15/02/26	EUR 200,000	192	0.18
Faurecia 2.625% 15/06/25	EUR 191,000	178	0.17
Fnac Darty 2.625% 30/05/26	EUR 100,000	94	0.09
La Financiere Atalian 4% 15/05/24	EUR 200,000	135	0.13
Loxam 2.875% 15/04/26	EUR 100,000	90	0.08

AXA Global High Income Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Mobilux Finance 5.5% 15/11/24	EUR 250,000	231	0.22
Paprec 4% 31/03/25	EUR 233,000	201	0.19
SPCM 2.875% 15/06/23	EUR 123,000	111	0.10
Germany 1.86% (30/06/18: 1.90%)			
CeramTec BondCo 5.25% 15/12/25	EUR 100,000	91	0.09
Consus Real Estate 9.625% 15/05/24	EUR 250,000	219	0.21
IHO Verwaltungs 3.75% 15/09/26	EUR 150,000	136	0.13
Nidda BondCo 5% 30/09/25	EUR 100,000	88	0.08
Nidda Healthcare 3.5% 30/09/24	EUR 250,000	231	0.22
SGL Carbon 4.625% 30/09/24	EUR 100,000	93	0.09
Unitymedia 3.75% 15/01/27	EUR 150,000	142	0.13
Unitymedia 6.125% 15/01/25	895,000	732	0.69
WEPA Hygieneprodukte 3.75% 15/05/24	EUR 250,000	229	0.22
Guernsey 0.11% (30/06/18: 0.10%)			
Summit Germany 2% 31/01/25	EUR 135,000	116	0.11
Ireland 0.45% (30/06/18: 0.34%)			
Ardagh Packaging Finance 4.75% 15/07/27	GBP 150,000	146	0.13
eircom Finance 3.5% 15/05/26	EUR 120,000	111	0.10
Europcar Mobility 4% 30/04/26	EUR 100,000	92	0.09
James Hardie 3.625% 01/10/26	EUR 144,000	137	0.13
Isle of Man 0.17% (30/06/18: 0.00%)			
Playtech 3.75% 12/10/23	EUR 188,000	177	0.17
Italy 1.39% (30/06/18: 1.23%)			
International Design 6.5% 15/11/25	EUR 126,000	113	0.11
Intesa Sanpaolo 7% Perpetual	EUR 200,000	188	0.18
LKQ Italia BondCo 3.875% 01/04/24	EUR 200,000	198	0.19
Rekeep 9% 15/06/22	EUR 169,000	127	0.12
Sisal 7% 31/07/23	EUR 200,000	184	0.17
Telecom Italia 3.25% 16/01/23	EUR 200,000	189	0.18
Telecom Italia 5.875% 19/05/23	GBP 100,000	109	0.10
UniCredit 5.375% Perpetual	EUR 200,000	162	0.15
Wind Tre 3.125% 20/01/25	EUR 225,000	200	0.19
Jersey 0.54% (30/06/18: 0.79%)			
AA Bond 5.5% 31/07/22	GBP 100,000	85	0.08
Avis Budget Finance 4.125% 15/11/24	EUR 211,000	197	0.19
CPUK Finance 4.25% 28/08/22	GBP 200,000	201	0.19
TVL Finance 8.5% 15/05/23	GBP 80,000	83	0.08
Luxembourg 2.82% (30/06/18: 3.69%)			
Aldesa Financial Services 7.25% 01/04/21	EUR 200,000	94	0.09
Altice Financing 5.25% 15/02/23	EUR 100,000	92	0.09
Altice FinCo 4.75% 15/01/28	EUR 106,000	81	0.08
Altice Luxembourg 7.75% 15/05/22	338,000	270	0.26
Arena Luxembourg Finance 2.875% 01/11/24	EUR 100,000	93	0.09
B&M European Value Retail 4.125% 01/02/22	GBP 100,000	101	0.10
Garfunkelux HoldCo 3 7.5% 01/08/22	EUR 193,000	158	0.15
Gazprom 3.125% 17/11/23	EUR 200,000	194	0.18
INEOS 5.375% 01/08/24	EUR 200,000	184	0.17
INEOS 5.625% 01/08/24	600,000	482	0.46
Lincoln Financing 3.625% 01/04/24	EUR 100,000	93	0.09
Matterhorn Telecom 3.875% 01/05/22	EUR 205,000	186	0.18

AXA Global High Income Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Monitchem HoldCo 2 6.875% 15/06/22	EUR 125,000	112	0.11
Monitchem HoldCo 3 5.25% 15/06/21	EUR 100,000	90	0.09
Nielsen Luxembourg 5.5% 01/10/21	198,000	157	0.15
Rossini 6.75% 30/10/25	EUR 200,000	195	0.18
Samsonite FinCo 3.5% 15/05/26	EUR 200,000	182	0.17
Swissport Financing 'Regulation S' 9.75% 15/12/22	EUR 200,000	191	0.18
Mexico 0.34% (30/06/18: 0.30%)			
Cemex 2.75% 05/12/24	EUR 200,000	183	0.17
Nemak 3.25% 15/03/24	EUR 200,000	185	0.17
Netherlands 4.40% (30/06/18: 4.13%)			
CBR Fashion Finance 5.125% 01/10/22	EUR 250,000	223	0.21
Constellium 4.25% 15/02/26	EUR 200,000	184	0.17
Darling Global Finance 3.625% 15/05/26	EUR 210,000	200	0.19
Digi Communications 5% 15/10/23	EUR 111,000	103	0.10
Energizer Gamma Acquisition 4.625% 15/07/26	EUR 100,000	94	0.09
Fiat Chrysler Automobiles 3.75% 29/03/24	EUR 250,000	249	0.24
Hertz Netherlands 5.5% 30/03/23	EUR 200,000	189	0.18
InterXion 4.75% 15/06/25	EUR 143,000	139	0.13
IPD 3 4.5% 15/07/22	EUR 200,000	183	0.17
NN 4.625% 08/04/44	EUR 100,000	102	0.09
OI European 3.125% 15/11/24	EUR 250,000	243	0.23
Schoeller Allibert 8% 01/10/21	EUR 154,000	141	0.13
Selecta 5.875% 01/02/24	EUR 143,000	133	0.13
Sigma HoldCo 5.75% 15/05/26	EUR 192,000	161	0.15
Sigma HoldCo 7.875% 15/05/26	541,000	397	0.38
Starfruit Finco 6.5% 01/10/26	EUR 100,000	90	0.09
Starfruit Finco 8% 01/10/26	325,000	261	0.25
Stars 7% 15/07/26	208,000	174	0.16
Teva Pharmaceutical Finance Netherlands II 1.25% 31/03/23	EUR 200,000	159	0.15
United 4.875% 01/07/24	EUR 200,000	186	0.18
Ziggo 4.25% 15/01/27	EUR 215,000	204	0.19
Ziggo 5.5% 15/01/27	555,000	445	0.42
Ziggo Bond 6% 15/01/27	500,000	396	0.37
Norway 0.39% (30/06/18: 0.20%)			
Aker 4.75% 15/06/24	221,000	179	0.17
Nassa Topco 2.875% 06/04/24	EUR 250,000	231	0.22
Spain 0.27% (30/06/18: 0.47%)			
eDreams ODIGEO 5.5% 01/09/23	EUR 130,000	121	0.11
Grupo-Antolin Irausa 3.25% 30/04/24	EUR 200,000	166	0.16
Sweden 0.26% (30/06/18: 0.23%)			
Intrum 3.125% 15/07/24	EUR 139,000	126	0.12
Radisson Hotel 6.875% 15/07/23	EUR 150,000	147	0.14
United Kingdom 3.63% (30/06/18: 4.45%)			
Arqiva Broadcast Finance 6.75% 30/09/23	GBP 100,000	107	0.10
Arrow Global Finance 5.125% 15/09/24	GBP 150,000	147	0.14
Barclays 7% Perpetual	GBP 200,000	201	0.19
Drax FinCo 4.25% 01/05/22	GBP 200,000	203	0.19
EC Finance 2.375% 15/11/22	EUR 100,000	91	0.09
EI 6.875% 15/02/21	GBP 180,000	191	0.18
HBOS 6% 01/11/33	240,000	220	0.21
HSBC 5.25% Perpetual	EUR 200,000	193	0.18

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	Holding	Market Value £'000	% of Total Net Assets
Investec Bank 4.25% 24/07/28	GBP 140,000	141	0.13
Iron Mountain UK 3.875% 15/11/25	GBP 207,000	204	0.19
Jaguar Land Rover Automotive 5% 15/02/22	GBP 191,000	182	0.17
Jerrold FinCo 6.25% 15/09/21	GBP 140,000	143	0.13
Miller Homes 5.5% 15/10/24	GBP 100,000	100	0.09
Newday BondCo 7.375% 01/02/24	GBP 200,000	193	0.18
Ocado 4% 15/06/24	GBP 180,000	186	0.18
Perform Financing 8.5% 15/11/20	GBP 100,000	101	0.10
Pinewood Finance 3.75% 01/12/23	GBP 200,000	204	0.19
Stonegate Pub Co Financing 4.875% 15/03/22	GBP 200,000	204	0.19
TalkTalk Telecom 5.375% 15/01/22	GBP 197,000	199	0.19
Titan Global Finance 2.375% 16/11/24	EUR 100,000	91	0.09
Travelex Financing 8% 15/05/22	EUR 150,000	134	0.13
Virgin Media Secured Finance 5% 15/04/27	GBP 200,000	206	0.19
Viridian Power and Energy 4.75% 15/09/24	GBP 118,000	119	0.11
Voyage Care BondCo 5.875% 01/05/23	GBP 100,000	97	0.09
United States 70.63% (30/06/18: 71.41%)			
ACCO Brands 5.25% 15/12/24	319,000	254	0.24
ACI Worldwide 5.75% 15/08/26	476,000	391	0.37
Acrisure 8.125% 15/02/24	518,000	423	0.40
AECOM Global II 5% 01/04/22	295,000	239	0.23
Alliance Data Systems 5.25% 15/11/23	EUR 225,000	210	0.20
Alliance Data Systems 5.375% 01/08/22	865,000	691	0.65
Allied Universal Holdco 9.75% 15/07/27	225,000	175	0.17
American Midstream Partners 9.5% 15/12/21	1,025,000	790	0.75
Antero Resources 5.625% 01/06/23	416,000	312	0.30
Ascend Learning 6.875% 01/08/25	398,000	319	0.30
Ascend Learning DDS 6.875% 01/08/25	356,000	286	0.27
Ascent Resources Utica 7% 01/11/26	456,000	328	0.31
Ascent Resources Utica 10% 01/04/22	492,000	409	0.39
Axalta Coating Systems 4.875% 15/08/24	478,000	388	0.37
Bausch Health Americas 9.25% 01/04/26	709,000	624	0.59
Beacon Roofing Supply 6.375% 01/10/23	260,000	213	0.20
Belden 2.875% 15/09/25	EUR 191,000	177	0.17
Berry Global 5.5% 15/05/22	675,000	539	0.51
Berry Petroleum 7% 15/02/26	215,000	164	0.16
Blue Cube Spinco 9.75% 15/10/23	325,000	283	0.27
Blue Cube Spinco 10% 15/10/25	718,000	644	0.61
Blue Racer Midstream 6.125% 15/11/22	776,000	620	0.59
Blue Racer Midstream 6.625% 15/07/26	459,000	364	0.34
Calumet Specialty Products Partners 7.625% 15/01/22	385,000	294	0.28
Catalent Pharma Solutions 4.75% 15/12/24	EUR 221,000	206	0.19
Catalent Pharma Solutions 4.875% 15/01/26	144,000	115	0.11
Catalent Pharma Solutions 5% 15/07/27	143,000	114	0.11
CCO 5.125% 01/05/23	390,000	314	0.30
CCO 5.25% 30/09/22	844,000	675	0.64
CCO 5.75% 15/02/26	245,000	202	0.19
CCO 5.875% 01/05/27	911,000	758	0.72
CDK Global 5.875% 15/06/26	229,000	191	0.18
Centene 6.125% 15/02/24	606,000	500	0.47
Central Garden & Pet 6.125% 15/11/23	179,000	146	0.14
CenturyLink 6.75% 01/12/23	390,000	332	0.31
CenturyLink 6.875% 15/01/28	280,000	221	0.21
Change Healthcare 5.75% 01/03/25	699,000	557	0.53
Charles River Laboratories International 5.5% 01/04/26	204,000	169	0.16
Chesapeake Energy 7% 01/10/24	348,000	246	0.23

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	Holding	Market Value £'000	% of Total Net Assets
Churchill Downs 5.5% 01/04/27	320,000	264	0.25
Cincinnati Bell 7% 15/07/24	588,000	410	0.39
CommScope 5% 15/06/21	100,000	79	0.07
CommScope 6% 01/03/26	342,000	276	0.26
CommScope 8.25% 01/03/27	336,000	269	0.25
Crestwood Midstream Partners 6.25% 01/04/23	530,000	427	0.40
CrownRock 5.625% 15/10/25	715,000	564	0.53
CSC 5.125% 15/12/21	509,000	400	0.38
Cumberland Farms 6.75% 01/05/25	29,000	24	0.02
Curo 8.25% 01/09/25	340,000	222	0.21
DAE Funding 5.25% 15/11/21	326,000	267	0.25
Delek Logistics Partners 6.75% 15/05/25	662,000	517	0.49
Dell International 5.875% 15/06/21	775,000	620	0.59
Dell International 7.125% 15/06/24	540,000	449	0.43
DISH DBS 5.875% 15/07/22	424,000	339	0.32
Dun & Bradstreet 6.875% 15/08/26	210,000	174	0.16
Dun & Bradstreet 10.25% 15/02/27	546,000	453	0.43
Eagle 7.625% 15/05/22	611,000	486	0.46
Eagle 7.75% 15/05/22	484,000	386	0.37
Eldorado Resorts 6% 15/09/26	316,000	271	0.26
Eldorado Resorts 7% 01/08/23	692,000	569	0.54
Energizer 7.75% 15/01/27	312,000	266	0.25
Enova International 8.5% 01/09/24	410,000	309	0.29
Enova International 8.5% 15/09/25	168,000	125	0.12
EnPro Industries 5.75% 15/10/26	298,000	238	0.23
Envision Healthcare 8.75% 15/10/26	449,000	241	0.23
Equinix 2.875% 01/10/25	EUR 300,000	281	0.27
Equinix 5.375% 01/04/23	256,000	206	0.20
Equinix 5.875% 15/01/26	420,000	352	0.33
Everi Payments 7.5% 15/12/25	291,000	240	0.23
Exela Intermediate 10% 15/07/23	896,000	572	0.54
First Data 5.375% 15/08/23	126,000	101	0.10
First Quality Finance 4.625% 15/05/21	340,000	268	0.25
Flex Acquisition 7.875% 15/07/26	459,000	334	0.32
Freedom Mortgage 8.25% 15/04/25	600,000	407	0.39
Freedom Mortgage 10.75% 01/04/24	250,000	184	0.17
Gartner 5.125% 01/04/25	206,000	166	0.16
Genesis Energy 5.625% 15/06/24	285,000	217	0.21
Genesis Energy 6.5% 01/10/25	440,000	340	0.32
Getty Images 9.75% 01/03/27	258,000	209	0.20
Golden Entertainment 7.625% 15/04/26	306,000	248	0.23
Granite Merger Sub 2 11% 15/07/27	363,000	286	0.27
Greystar Real Estate Partners 5.75% 01/12/25	560,000	449	0.43
GTT Communications 7.875% 31/12/24	547,000	351	0.33
Gulfport Energy 6.375% 15/01/26	522,000	313	0.30
Hadrian Merger 8.5% 01/05/26	210,000	158	0.15
HCA 7.5% 15/02/22	570,000	494	0.47
HCA 7.69% 15/06/25	260,000	242	0.23
Hilcorp Energy I 6.25% 01/11/28	508,000	402	0.38
Hill-Rom 5.75% 01/09/23	615,000	501	0.47
Hilton Domestic Operating 4.875% 15/01/30	174,000	141	0.13
Howard Hughes 5.375% 15/03/25	470,000	382	0.36
IAA 5.5% 15/06/27	185,000	151	0.14
Icahn Enterprises 6.25% 15/05/26	361,000	287	0.27
Indigo Natural Resources 6.875% 15/02/26	234,000	166	0.16
Infor US 5.75% 15/05/22	EUR 150,000	135	0.13
Informatica 7.125% 15/07/23	275,000	220	0.21

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	Holding	Market Value £'000	% of Total Net Assets
International Game Technology 4.75% 15/02/23	EUR 200,000	199	0.19
Syneos Health 7.5% 01/10/24	750,000	615	0.58
IQVIA 3.25% 15/03/25	EUR 150,000	138	0.13
IQVIA 4.875% 15/05/23	713,000	578	0.55
Itron 5% 15/01/26	434,000	349	0.33
Jaguar 6.375% 01/08/23	1,024,000	832	0.79
JBS USA LUX 6.75% 15/02/28	691,000	588	0.56
Kenan Adventage 7.875% 31/07/23	1,070,000	759	0.72
KGA Escrow 7.5% 15/08/23	374,000	306	0.29
Koppers 6% 15/02/25	364,000	269	0.25
Kraton Polymers 5.25% 15/05/26	EUR 100,000	93	0.09
LABL 9% 15/04/23	366,000	313	0.30
LABL Escrow Issuer 6.75% 15/07/26	263,000	209	0.20
LABL Escrow Issuer 10.5% 15/07/27	384,000	303	0.29
Lamar Media 5.375% 15/01/24	234,000	189	0.18
Lamb Weston 4.875% 01/11/26	364,000	298	0.28
Level 3 Financing 5.375% 15/08/22	945,000	746	0.71
Level 3 Parent 5.75% 01/12/22	250,000	199	0.19
Levi Strauss & Co 3.375% 15/03/27	EUR 200,000	192	0.18
Live Nation Entertainment 4.875% 01/11/24	642,000	520	0.49
LTF Merger Sub 8.5% 15/06/23	508,000	409	0.39
Match 6.375% 01/06/24	411,000	340	0.32
Matthews International 5.25% 01/12/25	321,000	247	0.23
Mauser Packaging Solutions 5.5% 15/04/24	364,000	286	0.27
Mauser Packaging Solutions 7.25% 15/04/25	945,000	719	0.68
McGraw-Hill Global Education 7.875% 15/05/24	860,000	620	0.59
Meredith 6.875% 01/02/26	416,000	347	0.33
MGM Growth Properties Operating Partnership 5.75% 01/02/27	208,000	176	0.17
MGM Resorts International 6.625% 15/12/21	83,000	71	0.07
MPH Acquisition 7.125% 01/06/24	254,000	186	0.18
MSCI 5.25% 15/11/24	400,000	326	0.31
Mueller Water Products 5.5% 15/06/26	198,000	161	0.15
Multi-Color 4.875% 01/11/25	692,000	573	0.54
Multi-Color 6.125% 01/12/22	1,053,000	856	0.81
National CineMedia 6% 15/04/22	486,000	387	0.37
NCR 4.625% 15/02/21	303,000	239	0.23
NCR 5.875% 15/12/21	603,000	480	0.45
Netflix 4.875% 15/04/28	164,000	134	0.13
New Enterprise Stone & Lime 6.25% 15/03/26	340,000	272	0.26
Nexstar Escrow 5.625% 15/07/27	262,000	211	0.20
Nielsen Finance 5% 15/04/22	272,000	214	0.20
Novelis 6.25% 15/08/24	83,000	69	0.07
NVA 6.875% 01/04/26	475,000	391	0.37
Owens-Brockway Glass Container 5% 15/01/22	254,000	205	0.19
Panther BF Aggregator 2 8.5% 15/05/27	312,000	253	0.24
Parsley Energy 6.25% 01/06/24	838,000	687	0.65
PBF 7% 15/11/23	260,000	212	0.20
PBF Logistics 6.875% 15/05/23	690,000	561	0.53
Pilgrim's Pride 5.875% 30/09/27	318,000	259	0.24
Polaris Intermediate 8.5% 01/12/22	718,000	502	0.47
Post 5.75% 01/03/27	512,000	416	0.39
PQ 5.75% 15/12/25	408,000	326	0.31
PQ 6.75% 15/11/22	418,000	341	0.32
Prestige Brands 5.375% 15/12/21	250,000	198	0.19
Prestige Brands 6.375% 01/03/24	804,000	664	0.63
Prime Security Services Borrower 9.25% 15/05/23	661,000	547	0.52
Rackspace Hosting 8.625% 15/11/24	866,000	626	0.59

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	Holding	Market Value £'000	% of Total Net Assets
Rayonier AM Products 5.5% 01/06/24	742,000	499	0.47
Realogy 9.375% 01/04/27	438,000	307	0.29
Refinitiv US 4.5% 15/05/26	EUR 100,000	91	0.09
Refinitiv US 6.875% 15/11/26	EUR 100,000	91	0.09
Refinitiv US 8.25% 15/11/26	357,000	289	0.27
Reynolds 5.75% 15/10/20	203,513	161	0.15
Reynolds 5.80338% 15/07/21	646,000	509	0.48
Rite Aid 6.125% 01/04/23	628,000	410	0.39
SBA Communications 4.875% 01/09/24	334,000	271	0.26
Scientific Games International 5.5% 15/02/26	EUR 337,000	291	0.27
Scientific Games International 10% 01/12/22	519,000	429	0.41
SemGroup 5.625% 15/07/22	353,000	274	0.26
SemGroup 5.625% 15/11/23	335,000	253	0.24
Service 5.375% 15/05/24	112,000	91	0.09
Sinclair Television 5.375% 01/04/21	19,000	15	0.01
Sirius XM Radio 4.625% 15/07/24	400,000	321	0.30
Sirius XM Radio 5.5% 01/07/29	312,000	252	0.24
SM Energy 6.75% 15/09/26	265,000	196	0.18
Solera 10.5% 01/03/24	987,000	843	0.80
Sophia 9% 30/09/23	1,300,000	1,058	1.00
Sotera Health 6.5% 15/05/23	492,000	390	0.37
Sotera Health Topco 8.125% 01/11/21	883,000	694	0.66
Southern Star Central 5.125% 15/07/22	825,000	655	0.62
Southwestern Energy 7.75% 01/10/27	295,000	221	0.21
Spectrum Brands 6.625% 15/11/22	199,000	161	0.15
Sprint 7.125% 15/06/24	274,000	227	0.21
Sprint 7.625% 01/03/26	268,000	224	0.21
Sprint 7.875% 15/09/23	392,000	335	0.32
Sprint Capital 8.75% 15/03/32	564,000	515	0.49
Sprint Communications 7% 15/08/20	170,000	139	0.13
SS&C Technologies 5.5% 30/09/27	478,000	391	0.37
Standard Industries 5.5% 15/02/23	1,003,000	809	0.77
Standard Industries 6% 15/10/25	501,000	418	0.40
Summit Materials 6.125% 15/07/23	806,000	643	0.61
Summit Midstream 5.5% 15/08/22	529,000	400	0.38
Superior Industries International 6% 15/06/25	EUR 100,000	77	0.07
Surgery Center 6.75% 01/07/25	441,000	302	0.29
Surgery Center 10% 15/04/27	534,000	420	0.40
Tapstone Energy 9.75% 01/06/22	264,000	146	0.14
Targa Resources Partners 6.75% 15/03/24	815,000	666	0.63
Team Health 6.375% 01/02/25	454,000	270	0.26
Tenet Healthcare 5.125% 01/05/25	212,000	169	0.16
Tenet Healthcare 7% 01/08/25	214,000	169	0.16
T-Mobile USA 6% 01/03/23	498,000	401	0.38
T-Mobile USA 6% 15/04/24	336,000	276	0.26
T-Mobile USA 6.375% 01/03/25	350,000	286	0.27
TransDigm 6% 15/07/22	1,066,000	851	0.81
TransDigm 6.25% 15/03/26	521,000	431	0.41
Triumph 7.75% 15/08/25	313,000	239	0.23
UGI International 3.25% 01/11/25	EUR 100,000	95	0.09
Unisys 10.75% 15/04/22	275,000	239	0.23
Univar USA 6.75% 15/07/23	881,000	707	0.67
Univision Communications 6.75% 15/09/22	341,000	273	0.26
Verscend Escrow 9.75% 15/08/26	418,000	346	0.33
Vizient 6.25% 15/05/27	104,000	86	0.08
Watco 6.375% 01/04/23	1,075,000	859	0.81
Welbilt 9.5% 15/02/24	779,000	658	0.62

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	Holding	Market Value £'000	% of Total Net Assets
West Street Merger Sub 6.375% 01/09/25	381,000	280	0.26
Whiting Petroleum 6.625% 15/01/26	215,000	164	0.15
Zayo 5.75% 15/01/27	463,000	371	0.35
Zayo 6% 01/04/23	450,000	364	0.34
TOTAL CORPORATE BONDS		**101,477**	**96.08**
COLLECTIVE INVESTMENT SCHEMES 0.47% (30/06/18: 0.37%)			
Luxembourg 0.47% (30/06/18: 0.37%)			
AXA World Funds - Asian High Yield Bonds*	5,300	494	0.47
TOTAL COLLECTIVE INVESTMENT SCHEMES		**494**	**0.47**
FORWARD CURRENCY CONTRACTS (1.23%) (30/06/18: (3.32%))			
Bought USD3,900,000 for GBP3,081,898 Settlement 31/07/2019		(12)	(0.01)
Sold EUR8,300,000 for GBP7,205,155 Settlement 31/07/2019		(248)	(0.23)
Sold EUR4,800,000 for GBP4,252,347 Settlement 30/08/2019		(63)	(0.06)
Sold EUR4,300,000 for GBP3,866,676 Settlement 27/09/2019		(3)	-
Sold USD52,200,000 for GBP40,107,075 Settlement 31/07/2019		(977)	(0.93)
Sold USD34,700,000 for GBP27,252,542 Settlement 30/08/2019		(24)	(0.02)
Sold USD24,000,000 for GBP18,863,372 Settlement 27/09/2019		19	0.02
TOTAL FORWARD CURRENCY CONTRACTS		**(1,308)**	**(1.23)**
Portfolio of investments		100,663	95.32
Net other assets		4,938	4.68
Total net assets		**105,601**	**100.00**

**The Fund invests in the AXA World Funds - Asian High Yield Bonds Fund which is related party to the Fund.*

All bonds are denominated in US dollars (unless otherwise indicated).

At 30 June 2019, there were no investments in the Fund which were valued using a quote from a single broker (30/06/18 : £nil).

AXA Global High Income Fund

Comparative Tables

As at 30 June 2019

	A Net Income			A Gross Income		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	88.16	91.68	85.70	88.13	91.66	85.66
Return before operating charges ^	1.49	1.67	11.99	4.46	1.65	12.01
Operating charges ^	(0.12)	(0.46)	(0.46)	(0.42)	(0.46)	(0.46)
Return after operating charges ^	1.37	1.21	11.53	4.04	1.19	11.55
Transfer to gross share class	(88.28)	-	-	-	-	-
Distributions	(1.25)	(4.73)	(5.55)	(4.85)	(4.72)	(5.55)
Closing net asset value per share †	-	88.16	91.68	87.32	88.13	91.66
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.55%	1.32%	13.45%	4.58%	1.30%	13.48%
Other information						
Closing net asset value (£) †	-	16,416	34,722	198,300	185,956	204,877
Closing number of shares	-	18,621	37,871	227,095	210,993	223,529
Operating charges ^	-	0.50%	0.51%	0.48%	0.50%	0.51%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	90.29	93.46	93.50	90.24	93.43	93.47
Lowest share price #	88.28	88.83	86.44	83.54	88.81	86.42

	A Net Accumulation			A Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	109.55	108.17	95.79	113.38	111.96	98.47
Return before operating charges ^	1.80	1.94	13.60	5.95	1.99	14.04
Operating charges ^	(0.15)	(0.56)	(0.53)	(0.56)	(0.57)	(0.55)
Return after operating charges ^	1.65	1.38	13.07	5.39	1.42	13.49
Transfer to gross share class	(111.20)	-	-	-	-	-
Distributions	(1.55)	(5.68)	(6.31)	(6.38)	(5.88)	(6.52)
Retained distributions on accumulation shares	1.55	5.68	5.62	6.38	5.88	6.52
Closing net asset value per share †	-	109.55	108.17	118.77	113.38	111.96
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.51%	1.28%	13.64%	4.75%	1.27%	13.70%
Other information						
Closing net asset value (£) †	-	30,710,014	3,784,043	29,018,256	924,031	933,143
Closing number of shares	-	28,034,145	3,498,366	24,432,836	814,955	833,484
Operating charges ^	-	0.50%	0.51%	0.48%	0.50%	0.51%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	112.40	111.60	108.90	119.60	115.50	112.70
Lowest share price #	109.80	108.50	96.61	110.30	112.30	99.33

AXA Global High Income Fund

Comparative Tables

As at 30 June 2019

	H Net Accumulation			H Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	194.17	190.87	168.35	224.70	220.81	193.53
Return before operating charges ^	3.25	3.40	23.93	11.82	4.00	27.41
Operating charges ^	(0.02)	(0.10)	(0.11)	(0.07)	(0.11)	(0.13)
Return after operating charges ^	3.23	3.30	23.82	11.75	3.89	27.28
Return to Shareholders	(197.40)	-	-	-	-	-
Distributions	(2.98)	(10.91)	(11.94)	(13.76)	(12.69)	(13.60)
Retained distributions on accumulation shares	2.98	10.91	10.64	13.76	12.69	13.60
Closing net asset value per share †	-	194.17	190.87	236.45	224.70	220.81
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.66%	1.73%	14.15%	5.23%	1.76%	14.10%
Other information						
Closing net asset value (£) †	-	9,708	9,543	11,823	11,235	11,041
Closing number of shares	-	5,000	5,000	5,000	5,000	5,000
Operating charges ^	-	0.05%	0.06%	0.03%	0.05%	0.06%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	199.50	197.50	192.20	238.00	228.60	222.30
Lowest share price #	194.60	191.50	169.80	219.00	221.50	195.00

	R Net Income			R Gross Income		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	81.79	85.05	79.50	92.25	95.93	89.66
Return before operating charges ^	1.30	1.55	11.12	4.67	1.74	12.55
Operating charges ^	(0.31)	(1.11)	(1.10)	(1.17)	(1.25)	(1.24)
Return after operating charges ^	0.99	0.44	10.02	3.50	0.49	11.31
Transfer to gross share class	(81.79)	-	-	-	-	-
Distributions	(0.99)	(3.70)	(4.47)	(4.34)	(4.17)	(5.04)
Closing net asset value per share †	-	81.79	85.05	91.41	92.25	95.93
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.21%	0.52%	12.60%	3.79%	0.51%	12.61%
Other information						
Closing net asset value (£) †	-	2,496,750	3,020,926	3,979,957	1,984,936	2,314,274
Closing number of shares	-	3,052,792	3,551,962	4,353,798	2,151,760	2,412,448
Operating charges ^	-	1.30%	1.31%	1.28%	1.30%	1.31%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	83.51	86.56	86.58	94.27	97.64	97.66
Lowest share price #	81.79	82.24	80.19	87.45	92.76	90.45

AXA Global High Income Fund

Comparative Tables

As at 30 June 2019

	R Net Accumulation			R Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	218.33	217.29	193.80	214.21	213.21	189.04
Return before operating charges ^	3.79	3.90	27.44	11.15	3.81	26.85
Operating charges ^	(0.82)	(2.86)	(2.71)	(2.79)	(2.81)	(2.68)
Return after operating charges ^	2.97	1.04	24.73	8.36	1.00	24.17
Transfer to gross share class	(221.30)	-	-	-	-	-
Distributions	(2.65)	(9.60)	(11.06)	(10.26)	(9.42)	(10.84)
Retained distributions on accumulation shares	2.65	9.60	9.82	10.26	9.42	10.84
Closing net asset value per share †	-	218.33	217.29	222.57	214.21	213.21
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.36%	0.48%	12.76%	3.90%	0.47%	12.79%
Other information						
Closing net asset value (£) †	-	20,052,858	17,653,129	17,607,343	2,007,147	2,709,528
Closing number of shares	-	9,184,715	8,124,045	7,910,990	936,988	1,270,824
Operating charges ^	-	1.30%	1.31%	1.28%	1.30%	1.31%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	223.70	223.20	218.90	224.10	219.00	214.80
Lowest share price #	218.80	216.90	195.40	207.50	212.80	190.60

	Z Net Income			Z Gross Income		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	91.67	95.33	89.10	97.80	101.71	95.04
Return before operating charges ^	1.55	1.72	12.48	4.95	1.84	13.34
Operating charges ^	(0.14)	(0.52)	(0.53)	(0.51)	(0.56)	(0.56)
Return after operating charges ^	1.41	1.20	11.95	4.44	1.28	12.78
Transfer to gross share class	(91.79)	-	-	-	-	-
Distributions	(1.29)	(4.86)	(5.72)	(5.34)	(5.19)	(6.11)
Closing net asset value per share †	-	91.67	95.33	96.90	97.80	101.71
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.54%	1.26%	13.41%	4.54%	1.26%	13.45%
Other information						
Closing net asset value (£) †	-	22,796,906	23,095,341	22,962,209	2,950,971	3,212,076
Closing number of shares	-	24,869,749	24,227,005	23,697,726	3,017,445	3,158,224
Operating charges ^	-	0.55%	0.56%	0.53%	0.55%	0.56%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	93.86	97.16	97.20	100.10	103.60	103.70
Lowest share price #	91.79	92.35	89.88	92.71	98.53	95.89

AXA Global High Income Fund

Comparative Tables

As at 30 June 2019

	Z Net Accumulation			Z Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	196.18	193.81	171.75	211.96	209.40	184.27
Return before operating charges ^	3.22	3.46	24.34	10.96	3.73	26.25
Operating charges ^	(0.30)	(1.09)	(1.04)	(1.15)	(1.17)	(1.12)
Return after operating charges ^	2.92	2.37	23.30	9.81	2.56	25.13
Transfer to gross share class	(199.10)	-	-	-	-	-
Distributions	(2.76)	(10.07)	(11.22)	(11.80)	(10.88)	(12.10)
Retained distributions on accumulation shares	2.76	10.07	9.98	11.80	10.88	12.10
Closing net asset value per share †	-	196.18	193.81	221.77	211.96	209.40
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.49%	1.22%	13.57%	4.63%	1.22%	13.64%
Other information						
Closing net asset value (£) †	-	28,211,557	31,131,414	31,823,482	2,493,489	3,058,618
Closing number of shares	-	14,380,635	16,063,261	14,349,530	1,176,389	1,460,677
Operating charges ^	-	0.55%	0.56%	0.53%	0.55%	0.56%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	201.20	199.90	195.10	223.30	216.00	210.80
Lowest share price #	196.60	194.40	173.20	206.00	210.00	185.80

+ Net share classes converted into gross share classes on 12 October 2018.

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the sub-fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the average Net Asset Value for the accounting year.

AXA Global High Income Fund

Statement of Total Return
For the year ended 30 June 2019

	Note	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Income:					
Net capital losses	2		(925)		(4,631)
Revenue	3	6,486		5,992	
Expenses	4	(748)		(763)	
Interest payable and similar charges		(3)		(2)	
Net revenue before taxation		5,735		5,227	
Taxation	5	-		-	
Net revenue after taxation			5,735		5,227
Total return before distributions			4,810		596
Distributions	6		(5,735)		(5,227)
Change in net assets attributable to Shareholders from investment activities			**(925)**		**(4,631)**

Statement of Change in Net Assets Attributable to Shareholders
For the year ended 30 June 2019

	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Opening net assets attributable to Shareholders		114,852		91,173
Amounts receivable on issue of shares	12,386		48,393	
Amounts payable on cancellation of shares	(24,904)		(24,073)	
		(12,518)		24,320
Change in net assets attributable to Shareholders from investment activities (see above)		(925)		(4,631)
Retained distributions on accumulation shares		4,191		3,990
Unclaimed distributions		1		-
Closing net assets attributable to Shareholders		**105,601**		**114,852**

AXA Global High Income Fund

Balance Sheet

As at

	Note	30/06/19 £'000	30/06/18 £'000
Assets:			
Fixed assets:			
Investments		101,990	113,721
Current assets:			
Debtors	7	2,789	1,938
Cash and bank balances	8	5,329	4,121
Total assets		**110,108**	**119,780**
Liabilities:			
Investment liabilities		(1,327)	(3,814)
Creditors:			
Distribution payable		(370)	(428)
Other creditors	9	(2,810)	(686)
Total liabilities		**(4,507)**	**(4,928)**
Net assets attributable to Shareholders		**105,601**	**114,852**

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2019

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 207 - 209.

2. Net capital losses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
The net capital losses comprise:		
Non-derivative securities	3,776	(3,678)
Currency gains/(losses)	1,024	(11)
Forward currency contracts	(5,718)	(936)
Transaction charges	(7)	(6)
Net capital losses	**(925)**	**(4,631)**

3. Revenue

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Bank interest	31	18
Interest on debt securities	6,432	5,972
Offshore funds dividends	23	2
Total revenue	**6,486**	**5,992**

4. Expenses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual Management Charge	697	718
Registration fees	8	9
	705	727
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	21	21
Safe custody fees	5	5
	26	26
Other expenses		
Audit fees	9	9
Printing fees	8	1
	17	10
Total expenses	**748**	**763**

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2019

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (1900: 20%) is applied to the net revenue before taxation. The differences are explained below:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Net revenue before taxation	5,735	5,227
Net revenue for the year multiplied by the standard rate of corporation tax	1,147	1,045
Effects of:		
Tax deductible interest distributions	(1,147)	(1,045)
Current tax charge for the year	**-**	**-**

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (2018: £nil) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
First interim	1,509	1,159
Second interim	1,527	1,486
Third interim	1,246	1,349
Final	1,416	1,584
Add: Revenue paid on cancellation of shares	321	130
Deduct: Revenue received on creation of shares	(284)	(481)
Net distribution for the year	**5,735**	**5,227**

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2019

7. Debtors	30/06/19 £'000	30/06/18 £'000
Amounts receivable for creation of shares	74	36
Sales awaiting settlement	1,093	-
Accrued revenue	1,622	1,902
Total debtors	**2,789**	**1,938**

8. Cash and bank balances	30/06/19 £'000	30/06/18 £'000
Cash and bank balances	5,329	4,121
Total cash and bank balances	**5,329**	**4,121**

9. Other creditors	30/06/19 £'000	30/06/18 £'000
Amounts payable for cancellation of shares	167	129
Purchases awaiting settlement	2,560	474
Accrued Annual Management Charge	52	60
Accrued other expenses	31	23
Total other creditors	**2,810**	**686**

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no Shareholdings in the Company at the year end.

As at 30 June 2019 material shareholders have holdings totalling 26.57% (30/06/2018: 26.60%) of the Funds' shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

During the current year AXA Fixed Interest ICVC AXA Global High Income Fund held AXA World Funds Asian High Yield Bonds. Revenue from this holding are shown within Note 3 as Offshore funds dividends. As at 30/06/19 total revenue earned amounts to £22,594 (30/06/18: £1,625).

The Sub-fund holds 5,300 shares (30/06/18: 5,300 shares) in AXA World Funds Asian High Yield Bonds as detailed in the portfolio statement, the total purchase cost of these investments during the year was nil (30/06/18: nil), the total sales proceeds were nil (30/06/18: nil).

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2019

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's Annual Management Charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/18	Issued	Cancelled	Converted	30/06/19
A Net Income +	0.45	18,621	286	(5,868)	(13,039)	-
A Gross Income	0.45	210,993	18,246	(15,191)	13,047	227,095
A Net Accumulation +	0.45	28,034,145	193,980	(2,245,313)	(25,982,812)	-
A Gross Accumulation	0.45	814,955	1,768,311	(3,252,851)	25,102,421	24,432,836
H Net Accumulation +	Nil	5,000	-	(5,000)	-	-
H Gross Accumulation	Nil	5,000	-	-	-	5,000
R Net Income +	1.25	3,052,792	1,154	(155,842)	(2,898,104)	-
R Gross Income	1.25	2,151,760	54,601	(328,049)	2,475,486	4,353,798
R Net Accumulation +	1.25	9,184,715	21,868	(1,998,828)	(7,207,755)	-
R Gross Accumulation	1.25	936,988	624,907	(987,374)	7,336,469	7,910,990
Z Net Income +	0.50	24,869,749	826,849	(936,512)	(24,760,086)	-
Z Gross Income	0.50	3,017,445	1,687,618	(4,306,245)	23,298,908	23,697,726
Z Net Accumulation +	0.50	14,380,635	371,582	(549,941)	(14,202,276)	-
Z Gross Accumulation	0.50	1,176,389	2,676,051	(2,669,078)	13,166,168	14,349,530

+ Net share classes converted into gross share classes on 12 October 2018.

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2018: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2018).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £10,197,103 (2018: £11,372,064). A 10% decrease would have an equal and opposite effect.

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
Currency	**30/06/19 £'000**	**30/06/18 £'000**
Euro	(9)	(422)
Swiss franc	-	67
US dollar	95	(819)
Total foreign currency exposure	86	(1,174)

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

The table below shows the interest rate risk profile at the balance sheet date:

Currency Assets	**Floating rate financial assets £'000**	**Fixed rate financial assets £'000**	**Financial assets not carrying interest £'000**	**Total £'000**
30/06/19				
Pound sterling	1,946	4,280	2,223	8,449
Euro	378	15,249	-	15,627
US dollar	3,514	81,439	1,079	86,032
Total	**5,838**	**100,968**	**3,302**	**110,108**
30/06/18				
Pound sterling	1,581	5,042	542	7,165
Euro	480	17,225	235	17,940
Swiss franc	67	-	-	67
US dollar	2,207	90,816	1,585	94,608
Total	**4,335**	**113,083**	**2,362**	**119,780**

Currency Liabilities	**Floating rate financial liabilities £'000**	**Fixed rate financial liabilities £'000**	**Financial liabilities not carrying interest £'000**	**Total £'000**
30/06/19				
Euro	-	-	(313)	(313)
US dollar	-	-	(3,287)	(3,287)
Total	**-**	**-**	**(4,507)**	**(4,507)**
30/06/18				
Pound sterling	-	-	(639)	(639)
Euro	-	-	(277)	(277)
US dollar	-	-	(4,012)	(4,012)
Total	**-**	**-**	**(4,928)**	**(4,928)**

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £2,293,000 (2018: £3,875,000) A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each sub-fund.

Transactions in securities may expose the Fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/19 Market Value £'000	%	30/06/18 Market Value £'000	%
Investment grade	4,442	4.21	1,377	1.19
Speculative grade	94,065	89.06	108,731	95.85
Unrated	2,970	2.81	3,190	2.79
Total value of bonds	**101,477**	**96.08**	**113,298**	**99.83**

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties as at 30 June 2019 was as follows:

(a) Forwards	30/06/19 Exposure £'000	30/06/18 Exposure £'000
Barclays Bank	31,592	35,915
Credit Suisse	22,714	54,669
Societe Generale	51,606	23,152
Total value of derivatives	**105,912**	**113,736**

14. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2019.

At the balance sheet date the average portfolio dealing spread was 0.79% (2018: 0.81%).

15. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

AXA Global High Income Fund

Notes to the Financial Statements

For the year ended 30 June 2019

16. Fair value disclosure

	30/06/19		30/06/18	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£'000**	**£'000**	**£'000**	**£'000**
Level 1 ^	-	-	-	-
Level 2 ^^	101,990	(1,327)	113,721	(3,814)
Level 3 ^^^	-	-	-	-
	101,990	**(1,327)**	**113,721**	**(3,814)**

^ Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^^ Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^^^ Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

AXA Global High Income Fund

Distribution Table

As at 30 June 2019

First Distribution in pence per share

Group 1 Shares purchased prior to 1 July 2018

Group 2 Shares purchased on or after 1 July 2018 to 30 September 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 30/11/18 (p)	Distribution paid 30/11/17 (p)
Share Class A Net Income				
Group 1	1.248	-	1.248	1.171
Group 2	1.248	-	1.248	1.171
Share Class A Gross Income				
Group 1	1.250	-	1.250	1.170
Group 2	0.000	1.250	1.250	1.170
Share Class A Net Accumulation				
Group 1	1.553	-	1.553	1.380
Group 2	0.585	0.968	1.553	1.380
Share Class A Gross Accumulation				
Group 1	1.608	-	1.608	1.428
Group 2	0.915	0.693	1.608	1.428
Share Class H Net Accumulation				
Group 1	2.978	-	2.978	2.653
Group 2	2.978	-	2.978	2.653
Share Class H Gross Accumulation				
Group 1	3.479	-	3.479	3.080
Group 2	3.479	-	3.479	3.080
Share Class R Net Income				
Group 1	0.993	-	0.993	0.913
Group 2	0.336	0.657	0.993	0.913
Share Class R Gross Income				
Group 1	1.121	-	1.121	1.029
Group 2	1.121	-	1.121	1.029
Share Class R Net Accumulation				
Group 1	2.652	-	2.652	2.331
Group 2	1.576	1.076	2.652	2.331
Share Class R Gross Accumulation				
Group 1	2.601	-	2.601	2.287
Group 2	1.591	1.010	2.601	2.287
Share Class Z Net Income				
Group 1	1.289	-	1.289	1.204
Group 2	0.490	0.799	1.289	1.204
Share Class Z Gross Income				
Group 1	1.375	-	1.375	1.285
Group 2	0.482	0.893	1.375	1.285

AXA Global High Income Fund

Distribution Table

As at 30 June 2019

Share Class Z Net Accumulation				
Group 1	2.756	-	2.756	2.447
Group 2	1.225	1.531	2.756	2.447
Share Class Z Gross Accumulation				
Group 1	2.977	-	2.977	2.644
Group 2	1.193	1.784	2.977	2.644

Second Distribution in pence per share

Group 1 Shares purchased prior to 1 October 2018

Group 2 Shares purchased on or after 1 October 2018 to 31 December 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 28/02/19 (p)	Distribution paid 28/02/18 (p)
Share Class A Net Income +				
Group 1	-	-	-	1.186
Group 2	-	-	-	1.186
Share Class A Gross Income				
Group 1	1.298	-	1.298	1.184
Group 2	0.613	0.685	1.298	1.184
Share Class A Net Accumulation +				
Group 1	-	-	-	1.414
Group 2	-	-	-	1.414
Share Class A Gross Accumulation				
Group 1	1.693	-	1.693	1.464
Group 2	0.934	0.759	1.693	1.464
Share Class H Net Accumulation +				
Group 1	-	-	-	2.718
Group 2	-	-	-	2.718
Share Class H Gross Accumulation				
Group 1	3.626	-	3.626	3.158
Group 2	3.626	-	3.626	3.158
Share Class R Net Income +				
Group 1	-	-	-	0.927
Group 2	-	-	-	0.927
Share Class R Gross Income				
Group 1	1.170	-	1.170	1.045
Group 2	0.146	1.024	1.170	1.045
Share Class R Net Accumulation +				
Group 1	-	-	-	2.392
Group 2	-	-	-	2.392
Share Class R Gross Accumulation				
Group 1	2.747	-	2.747	2.347
Group 2	2.106	0.641	2.747	2.347

AXA Global High Income Fund

Distribution Table

As at 30 June 2019

Share Class Z Net Income +				
Group 1	-	-	-	1.220
Group 2	-	-	-	1.220
Share Class Z Gross Income				
Group 1	1.428	-	1.428	1.301
Group 2	0.764	0.664	1.428	1.301
Share Class Z Net Accumulation +				
Group 1	-	-	-	2.509
Group 2	-	-	-	2.509
Share Class Z Gross Accumulation				
Group 1	3.135	-	3.135	2.711
Group 2	1.465	1.670	3.135	2.711

Third Distribution in pence per share

Group 1 Shares purchased prior to 1 January 2019

Group 2 Shares purchased on or after 1 January 2019 to 31 March 2019

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/05/19 (p)	Distribution paid 31/05/18 (p)
Share Class A Net Income +				
Group 1	-	-	-	1.094
Group 2	-	-	-	1.094
Share Class A Gross Income				
Group 1	1.082	-	1.082	1.091
Group 2	0.875	0.207	1.082	1.091
Share Class A Net Accumulation +				
Group 1	-	-	-	1.320
Group 2	-	-	-	1.320
Share Class A Gross Accumulation				
Group 1	1.433	-	1.433	1.366
Group 2	0.552	0.881	1.433	1.366
Share Class H Net Accumulation +				
Group 1	-	-	-	2.552
Group 2	-	-	-	2.552
Share Class H Gross Accumulation				
Group 1	3.101	-	3.101	2.979
Group 2	3.101	-	3.101	2.979
Share Class R Net Income +				
Group 1	-	-	-	0.844
Group 2	-	-	-	0.844
Share Class R Gross Income				
Group 1	0.957	-	0.957	0.952
Group 2	0.129	0.828	0.957	0.952

AXA Global High Income Fund

Distribution Table

As at 30 June 2019

Share Class R Net Accumulation +				
Group 1	-	-	-	2.202
Group 2	-	-	-	2.202
Share Class R Gross Accumulation				
Group 1	2.277	-	2.277	2.160
Group 2	0.899	1.378	2.277	2.160
Share Class Z Net Income +				
Group 1	-	-	-	1.123
Group 2	-	-	-	1.123
Share Class Z Gross Income				
Group 1	1.189	-	1.189	1.198
Group 2	0.652	0.537	1.189	1.198
Share Class Z Net Accumulation +				
Group 1	-	-	-	2.340
Group 2	-	-	-	2.340
Share Class Z Gross Accumulation				
Group 1	2.651	-	2.651	2.528
Group 2	0.775	1.876	2.651	2.528

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 April 2019

Group 2 Shares purchased on or after 1 April 2019 to 30 June 2019

	Gross revenue (p)	Equalisation (p)	Distribution payable 31/08/19 (p)	Distribution paid 31/08/18 (p)
Share Class A Net Income +				
Group 1	-	-	-	1.278
Group 2	-	-	-	1.278
Share Class A Gross Income				
Group 1	1.225	-	1.225	1.277
Group 2	1.023	0.202	1.225	1.277
Share Class A Net Accumulation +				
Group 1	-	-	-	1.564
Group 2	-	-	-	1.564
Share Class A Gross Accumulation				
Group 1	1.643	-	1.643	1.619
Group 2	0.347	1.296	1.643	1.619
Share Class H Net Accumulation +				
Group 1	-	-	-	2.990
Group 2	-	-	-	2.990
Share Class H Gross Accumulation				
Group 1	3.552	-	3.552	3.474
Group 2	3.552	-	3.552	3.474

AXA Global High Income Fund

Distribution Table

As at 30 June 2019

Share Class R Net Income +				
Group 1	-	-	-	1.016
Group 2	-	-	-	1.016
Share Class R Gross Income				
Group 1	1.097	-	1.097	1.146
Group 2	0.813	0.284	1.097	1.146
Share Class R Net Accumulation +				
Group 1	-	-	-	2.678
Group 2	-	-	-	2.678
Share Class R Gross Accumulation				
Group 1	2.639	-	2.639	2.628
Group 2	1.503	1.136	2.639	2.628
Share Class Z Net Income +				
Group 1	-	-	-	1.316
Group 2	-	-	-	1.316
Share Class Z Gross Income				
Group 1	1.347	-	1.347	1.404
Group 2	0.631	0.716	1.347	1.404
Share Class Z Net Accumulation +				
Group 1	-	-	-	2.776
Group 2	-	-	-	2.776
Share Class Z Gross Accumulation				
Group 1	3.040	-	3.040	2.999
Group 2	1.715	1.325	3.040	2.999

+ Net share classes converted into gross share classes on 12 October 2018.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Investment Objective

The aim of the Fund is to provide income combined with any capital growth.

Investment Policy

The Fund invests predominantly in a diversified portfolio of bonds (including index-linked bonds) issued by companies and governments globally (including in emerging markets) where the period for full repayment of the bond by the company or government is expected to be less than 5 years. The Fund aims to reduce the effect of fluctuations in interest rates and the frequency and magnitude of market movements while generating income.

The Fund may invest up to 60% in high yield bonds. The Fund manager seeks to reduce the effect of credit risk through diversification and its analysis and selection of bonds. Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets).

The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

Risk and Reward Profile

As at 30 June 2019

Lower Risk **Higher Risk**

Potentially lower reward Potentially higher reward

1	**2**	3	4	5	6	7

The risk category is based on simulated performance or performance of funds of this type and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation under normal market conditions but, which may still result in losses.

Additional risks

Under normal market conditions the Fund’s key risk factors are:

● Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody’s, Standard & Poor’s and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody’s), AAA (Standard & Poor’s and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate “investment grade” bonds as Baa3 or above (Moody’s) or BBB- or above (Standard & Poor’s or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund’s investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

● Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

● Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

● Index-linked bonds risk - index-linked bonds are fixed interest securities whose capital repayment amounts and interest payments are adjusted in line with movements in inflation indices. They are designed to mitigate the effects of inflation on the value of a portfolio. The market value of index-linked bonds is determined by the market's expectations of future movements in both interest rates and inflation rates.

As with other bonds, the value of index-linked bonds will generally fall when expectations of interest rates rise and vice versa. However, when the market anticipates a rise in inflation rates, index-linked bonds will generally outperform other bonds, and vice versa.

Index-linked bonds bought in the secondary market (i.e., not directly from the issuer) whose capital values have been adjusted upward due to inflation since issuance, may decline in value if there is a subsequent period of deflation.

Due to the sensitivity of these bonds to interest rates and expectations of future inflation, there is no guarantee that the value of these bonds will correlate with inflation rates in the short to medium term.

Index-linked bonds risk is an inherent risk of investing in index-linked bonds. Exposure to this risk is managed by the allocation decision on the proportion of the portfolio to invest in index-linked bonds, as well as the amount of remaining maturity of these bonds, which will affect their sensitivity in value, to changes in expected inflation levels.

● High yield bonds risk - high yield bonds (also known as sub-investment grade bonds) are fixed interest securities issued by companies or governments with lower credit ratings (Ba1 and below (Moody's) or BB+ and below (Standard & Poor's and Fitch Ratings)). They are potentially more risky than investment grade bonds which have higher ratings. The issuers of high yield bonds will be at greater risk of default or ratings downgrades. The capital value of the Fund's investment in high yield bonds and the level of income it receives may fall as a result of such issuers ceasing to trade. The Fund will endeavour to mitigate the risks associated with high yield bonds, by diversifying their holdings by issuer, industry and credit quality.

This is an inherent risk for Funds invested within high yield bonds. Internal investment guidelines (which may include measures of credit quality, measures of sensitivity to credit spread moves and diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual Fund's investment objectives and investment policy.

● Risks linked to investment in sovereign debt - the Funds may invest in bonds issued by countries and governments (sovereign debt). The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the capital and/or interest when due in accordance with the terms of such debt. In such a scenario, the value of investments of the Funds may be adversely affected. A governmental entity's willingness or ability to repay capital and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest on their debt. In addition, there are no bankruptcy proceedings for such issuers under which money to pay the debt obligations may be collected in whole or in part. Holders may be requested to participate in the rescheduling of such sovereign debt and to extend further loans to the issuers.

Certain countries are especially large debtors to commercial banks and foreign governments. Investment in sovereign debt issued or guaranteed by such countries (or their governments or governmental entities) involves a higher degree of risk than investment in other sovereign debt.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Certain Funds may be further subject to the risk of high concentration in bonds issued by and/or guaranteed by a single sovereign issuer which is below investment grade and/or unrated which is also subject to higher credit risk. In the event of a default of the sovereign issuer, the Fund may suffer significant loss.

This is an inherent risk for Funds invested within sovereign bonds. Internal investment guidelines, scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual Fund's investment objectives and investment policy.

● Emerging Markets risk - investment in emerging markets may involve a higher risk than those inherent in established markets. Emerging markets and their currencies may experience unpredictable and dramatic fluctuations from time to time. Investors should consider whether or not investment in such Funds is either suitable for or should constitute a substantial part of an investor's portfolio.

Companies in emerging markets may not be subject to:

a. accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;

b. the same level of government supervision and regulation of markets as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.

Restrictions on foreign investment in emerging markets may preclude investment in certain securities by the Funds referred to above and, as a result, limit investment opportunities for those Funds. Substantial government involvement in, and influence on, the economy, as well as a lack of political or social stability, may affect the value of securities in certain emerging markets.

The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.

Lack of liquidity and efficiency in certain emerging markets may mean that from time to time the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

This is an inherent risk for Funds invested within emerging markets. Internal investment guidelines (such a diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual Fund's investment objectives and investment policy.

Other risks which could have an impact in extreme market conditions include:

● Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The ACD may be forced to buy or sell such investments as a consequence of Shareholders buying or selling Shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

● Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

● Currency risk (Note that the Fund aims to reduce the risk of movements in exchange rates by hedging the foreign currency exposure of the Fund back to pounds sterling.) - assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's Price. It may not be possible or practicable to hedge against such exchange rate risk.

The ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.

Market Overview

Despite a high level of volatility over the 12-month period, credit spreads were broadly unchanged. After remaining relatively range-bound during the third quarter, credit spreads (yield premium over relevant government bonds) significantly widened in the fourth quarter due to heightened concerns over global growth, trade tensions between the US and China, and a US Federal Reserve (Fed) perceived as hawkish (monetary policy that promotes raising interest rates), lifting the target range for its benchmark interest rate to 2.00–2.25% in September, and again – to 2.25–2.50% – in December. Meanwhile, the European Central Bank (ECB) ended its quantitative-easing programme in December, while maintaining interest rates at 0%.

Following the Fed's subsequent change of tone regarding monetary policy in January, leading to the expectation of interest rates cuts for 2019, and the resumption of trade talks between the US and China, credit spreads significantly tightened over the following four months. This move tighter was further reinforced by the dovish (monetary policy that promotes lower interest rates) tones from other central banks including the ECB, hinting that they could further cut interest rates and possibly resume quantitative easing to support the Eurozone's economy. However, credit spreads widened in May on the back of a breakdown in trade negotiations between the US and China but subsequently recovered in June following an agreement to resume talks.

Brexit continued to weigh on sentiment during the period. While the UK was given an extension to its departure date from the EU, Prime Minister Theresa May failed to gain support for her withdrawal agreement, and announced that she was to resign in early June – stoking further fears about the prospect of a 'no-deal' departure as neither of her potential replacements refused to rule it out. During this 12-months period, the Bank of England (BoE) raised its benchmark interest rate to 0.75% in August 2018 and kept rates on hold thereafter.

Global government bond yields were broadly lower over the period, reflecting investors' concerns over slowing global growth. Overall, the benchmark 10-year treasury yield fell from 2.86% at the beginning of the period to 2.01% by the end of June 2019. In the first quarter of 2019, the US yield curve inverted, with three-month treasuries yielding more than longer-dated ones. Historically, this has pointed to an impending recession. In Europe, yields on French 10-year bonds turned negative for the first time in June, while the German 10-year bund sagged further below zero to hit a new all-time low of -0.40%.

AXA Global Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Fund activity

Over the period in review, the Fund generated a total net return of +2.80% (Z Acc, net of fees) and +3.24% (Z Acc, gross of fees), while cash, as defined by the ICE BofAML British Pound 3-Month Deposit Bid Rate Average Index (L5BP), delivered a return of +0.70%.

During the period, we kept our exposure to short-dated US Treasury Inflation Protected Securities constant while increasing our exposure to investment grade (IG) to the detriment of high yield (HY) in order to de-risk and take some profits on the latter. We kept our overall exposure to emerging markets (EM) constant but still de-risked it by increasing the proportion of IG EM names at the expense of HY EM ones. We also reduced our exposure to cyclical names following the increased likelihood of a global growth slowdown and expensive valuations.

Within IG, we retained our preference for the US dollar and sterling credit markets, being active in both primary and secondary markets. Names bought included US transportation company Ryder, Spanish telecom company Telefonica and UK bank Investec in the US dollar, euro and sterling primary markets respectively. We also added new names to the Fund in the secondary market including US telecom company AT&T, US conglomerate General Electric and UK real estate investment trust Intu denominated in US dollar, euro and sterling respectively.

We remained fairly cautious on HY and EM (favouring the latter) throughout the period due to expensive valuations. However, within the period, we tactically added to EM in September (following its August sell-off) buying Colombian energy company Ecopetrol and UAE bank Union National Bank, both denominated in dollars and new additions to the Fund. In December, we also tactically added to euro HY (following its sharp under-performance in November) buying French services company Loxam and French media company Banijay, both being also new additions to the fund. We were also active in the HY and EM primary markets buying for example German real estate company Adler in euro and Saudi basic industry company SABIC in dollars, both being also new additions to the Fund.

Outlook

Given fears of slowing economic growth potentially leading to a global recession due to continuing trade tensions, heightened uncertainty around Brexit and risk of an early general election, political risk in the European periphery (non-core) and expensive valuations in global fixed income markets, we maintain a defensive bias with a higher allocation to investment grade, to allow us to add gradually to high yield and emerging markets at better levels.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide to future performance.

Major Purchases

- Nykredit Realkredit 0.875% 17/01/24
- QNB Finance 3.5% 28/03/24
- JPMorgan Chase 3.207% 01/04/23
- Bank of America 2.369% 21/07/21
- Comcast 3.45% 01/10/21

Major Sales / Redemptions

- Campbell Soup 3.65% 15/03/23
- Morgan Stanley 3.9558% 20/01/22
- Wells Fargo 3.75663% 31/10/23
- G4S 7.75% 13/05/19
- AerCap Ireland Capital 3.75% 15/05/19

Nicolas Trindade
30 June 2019
AXA Investment Managers UK Limited

AXA Global Short Duration Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 87.62% (30/06/18: 88.34%)			
Argentina 0.91% (30/06/18: 1.22%)			
Pampa Energia 7.375% 21/07/23	1,200,000	911	0.37
YPF 8.5% 23/03/21	1,630,000	1,304	0.54
Australia 1.51% (30/06/18: 1.77%)			
Commonwealth Bank of Australia 3.082% 18/09/22	1,400,000	1,107	0.45
Macquarie 6% 14/01/20	500,000	401	0.17
Macquarie 6.25% 14/01/21	1,000,000	830	0.34
National Australia Bank 2% 12/11/24	EUR 700,000	632	0.26
Scentre Trust 2.375% 08/04/22	GBP 700,000	716	0.29
Austria 0.00% (30/06/18: 0.36%)			
Belgium 1.19% (30/06/18: 1.81%)			
Belfius Bank 0.75% 12/09/22	800,000	731	0.30
Belfius Bank 1.625% 15/03/28	1,400,000	1,236	0.51
KBC 1.875% 11/03/27	1,000,000	930	0.38
Bermuda 0.40% (30/06/18: 1.30%)			
Hiscox 2% 14/12/22	GBP 970,000	969	0.40
Brazil 0.47% (30/06/18: 0.99%)			
Natura Cosmeticos 5.375% 01/02/23	1,400,000	1,145	0.47
Canada 1.25% (30/06/18: 1.08%)			
Bank of Montreal 3.3% 05/02/24	2,000,000	1,629	0.67
Manulife Financial 4.9% 17/09/20	600,000	486	0.20
Royal Bank of Canada 1.01563% 08/12/22	GBP 946,000	941	0.38
Cayman Islands 1.47% (30/06/18: 0.33%)			
Mizzen Bondco 7% 01/05/21	GBP 568,200	555	0.23
QNB Finance 3.5% 28/03/24	3,782,000	3,029	1.24
China 0.34% (30/06/18: 0.45%)			
Shougang 3.375% 09/12/19	1,050,000	828	0.34
Colombia 0.46% (30/06/18: 0.00%)			
Ecopetrol 5.875% 18/09/23	1,300,000	1,132	0.46
Curacao 0.25% (30/06/18: 0.33%)			
Teva Pharmaceutical Finance 3.65% 10/11/21	800,000	606	0.25
Denmark 1.57% (30/06/18: 0.82%)			
ISS Global 1.125% 09/01/20	EUR 810,000	729	0.30
Nykredit Realkredit 0.875% 17/01/24	EUR 3,413,000	3,104	1.27
Finland 0.26% (30/06/18: 0.37%)			
Sampo 1.5% 16/09/21	EUR 700,000	649	0.26
France 5.70% (30/06/18: 6.09%)			
Banque Federative du Credit Mutuel 0.875% 08/06/20	GBP 800,000	798	0.33
BPCE 2.75% 08/07/26	EUR 1,000,000	943	0.39
Carrefour 0.875% 12/06/23	EUR 1,200,000	1,102	0.45
Credit Agricole 3.60113% 24/04/23	1,116,000	875	0.36
Credit Agricole 3.76775% 10/01/22	700,000	553	0.23
Dexia Credit Local 1.125% 15/06/22	GBP 800,000	801	0.33

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Portfolio Statement
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	Holding	Market Value £'000	% of Total Net Assets
Eutelsat 2.625% 13/01/20	EUR 900,000	813	0.33
Eutelsat 3.125% 10/10/22	EUR 200,000	197	0.08
Fnac Darty 1.875% 30/05/24	EUR 645,000	594	0.24
ICADE 1.875% 14/09/22	EUR 1,100,000	1,045	0.43
La Banque Postale 2.75% 23/04/26	EUR 1,000,000	933	0.38
La Banque Postale 4.375% 30/11/20	EUR 100,000	95	0.04
RCI Banque 0.072% 12/01/23	EUR 2,112,000	1,860	0.76
RCI Banque 1.875% 08/11/22	GBP 283,000	284	0.12
Societe Fonciere Lyonnaise 1.875% 26/11/21	EUR 300,000	280	0.11
Societe Fonciere Lyonnaise 2.25% 16/11/22	EUR 100,000	96	0.04
Societe Generale 1.25% 15/02/24	EUR 2,000,000	1,849	0.75
Veolia Environnement 0% 23/11/20	EUR 900,000	809	0.33
Germany 1.49% (30/06/18: 1.56%*)			
ADLER Real Estate 1.5% 17/04/22	EUR 800,000	724	0.30
DEMIRE Deutsche Mittelstand Real Estate 2.875% 15/07/22	EUR 950,000	863	0.35
Deutsche Bank 1.75% 16/12/21	GBP 700,000	691	0.28
Deutsche Bank 1.875% 28/02/20	GBP 700,000	699	0.29
Schaeffler 1.875% 26/03/24	EUR 720,000	674	0.27
Guernsey 0.60% (30/06/18: 0.59%)			
Credit Suisse Funding Guernsey 3% 27/05/22	GBP 1,400,000	1,459	0.60
Hungary 0.23% (30/06/18: 0.32%)			
MFB Magyar Fejlesztesi Bank Zrt 6.25% 21/10/20	700,000	577	0.23
Ireland 3.30% (30/06/18: 3.97%)			
AerCap Global Aviation Trust 4.875% 16/01/24	813,000	683	0.28
AIB 1.25% 28/05/24	EUR 1,153,000	1,044	0.43
Bank of Ireland 1.25% 09/04/20	EUR 700,000	635	0.26
ESB Finance 6.5% 05/03/20	1,100,000	1,137	0.47
Johnson Controls International 0% 04/12/20	EUR 763,000	685	0.28
MMC Norilsk Nickel 6.625% 14/10/22	1,500,000	1,281	0.52
Novolipetsk Steel Via Steel Funding 4.5% 15/06/23	1,000,000	807	0.33
SMBC Aviation Capital Finance 2.65% 15/07/21	1,750,000	1,375	0.56
Smurfit Kappa Acquisitions 3.25% 01/06/21	EUR 450,000	425	0.17
Isle Of Man 0.43% (30/06/18: 0.00%)			
Playtech 3.75% 12/10/23	EUR 1,129,000	1,064	0.43
Italy 4.29% (30/06/18: 4.24%)			
Autostrade per l'Italia 6.25% 09/06/22	GBP 1,190,000	1,303	0.53
FCA Bank Ireland 1.625% 29/09/21	GBP 1,825,000	1,811	0.74
Intesa Sanpaolo 5.25% 28/01/22	GBP 1,450,000	1,554	0.64
Terna Rete Elettrica Nazionale 1% 23/07/23	EUR 535,000	498	0.20
UniCredit 1% 18/01/23	EUR 1,300,000	1,155	0.47
UniCredit 1.625% 03/07/25	EUR 1,486,000	1,329	0.54
Unione di Banche Italiane 0.75% 17/10/22	EUR 989,000	872	0.36
Unione di Banche Italiane 1.5% 10/04/24	EUR 1,449,000	1,294	0.53
Wind Tre 2.625% 20/01/23	EUR 750,000	676	0.28
Japan 1.26% (30/06/18: 1.70%)			
Mitsubishi UFJ Financial 3.37025% 25/07/22	1,300,000	1,027	0.42
Mizuho Financial 3.46063% 28/02/22	700,000	556	0.23
Sumitomo Mitsui Financial 0.132% 14/06/22	EUR 445,000	400	0.16
Sumitomo Mitsui Financial 3.1195% 12/07/22	385,000	304	0.13
Sumitomo Mitsui Financial 3.34088% 18/10/22	1,000,000	789	0.32

AXA Global Short Duration Bond Fund

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As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Jersey 3.56% (30/06/18: 2.07%)			
AA Bond 2.75% 31/07/23	GBP 1,900,000	1,734	0.71
AA Bond 2.875% 31/01/22	GBP 1,000,000	952	0.39
CPUK Finance 7.239% 28/02/24	GBP 1,400,000	1,695	0.69
Glencore Finance Europe 6% 03/04/22	GBP 1,400,000	1,551	0.63
Heathrow Funding 7.125% 14/02/24	GBP 1,100,000	1,332	0.55
Heathrow Funding 9.2% 29/03/21	GBP 900,000	1,021	0.42
Porterbrook Rail Finance 6.5% 20/10/20	GBP 400,000	424	0.17
Luxembourg 4.23% (30/06/18: 5.00%)			
Allergan Funding 1.5% 15/11/23	EUR 1,289,000	1,204	0.49
Altice Luxembourg 7.25% 15/05/22	EUR 214,458	197	0.08
B&M European Value Retail 4.125% 01/02/22	GBP 350,000	354	0.15
Becton Dickinson Euro Finance 0.632% 04/06/23	EUR 1,356,000	1,225	0.50
Garfunkelux Holdco 3 8.5% 01/11/22	GBP 900,000	808	0.33
Gazprom Capital 5.338% 25/09/20	GBP 1,050,000	1,095	0.45
HeidelbergCement Finance Luxembourg 3.25% 21/10/20	EUR 1,000,000	936	0.38
Logicor Financing 0.5% 30/04/21	EUR 562,000	508	0.21
Matterhorn Telecom 3.875% 01/05/22	EUR 650,000	589	0.24
Medtronic Global Holdings 0% 02/12/22	EUR 1,424,000	1,279	0.52
Medtronic Global Holdings 0.375% 07/03/23	EUR 1,014,000	919	0.38
Monitchem HoldCo 3 5.25% 15/06/21	EUR 680,000	610	0.25
Swissport Financing 6.75% 15/12/21	EUR 650,000	601	0.25
Mauritius 0.55% (30/06/18: 0.72%)			
HT Global IT Solutions 7% 14/07/21	1,650,000	1,345	0.55
Mexico 0.45% (30/06/18: 0.37%)			
Petroleos Mexicanos 4.875% 24/01/22	1,400,000	1,093	0.45
Netherlands 8.39% (30/06/18: 8.34%*)			
ABN AMRO Bank 1% 30/06/20	GBP 300,000	300	0.12
ABN AMRO Bank 6.375% 27/04/21	EUR 1,200,000	1,201	0.49
Achmea 2.5% 19/11/20	EUR 600,000	558	0.23
Allianz Finance II 0.18% 07/12/20	EUR 400,000	361	0.15
BMW Finance 0.625% 06/10/23	EUR 1,233,000	1,128	0.46
Daimler International Finance 1.5% 13/01/22	GBP 550,000	552	0.23
Daimler International Finance 2% 04/09/23	GBP 600,000	609	0.25
de Volksbank 0.125% 28/09/20	EUR 946,000	851	0.35
EDP Finance 2.625% 18/01/22	EUR 800,000	767	0.31
EDP Finance 8.625% 04/01/24	GBP 700,000	895	0.37
ING 3.47988% 29/03/22	700,000	558	0.23
innogy Finance 0.75% 30/11/22	EUR 791,000	728	0.30
innogy Finance 5.5% 06/07/22	GBP 700,000	785	0.32
innogy Finance 6.5% 20/04/21	GBP 550,000	599	0.25
Koninklijke KPN 3.75% 21/09/20	EUR 700,000	657	0.27
NN 0.25% 01/06/20	EUR 350,000	315	0.13
NN 1% 18/03/22	EUR 750,000	691	0.28
OCI 5% 15/04/23	EUR 562,000	533	0.22
OI European 6.75% 15/09/20	EUR 350,000	340	0.14
Petrobas Global Finance 6.125% 17/01/22	391,000	330	0.14
SABIC Capital II 4% 10/10/23	1,983,000	1,622	0.66
Schoeller Allibert 8% 01/10/21	EUR 650,000	596	0.24
Teva Pharmaceutical Finance Netherlands III 6% 15/04/24	1,600,000	1,179	0.48
Volkswagen Financial Services 1.625% 09/06/22	GBP 1,300,000	1,296	0.53
Volkswagen Financial Services 1.875% 07/09/21	GBP 300,000	301	0.12

AXA Global Short Duration Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Vonovia Finance 0.112% 22/12/22	EUR 1,500,000	1,342	0.55
Vonovia Finance 0.875% 03/07/23	EUR 400,000	368	0.15
Vonovia Finance 1.625% 15/12/20	EUR 700,000	643	0.26
Vonovia Finance 2.125% 09/07/22	EUR 400,000	381	0.16
Panama 0.00% (30/06/18: 0.55%)			
Peru 0.24% (30/06/18: 0.31%)			
BBVA Banco Continental 5.00% 26/08/22	700,000	584	0.24
Spain 2.59% (30/06/18: 2.44%)			
Banco Santander 3.4595% 12/04/23	2,400,000	1,885	0.77
Banco Santander 3.90075% 11/04/22	800,000	640	0.26
Bankia 0.875% 25/03/24	EUR 900,000	822	0.34
Bankinter 0.875% 05/03/24	EUR 800,000	736	0.30
Telefonica Emisiones 1.069% 05/02/24	EUR 1,300,000	1,213	0.50
Telefonica Emisiones 5.597% 12/03/20	GBP 1,000,000	1,030	0.42
Sweden 1.54% (30/06/18: 1.96%)			
Intrum 2.75% 15/07/22	EUR 980,000	887	0.36
Scania 1.875% 28/06/22	GBP 1,600,000	1,599	0.65
Svenska Handelsbanken 1.625% 18/06/22	GBP 1,275,000	1,288	0.53
Switzerland 0.23% (30/06/18: 0.31%)			
UBS Funding Switzerland 4.109% 01/02/22	700,000	560	0.23
Turkey 0.50% (30/06/18: 0.66%)			
Akbank Turk 4% 24/01/20	500,000	391	0.16
Akbank Turk 5% 24/10/22	1,100,000	835	0.34
United Arab Emirates 0.90% (30/06/18: 0.17%)			
Kuwait Projects Co SPC 9.375% 15/07/20	1,350,000	1,133	0.47
Union National Bank 4% 13/03/23	1,300,000	1,058	0.43
United Kingdom 13.46% (30/06/18: 15.15%)			
Babcock International 1.75% 06/10/22	EUR 1,650,000	1,527	0.63
BAE Systems 4.125% 08/06/22	GBP 985,000	1,057	0.43
Barclays Bank 10% 21/05/21	GBP 850,000	977	0.40
Close Brothers 2.75% 26/04/23	GBP 386,000	397	0.16
Close Brothers 4.25% 24/01/27	GBP 1,150,000	1,204	0.49
Co-operative 2011 6.875% 08/07/20	GBP 650,000	682	0.28
Co-Operative 5.125% 17/05/24	GBP 419,000	438	0.18
Drax Finco 4.25% 01/05/22	GBP 950,000	966	0.40
EC Finance 2.375% 15/11/22	EUR 1,030,000	941	0.39
Firstgroup 5.25% 29/11/22	GBP 700,000	757	0.31
Firstgroup 8.75% 08/04/21	GBP 550,000	610	0.25
Friends Life Holdings 8.25% 21/04/22	GBP 750,000	886	0.36
Gold Fields Orogen 4.875% 07/10/20	649,000	520	0.21
Great Rolling Stock 6.25% 27/07/20	GBP 950,000	996	0.41
HSBC 2.175% 27/06/23	GBP 1,156,000	1,167	0.48
Intu SGS Finance 3.875% 17/03/23	GBP 1,700,000	1,702	0.70
Investec Bank 4.25% 24/07/28	GBP 1,508,000	1,522	0.62
Jaguar Land Rover Automotive 2.75% 24/01/21	GBP 700,000	668	0.27
Lendlease Europe Finance 6.125% 12/10/21	GBP 1,250,000	1,355	0.56
Lloyds Bank 5.75% 09/07/25	GBP 1,200,000	1,249	0.51
National Express 0.089% 15/05/20	EUR 859,000	770	0.32
National Express 2.5% 11/11/23	GBP 1,000,000	1,012	0.41

AXA Global Short Duration Bond Fund

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	Holding	Market Value £'000	% of Total Net Assets
National Express 6.625% 17/06/20	GBP 500,000	524	0.22
Nationwide Building Society 3.766% 08/03/24	2,200,000	1,764	0.72
Natwest Markets 1.125% 14/06/23	EUR 1,748,000	1,592	0.65
Next 5.375% 26/10/21	GBP 1,200,000	1,303	0.53
Santander UK 0.505% 27/03/24	EUR 1,167,000	1,027	0.42
Santander UK 0.875% 13/01/20	EUR 350,000	316	0.13
Santander UK 0.875% 25/11/20	EUR 250,000	227	0.09
Severn Trent Utilities Finance 1.125% 07/09/21	GBP 350,000	349	0.14
Severn Trent Utilities Finance 1.625% 04/12/22	GBP 417,000	421	0.17
Synlab Bondco 6.25% 01/07/22	EUR 650,000	592	0.24
Tate & Lyle International Finance 6.75% 25/11/19	GBP 765,000	781	0.32
Thames Water Utilities Finance 5.05% 30/06/20	GBP 1,350,000	1,394	0.57
TSB Bank 1.04% 07/12/22	GBP 473,000	470	0.19
WPP Finance 0.128% 20/03/22	EUR 823,000	733	0.30
United States 23.60% (30/06/18: 20.99%)			
American Express 2.75% 20/05/22	1,533,000	1,218	0.50
American Honda Finance 1.3% 21/03/22	GBP 700,000	701	0.29
Ares Capital 3.875% 15/01/20	1,300,000	1,029	0.42
Associated Bank 3.5% 13/08/21	2,011,000	1,614	0.66
AT&T 3% 30/06/22	2,500,000	1,999	0.82
Athene Global Funding 2.75% 20/04/20	1,865,000	1,473	0.60
Aviation Capital 7.125% 15/10/20	1,984,000	1,653	0.68
Avnet 3.75% 01/12/21	1,300,000	1,043	0.43
Bank of America 2.369% 21/07/21	2,500,000	1,967	0.81
BAT Capital 3.398% 15/08/22	600,000	474	0.19
BP Capital Markets America 3.0685% 19/09/22	261,000	206	0.08
Charter Communications Operating 3.579% 23/07/20	900,000	715	0.29
Charter Communications Operating 4.464% 23/07/22	1,000,000	826	0.34
Cielo USA 3.75% 16/11/22	462,857	367	0.15
Citigroup 2.75% 24/01/24	GBP 504,000	524	0.21
Citizens Bank 2.25% 02/03/20	2,000,000	1,575	0.64
Comcast 3.45% 01/10/21	2,550,000	2,062	0.84
CVS Health 3.35% 09/03/21	1,983,000	1,582	0.65
Dell International 4.42% 15/06/21	1,700,000	1,379	0.56
Digital Stout 4.75% 13/10/23	GBP 1,500,000	1,669	0.68
Enterprise Products Operating 2.8% 15/02/21	800,000	635	0.26
Exelon Generation 2.95% 15/01/20	2,225,000	1,757	0.72
Express Scripts 3.9% 15/02/22	2,000,000	1,627	0.67
Fidelity National Information Services 0.75% 21/05/23	EUR 710,000	649	0.27
Fidelity National Information Services 1.7% 30/06/22	GBP 1,000,000	1,007	0.41
Fiserv 0.375% 01/07/23	EUR 414,000	374	0.15
Ford Motor Credit 3.021% 06/03/24	EUR 795,000	755	0.31
General Electric 1.25% 26/05/23	EUR 1,300,000	1,201	0.49
General Mills 3.2% 16/04/21	575,000	459	0.19
General Motors Financial 3.2% 06/07/21	2,250,000	1,784	0.73
Healthcare Trust of America 3.375% 15/07/21	800,000	639	0.26
Ingersoll-Rand Global 2.9% 21/02/21	1,985,000	1,575	0.64
Jackson National Life Global Funding 3.04125% 27/06/22	250,000	199	0.08
JPMorgan Chase 3.207% 01/04/23	3,000,000	2,405	0.98
Kinder Morgan Energy Partners 5.8% 01/03/21	870,000	721	0.30
Manufacturers & Traders Trust 3.16025% 01/12/21	1,850,000	1,454	0.60
Marriott International MD 7.15% 01/12/19	600,000	481	0.20
Metropolitan Life Global Funding I 2.875% 11/01/23	GBP 800,000	843	0.35
New York Life Global Funding 1.75% 15/12/22	GBP 828,000	842	0.34
NextEra Energy Capital 2.9% 01/04/22	1,214,000	971	0.40
Noble Energy 4.15% 15/12/21	2,289,000	1,860	0.76

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	Holding	Market Value £'000	% of Total Net Assets
Omnicom 4.45% 15/08/20	2,000,000	1,607	0.66
Penske Truck Leasing 4.25% 17/01/23	610,000	504	0.21
People's United Financial 3.65% 06/12/22	2,340,000	1,898	0.78
Philip Morris International 1.75% 19/03/20	EUR 800,000	728	0.30
Regions Financial 3.8% 14/08/23	2,000,000	1,619	0.66
Ryder System 3.5% 01/06/21	650,000	522	0.21
Office Properties Income Trust 3.6% 01/02/20	1,350,000	1,067	0.44
Wells Fargo 2.55% 07/12/20	725,000	571	0.23
Wells Fargo 3.069% 24/01/23	2,000,000	1,599	0.66
Williams Partners 4% 15/11/21	1,500,000	1,220	0.50
TOTAL CORPORATE BONDS		**214,082**	**87.62**
COLLECTIVE INVESTMENT SCHEMES 3.71% (30/06/18: 4.50%)			
United Kingdom 3.71% (30/06/18: 4.50%)			
AXA Fixed Interest Investment ICVC - US Short Duration High Yield Fund	6,300,000	9,053	3.71
TOTAL COLLECTIVE INVESTMENT SCHEMES		**9,053**	**3.71**
GOVERNMENT BONDS 3.41% (30/06/18: 4.56%)			
Argentina 0.22% (30/06/18: 0.38%)			
Provincia de Buenos Aires 5.375% 20/01/23	EUR 800,000	547	0.22
Dominican Republic 0.18% (30/06/18: 0.37%)			
Dominican Republic International Bond 7.50% 06/05/21	533,333	443	0.18
Egypt 0.46% (30/06/18: 0.37%)			
Egypt Government International Bond 5.577% 21/02/23	1,403,000	1,123	0.46
Serbia 0.00% (30/06/18: 0.44%)			
United States 2.55% (30/06/18: 3.00%)			
United States Treasury Inflation Indexed Bonds 0.125% 15/04/21	3,690,000	3,103	1.27
United States Treasury Inflation Indexed Bonds 0.125% 15/04/22	3,807,000	3,125	1.28
TOTAL GOVERNMENT BONDS		**8,341**	**3.41**
FORWARD CURRENCY CONTRACTS (0.25%) (30/06/18: (0.74%))			
Bought EUR625,000 for GBP553,621 Settlement 04/09/2019		8	-
Sold EUR74,500,000 for GBP66,005,901 Settlement 04/09/2019		(977)	(0.40)
Sold USD121,160,000 for GBP95,582,135 Settlement 04/09/2019		361	0.15
FORWARD CURRENCY CONTRACTS		**(608)**	**(0.25)**
Portfolio of investments		230,868	94.49
Net other assets		13,450	5.51
Total net assets		**244,318**	**100.00**

* Since the previous report country classifications have been updated. Comparative figures have been updated where appropriate.

All bonds are denominated in US dollars (unless otherwise indicated).

At 30 June 2019, there were no investments in the Fund which were valued using a quote from a single broker (30/06/18 : £nil).

AXA Global Short Duration Bond Fund

Comparative Tables

As at 30 June 2019

	S Gross Income +			S Gross Accumulation +		
	30/06/2019	30/06/2018	30/06/2017	30/06/2019	30/06/2018	30/06/2017
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	98.01	99.61	100.00	100.05	99.83	100.00
Return before operating charges ^	3.15	0.46	(0.14)	3.24	0.45	(0.14)
Operating charges ^	(0.23)	(0.23)	(0.03)	(0.23)	(0.23)	(0.03)
Return after operating charges ^	2.92	0.23	(0.17)	3.01	0.22	(0.17)
Distributions	(2.29)	(1.83)	(0.22)	(2.35)	(1.85)	(0.22)
Retained distributions on accumulation shares	-	-	-	2.35	1.85	0.22
Closing net asset value per share †	98.64	98.01	99.61	103.06	100.05	99.83
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	2.98%	0.23%	-0.17%	3.01%	0.22%	-0.17%
Other information						
Closing net asset value (£) †	110,654,627	81,722,937	69,566,969	12,187,219	13,897,251	4,475,459
Closing number of shares	112,185,003	83,382,343	69,839,700	11,824,953	13,889,684	4,483,132
Operating charges ^	0.23%	0.23%	0.25%	0.23%	0.23%	0.24%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	99.33	100.60	100.17	103.30	100.90	100.17
Lowest share price #	96.73	98.74	99.88	99.79	99.94	99.88

	Z Gross Income +			Z Gross Accumulation +		
	30/06/2019	30/06/2018	30/06/2017	30/06/2019	30/06/2018	30/06/2017
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	98.01	99.68	100.00	99.83	99.86	100.00
Return before operating charges ^	3.14	0.38	(0.08)	3.23	0.40	(0.09)
Operating charges ^	(0.42)	(0.42)	(0.04)	(0.43)	(0.43)	(0.05)
Return after operating charges ^	2.72	(0.04)	(0.12)	2.80	(0.03)	(0.14)
Distributions	(2.09)	(1.63)	(0.20)	(2.14)	(1.64)	(0.20)
Retained distributions on accumulation shares	-	-	-	2.14	1.64	0.20
Closing net asset value per share †	98.64	98.01	99.68	102.63	99.83	99.86
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	2.78%	-0.04%	-0.12%	2.80%	-0.03%	-0.14%
Other information						
Closing net asset value (£) †	18,165,287	11,981,536	532,038	41,898,116	24,213,582	155,301
Closing number of shares	18,415,655	12,224,216	533,754	40,824,611	24,254,339	155,522
Operating charges ^	0.43%	0.43%	0.45%	0.43%	0.43%	0.44%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	99.29	100.50	100.16	102.80	100.80	100.16
Lowest share price #	96.74	98.69	99.88	99.47	99.92	99.88

AXA Global Short Duration Bond Fund

Comparative Tables

As at 30 June 2019

	ZI Gross Income ~		ZI Gross Accumulation ~	
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**
Opening net asset value per share †	97.82	100.00	99.32	100.00
Return before operating charges ^	3.13	(0.36)	3.22	(0.40)
Operating charges ^	(0.27)	(0.28)	(0.28)	(0.28)
Return after operating charges ^	2.86	(0.64)	2.94	(0.68)
Distributions	(2.23)	(1.54)	(2.28)	(1.53)
Retained distributions on accumulation shares	-	-	2.28	1.53
Closing net asset value per share †	98.45	97.82	102.26	99.32
*^ after direct transaction costs of:	-	-	-	-
Performance				
Return after operating charges	2.92%	-0.64%	2.96%	-0.68%
Other information				
Closing net asset value (£) †	29,363,223	17,194,373	32,049,211	26,092,593
Closing number of shares	29,826,883	17,577,418	31,340,810	26,270,138
Operating charges ^	0.28%	0.27%	0.28%	0.27%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price #	99.13	100.10	102.50	100.20
Lowest share price #	96.55	98.53	99.03	99.51

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the sub-fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the Average Net Asset value for the accounting year.

+ Data are shown since inception: 17 May 2017.

~ ZI share class launched on 29 August 2017.

AXA Global Short Duration Bond Fund

Statement of Total Return

For the year ended 30 June 2019

	Note	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Income:					
Net capital gains/(losses)	2		1,551		(2,930)
Revenue	3	5,534		2,910	
Expenses	4	(606)		(363)	
Interest payable and similar charges		(132)		(25)	
Net revenue before taxation		4,796		2,522	
Taxation	5	-		-	
Net revenue after taxation			4,796		2,522
Total return before distributions			6,347		(408)
Distributions	6		(4,796)		(2,522)
Change in net assets attributable to Shareholders from investment activities			**1,551**		**(2,930)**

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2019

	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Opening net assets attributable to Shareholders		175,102		74,730
Amounts receivable on issue of shares	81,314		111,358	
Amounts payable on cancellation of shares	(15,308)		(8,948)	
		66,006		102,410
Change in net assets attributable to Shareholders from investment activities (see above)		1,551		(2,930)
Retained distributions on accumulation shares		1,659		892
Closing net assets attributable to Shareholders		**244,318**		**175,102**

AXA Global Short Duration Bond Fund

Balance Sheet

As at

	Note	30/06/19 £'000	30/06/18 £'000
Assets:			
Fixed assets:			
Investments		231,845	170,706
Current assets:			
Debtors	7	3,462	2,868
Cash and bank balances	8	13,875	3,986
Total assets		**249,182**	**177,560**
Liabilities:			
Investment liabilities		(977)	(1,451)
Creditors:			
Distribution payable		(807)	(602)
Other creditors	9	(3,080)	(405)
Total liabilities		**(4,864)**	**(2,458)**
Net assets attributable to Shareholders		**244,318**	**175,102**

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 207 - 209.

2. Net capital gains/(losses)

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
The net capital gains/(losses) comprise:		
Non-derivative securities	6,811	(1,682)
Currency (losses)/gains	(2,661)	780
Forward currency contracts	(2,593)	(2,028)
Transaction charges	(6)	-
Net capital gains/(losses)	**1,551**	**(2,930)**

3. Revenue

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Bank interest	57	8
Interest on debt securities	5,002	2,737
Interest income from Collective Investment Schemes	345	81
Rebates received from underlying funds	130	84
Total revenue	**5,534**	**2,910**

4. Expenses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual Management Charge	537	324
Registration fees	1	1
	538	325
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	32	25
Safe custody fees	21	-
	53	25
Other expenses		
Audit fees	10	11
Printing fees	5	2
	15	13
Total expenses	**606**	**363**

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2018: 20%) is applied to the net revenue before taxation. The differences are explained below:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Net revenue before taxation	4,796	2,522
Net revenue for the year multiplied by the standard rate of corporation tax	959	504
Effects of:		
Tax deductible interest distributions	(959)	(504)
Current tax charge for the year	**-**	**-**

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (2018: £nil) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Finance costs

Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
First interim	1,239	403
Second interim	1,200	588
Third interim	1,388	808
Final	1,227	936
Add: Revenue paid on cancellation of Shares	44	19
Deduct: Revenue received on creation of Shares	(302)	(232)
Net distribution for the year	**4,796**	**2,522**

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

7. Debtors

	30/06/19 £'000	30/06/18 £'000
Amounts receivable for creation of shares	1,124	1,122
Amounts due for rebates from underlying funds	(16)	10
Accrued revenue	2,354	1,736
Total debtors	**3,462**	**2,868**

8. Cash and bank balances

	30/06/19 £'000	30/06/18 £'000
Cash and bank balances	13,875	3,986
Total cash and bank balances	**13,875**	**3,986**

9. Other creditors

	30/06/19 £'000	30/06/18 £'000
Amounts payable for cancellation of shares	10	5
Purchases awaiting settlement	2,978	352
Accrued Annual Management Charge	48	35
Accrued other expenses	44	13
Total other creditors	**3,080**	**405**

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no Shareholdings in the Company at the year end.

As at 30 June 2019 material shareholders have holdings totalling 39.65% (30/06/2018: 38.22%) of the Funds' shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

During the current year AXA Fixed Interest Investment ICVC Global Short Duration Bond Fund held AXA Fixed Interest Investment ICVC US Short Duration High Yield Fund. Revenue and management charge rebates from this holding are shown in Note 3 as Interest income from Collective Investment Schemes and rebates received from underlying funds. As at 30/06/19 total revenue earned amounts to £474,863 (30/06/18: £165,297).

The Sub-fund holds 6,300,000 shares (30/06/18: 5,700,000 shares) in AXA Fixed Interest Investment ICVC - US Short Duration High Yield Fund as detailed in the portfolio statement, the total purchase cost of these investments during the year was £837,800 (30/06/18: £5,349,889), the total sales proceeds were nil (30/06/18: nil).

AXA Global Short Duration Bond Fund

Notes to the Financial Statements
For the year ended 30 June 2019

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's Annual Management Charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/18	Issued	Cancelled	Converted	30/06/19
S Gross Income	0.20	83,382,343	32,332,888	(3,521,255)	(8,973)	112,185,003
S Gross Accumulation	0.20	13,889,684	94	(2,064,825)	-	11,824,953
Z Gross Income	0.40	12,224,216	7,555,547	(1,317,320)	(46,788)	18,415,655
Z Gross Accumulation	0.40	24,254,339	22,038,286	(5,407,428)	(60,586)	40,824,611
ZI Gross Income	0.25	17,577,418	13,662,566	(1,459,972)	46,871	29,826,883
ZI Gross Accumulation	0.25	26,270,138	6,703,932	(1,702,888)	69,628	31,340,810

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2018: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2018).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £23,147,553 (2018: £17,055,161). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
Currency	**30/06/19 £'000**	**30/06/18 £'000**
Euro	455	(48,242)
US dollar	1,185	(71,208)
Total foreign currency exposure	1,640	(119,450)

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Foreign exchange risk sensitivity

Assuming all other factors remain stable, if GBP strengthens by 10% the resulting change in the net assets attributable to shareholders of the Fund would be a decrease of approximately £164,000 (2018: £(11,945,000)). A 10% weakening in GBP would have an equal but opposite effect.

*Prior year comparative figures (2018) have been restated due to a reworking of the calculation methodology. Previously the figures were presented as a decrease of £10,859,091 and an increase of £13,272,222.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

The table below shows the interest rate risk profile at the balance sheet date:

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	10,445	61,000	11,107	82,552
Euro	9,835	59,637	396	69,868
US dollar	11,232	84,149	1,381	96,762
Total	**31,512**	**204,786**	**12,884**	**249,182**
30/06/18				
Pound sterling	3,748	44,774	9,623	58,145
Euro	5,404	41,979	459	47,842
US dollar	12,044	58,870	819	71,733
Total	**21,196**	**145,623**	**10,901**	**177,720**

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	-	-	(910)	(910)
Euro	-	-	(3,954)	(3,954)
US dollar	-	-	-	-
Total	**-**	**-**	**(4,864)**	**(4,864)**
30/06/18				
Pound sterling	-	-	(655)	(655)
Euro	-	-	(743)	(743)
US dollar	-	-	(1,220)	(1,220)
Total	**-**	**-**	**(2,618)**	**(2,618)**

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £4,834,000 (2018: £nil) A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each sub-fund.

Transactions in securities may expose the Fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/19 Market Value £'000	%	30/06/18 Market Value £'000	%
Investment grade	193,451	79.17	129,141	73.74
Speculative grade	28,183	11.54	30,646	17.51
Unrated	9,645	3.95	2,887	1.65
Total value of bonds	**231,279**	**94.66**	**162,674**	**92.90**

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

(a) Forwards	30/06/19 Exposure £'000	30/06/18 Exposure £'000
BNP Paribas	162,766	238,358
Total value of derivatives	**162,766**	**238,358**

AXA Global Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

14. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2019.

At the balance sheet date the average portfolio dealing spread was 0.38% (2018: 0.39%).

15. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

16. Fair value disclosure

	30/06/19		30/06/18	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£'000**	**£'000**	**£'000**	**£'000**
Level 1 ^	6,228	-	5,261	-
Level 2 ^^	225,617	(977)	165,445	(1,451)
Level 3 ^^^	-	-	-	-
	231,845	**(977)**	**170,706**	**(1,451)**

^ Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^^ Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^^^ Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

AXA Global Short Duration Bond Fund

Distribution Table

As at 30 June 2019

First Distribution in pence per share

Group 1 Shares purchased prior to 1 July 2018

Group 2 Shares purchased on or after 1 July 2018 to 30 September 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 30/11/18 (p)	Distribution paid 30/11/17 (p)
Share Class S Gross Income				
Group 1	0.602	-	0.602	0.371
Group 2	0.167	0.435	0.602	0.371
Share Class S Gross Accumulation				
Group 1	0.614	-	0.614	0.372
Group 2	0.614	-	0.614	0.372
Share Class Z Gross Income				
Group 1	0.552	-	0.552	0.323
Group 2	0.089	0.463	0.552	0.323
Share Class Z Gross Accumulation				
Group 1	0.562	-	0.562	0.321
Group 2	0.236	0.326	0.562	0.321
Share Class ZI Gross Income				
Group 1	0.588	-	0.588	0.116
Group 2	0.231	0.357	0.588	0.116
Share Class ZI Gross Accumulation				
Group 1	0.597	-	0.597	0.103
Group 2	0.229	0.368	0.597	0.103

AXA Global Short Duration Bond Fund

Distribution Table

As at 30 June 2019

Second Distribution in pence per share

Group 1 Shares purchased prior to 1 October 2018

Group 2 Shares purchased on or after 1 October 2018 to 31 December 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 28/02/19 (p)	Distribution paid 28/02/18 (p)
Share Class S Gross Income				
Group 1	0.562	-	0.562	0.421
Group 2	0.302	0.260	0.562	0.421
Share Class S Gross Accumulation				
Group 1	0.577	-	0.577	0.424
Group 2	0.577	-	0.577	0.424
Share Class Z Gross Income				
Group 1	0.511	-	0.511	0.371
Group 2	0.282	0.229	0.511	0.371
Share Class Z Gross Accumulation				
Group 1	0.524	-	0.524	0.373
Group 2	0.279	0.245	0.524	0.373
Share Class ZI Gross Income				
Group 1	0.548	-	0.548	0.408
Group 2	0.271	0.277	0.548	0.408
Share Class ZI Gross Accumulation				
Group 1	0.560	-	0.560	0.407
Group 2	0.292	0.268	0.560	0.407

AXA Global Short Duration Bond Fund

Distribution Table

As at 30 June 2019

Third Distribution in pence per share

Group 1 Shares purchased prior to 1 January 2019

Group 2 Shares purchased on or after 1 January 2019 to 31 March 2019

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/05/19 (p)	Distribution paid 31/05/18 (p)
Share Class S Gross Income				
Group 1	0.609	-	0.609	0.501
Group 2	0.239	0.370	0.609	0.501
Share Class S Gross Accumulation				
Group 1	0.629	-	0.629	0.506
Group 2	0.629	-	0.629	0.506
Share Class Z Gross Income				
Group 1	0.562	-	0.562	0.452
Group 2	0.207	0.355	0.562	0.452
Share Class Z Gross Accumulation				
Group 1	0.578	-	0.578	0.456
Group 2	0.121	0.457	0.578	0.456
Share Class ZI Gross Income				
Group 1	0.596	-	0.596	0.488
Group 2	0.235	0.361	0.596	0.488
Share Class ZI Gross Accumulation				
Group 1	0.612	-	0.612	0.490
Group 2	0.277	0.335	0.612	0.490

AXA Global Short Duration Bond Fund

Distribution Table

As at 30 June 2019

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 April 2019

Group 2 Shares purchased on or after 1 April 2019 to 30 June 2019

	Gross revenue (p)	Equalisation (p)	Distribution payable 30/08/2019 (p)	Distribution paid 31/08/18 (p)
Share Class S Gross Income				
Group 1	0.511	-	0.511	0.539
Group 2	0.231	0.280	0.511	0.539
Share Class S Gross Accumulation				
Group 1	0.531	-	0.531	0.547
Group 2	0.531	-	0.531	0.547
Share Class Z Gross Income				
Group 1	0.462	-	0.462	0.489
Group 2	0.230	0.232	0.462	0.489
Share Class Z Gross Accumulation				
Group 1	0.479	-	0.479	0.495
Group 2	0.202	0.277	0.479	0.495
Share Class ZI Gross Income				
Group 1	0.498	-	0.498	0.525
Group 2	0.241	0.257	0.498	0.525
Share Class ZI Gross Accumulation				
Group 1	0.515	-	0.515	0.530
Group 2	0.238	0.277	0.515	0.530

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Investment Objective

The aim of the Fund is to provide income combined with any capital growth.

Investment Policy

The Fund invests primarily in a diversified portfolio of investment grade bonds issued by companies. The fund manager seeks to reduce the effect of credit risk through its analysis and selection of bonds (with a particular emphasis on industry and issuer) and also positions the Fund to take advantage of the Fund manager's expectation of interest rate movements. The Fund is managed with reference to the composition and risk profile of the BofA Merrill Lynch Sterling Corporate Index. However the fund manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index. In particular, the Fund should demonstrate lower sensitivity to movements in market interest rates than the index.

Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

Risk and Reward Profile

As at 30 June 2019

By investing in the Fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of the Fund which invests significantly in equities or overseas. Typically, you would be investing for a period of at least five years.

Lower Risk **Higher Risk**

Potentially lower reward Potentially higher reward

1	2	**3**	4	5	6	7

The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

Additional risks

Under normal market conditions the Fund’s key risk factors are:

● Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody’s, Standard & Poor’s and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody’s), AAA (Standard & Poor’s and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate “investment grade” bonds as Baa3 or above (Moody’s) or BBB- or above (Standard & Poor’s or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund’s investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

● Interest rate risk - interest rate risk is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

● Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

Other risks which could have an impact in extreme market conditions include:

● Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The ACD may be forced to buy or sell such investments as a consequence of Shareholders buying or selling Shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

● Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

● Currency risk (Note that the Fund aims to reduce the risk of movements in exchange rates by hedging the foreign currency exposure of the Fund back to pounds sterling.) - assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's Price. It may not be possible or practicable to hedge against such exchange rate risk.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

The ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.

Investment Review

Our interim report, covering the six months to the end of December 2018, had seen the onset of trade tariffs between the US and China, although the US Federal Reserve (Fed) still raised US rates by 25 basis points (bps) twice (the last in November) to a 2.25%-2.50% target range as the firm economy outweighed trade tensions. Two more hikes were expected in 2019. By December, however, the Fed's view had softened dramatically, viewing rates as close to neutral, as the impact of higher rates and weakness in risk markets had tightened financial conditions sharply. The Brexit outcome was far from clear, as the deal Theresa May had negotiated had many opponents from both 'leave' and 'remain' camps, questioning her ability to get the deal though parliament.

The latest six months has seen monetary policy expectations shift lower, while the 29 March 2019 Brexit deadline had to be extended as an agreement in the UK parliament remained elusive.

Theresa May's focus was to convince MPs to back the withdrawal agreement (WA) she had negotiated with the EU in December. With Brexit such a divisive topic across the UK, this was always going to be a difficult ask. The unpopular Irish backstop, evoking fears that the UK could be trapped in a customs union with the EU, prompted rebellion among her own party and combined with opposition parties ensured a massive defeat for the WA in January. Concessions offered by the EU, which insisted the WA could not be reopened, strengthened May's proposals, but did not change the legal risk, so the WA was defeated a second time, but by a lower majority. With the March deadline for the UK's exit rapidly approaching, May was forced to seek an extension. Eight indicative votes to gauge what MPs would support were held, but none muster a majority. May gained more support for her WA in a third vote after agreeing to step down once it was passed, but was again defeated. Further indicative votes aimed at breaking the deadlock failed to get sufficient backing, so May then sought a dialogue with the opposition Labour party, whose preference was for a softer Brexit. Unsurprisingly, these cross-party talks ended with no agreement. To rule out a 'no-deal' Brexit by accident (because of no agreement), a further extension was sought and granted, with 31 October the new flexible deadline. The prime minister finally admitted defeat in her ability to get parliament to approve the deal she had negotiated, and announced her resignation effective from 7 June. With the UK forced to take part in May's European elections, the two main parties polled poorly with the newly-formed Brexit party (32%) and remain-backing Liberal Democrats (19%) scoring highest. The new Conservative party leader and prime minister will be chosen by party members, with favourite Boris Johnson and Jeremy Hunt the two candidates following the elimination process. June's by-election in Peterborough (which had voted by 60% to leave the EU in the 2016 referendum), saw Labour hold its seat despite a strong showing from the Brexit party, so no clearer on where the divided nation stands on Brexit.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Central banks turned more dovish, taking notice of market concerns (i.e. weak risk markets) about slower growth in the latter half of 2018 and early 2019, with the Fed scaling back rate hike expectations and ending its balance sheet normalisation. Trade tensions were a key cause of the slowdown in growth, but with US-China trade talks clearly going well the US delayed the scheduled increase in tariffs on 1 March. Apparently close to a satisfactory completion, trade talks suddenly broke down in early May, the US citing Chinese backtracking on earlier commitments. The previously postponed tariff hike from 10% to 25% on $200 billion of Chinese imports was swiftly implemented. China retaliated, with little apparent appetite to back down and vowed to continue stimulus at home. A US-China technology spat further damaged sentiment. In Europe, which seems dependent on growth elsewhere in order to have any significant growth of its own, economic data was decidedly soft, forcing a cautious European Central Bank (ECB) to announce ongoing support for bank funding. Markets took comfort from the change in the interest rate outlook. US data suggested a softer economy, with the Fed rhetoric becoming more dovish, closer to market expectations of easier monetary policy. US rates were held in June, but the Fed was monitoring implications of the trade dispute and would act as appropriate to sustain the economic expansion. Several Fed members now expect two rate cuts this year, the first possibly coming as early as July. Hopes of an initial 50bps cut, however, have been downplayed. The ECB assured further stimulus if the economic outlook doesn't improve, while the hawkish Bank of England acknowledged more downside risks to growth. US-Iranian tensions helped push up oil prices.

After a lull towards the end of in Q4, the market for new sterling corporate bond issues re-opened in January, and in an encouraging sign for risk, pricing of many deals was squeezed from initial guidance reflecting strong demand. New issuance of both financials and corporates continued at a steady pace, including several new and rare issuers and demand remained strong, even when the market had a brief risk-off wobble in May when trade talks broke down. As markets became more risk-on, believing that central bank policies would have to become more accommodative, corporate bonds benefited with spreads 36bps tighter (adjusted for +4bps index rebalancing) at +146bps over the last six months (spreads were 12bps lower over the 12 months). In addition to spread, returns from corporate bonds are also based on the move in underlying gilt yields, which, along with other government bond markets, fell sharply from March when central bank attitudes clearly shifted. Ten-year gilt yields fell by 45bps to 0.83% over the last six months (-45bps over the 12 months). Ten-year German bund yields are once again deeply negative, while US treasury yields are 123bps off their November 2018 high. The return on the ICE BofAML Gilt index was +5.01% (+5.23% over the 12 months). Combined with sharply lower gilt yields, corporate bond yields were 64bps lower at 2.37% (-34bps over 12 months), to give a total return on the ICE Sterling Corporates & Collateralised Index of +7.08%, with 0-5 years +2.59%, 5-15 years +6.37% and Over 15 years +11.04% (12-month returns +6.62%, +2.73%, +6.42% and +9.53% respectively). By rating band, moves were as to be expected in a more risk-on environment, with lower-rated bonds outperforming: BBB's tightened the most (-40bps to +187bps), A's -27bps to +126bps, AA's -15bps to +66bps, while top-rated AAA spreads were 10bps tighter at +40bps. By sector, most significant spread tightening were typical high-beta sectors such as subordinated financials as well as capital goods which benefited from the rally in GE after a poor 2018. Higher quality services and quasi-government saw least spread tightening. Despite that, services produced the highest total return, +10.79%, given its very long duration, closely followed by subordinated insurance and capital goods, due to spread tightening. Total return laggards were high-quality covered bonds (+3.24%) and quasi-government, as well as short duration autos.

The AXA Sterling Corporate Bond Fund provided a total return of +5.59% (Z Acc, net of fees and gross of tax) during the 12 months to 30 June 2019, +6.29% in the last six months.

Most of the Fund's purchases were new issues given the decent supply pipeline. New issues particpated in included: Credit Mutuel, Citigroup, Deustche Bahn, Greene King, Digital Realty, Ford, APT Pipelines, Abertis, RBS, Barclays, BP, Orsted, FIS, Total and Berkshire Hathaway. Secondary market purchases included bonds from Skipton Building Society, United Utilities, Tritax Big Box, Esure, BAE Systems, Manchester Airport group and TSB, while several ABS holdings were topped up. Sales included some shorter dated bank bonds, with subordinated insurance holdings also scaled back after a strong run. Bonds of 10 years or more from Cadent, AB InBev and Connect Plus were reduced following the sharp fall in gilt yields. There was little change to the Fund's duration positioning.

Tighter financial conditions over the second half of 2018 as the US raised interest rates, government bond yields rose and margins (spreads) for corporate borrowing increased, accompanied by US balance sheet reduction, the wind down of ECB quantitative easing and trade tariffs (and slower Chinese growth) prompted fears that growth would slow too much, or even result in recession. With such a sharp turnaround in government bond yields from the highs of late 2018, markets have done much of the work to ease financial conditions – i.e. long-term borrowing costs and corporate spreads are lower, because of expectations that central banks will cut rates, thereby improving economic prospects. Recent softer data has supported the case for lower rates, but we will need to see action soon from the Fed and probably the ECB in order to justify the enormous rally in government bonds, which has underpinned solid risk markets. Market pricing is more aggressive (i.e. more rate cuts) than the Fed itself is expecting, so there is a risk that markets are disappointed should US-China trade talks find a satisfactory conclusion and/or economic figures improve. That said, with Donald Trump as US president, there will always be a concern about what his next target may be, so protectionism will likely continue to overhang global trade prospects.

AXA Sterling Corporate Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Slower growth is less supportive for company profits, which if it were to persist could pressure credit ratings, a potential concern as the market has trended towards weaker investment grade (i.e. BBB) ratings in recent years. That said, companies that have specifically increased leverage for M&A purposes, do appear committed to deleveraging in order to maintain ratings. While spreads have fallen from their widest (i.e. cheapest) levels in early 2019, they are still considerably wider than their most expensive levels from Q1 2018. While government bonds yields remain so low, there will always be demand from investors seeking higher yields, with investment grade corporate bonds the natural first step on the increased risk spectrum. This technical is supportive of spreads.

Brexit will have a significant impact on the UK economy with interest rate and gilt yield implications. There does not appear to be the numbers in this parliament to approve any deal given party differences, with the opposition Labour party's preferring a softer Brexit option with a permanent customs union. The incoming Conservative leader and new prime minister will likely get little leeway from the EU, given their insistence that the WA cannot be reopened. There is also little appetite to leave with no deal, given the dire economic projections and parliament seems determined to ensure it does not happen. So, what will happen? Should the impasse continue (and there is no reason to believe it won't), the new PM may be tempted to go for a general election in the hope of getting a mandate to deliver Brexit (i.e. get a majority in parliament that will support a deal). Indications are, however, that since the 2016 Brexit vote, the change in demographics will have naturally shifted the overall balance on favour of 'remain' voters. Fought on Brexit grounds, would a general election essentially be a second referendum? Labour would be tempted to back a 'remain' outcome to give it a chance of gaining power, but would alienate many of its traditional voters who want to leave the EU. Perhaps we get a coalition government of leave or remain supporting parties, which would increase the chance of a 'no-deal' Brexit, but more likely no Brexit. It is all still very much up in the air – why would any company choose to invest in the UK given this uncertainty?

All performance data source: AXA Investment Managers, ICE BofAML and Bloomberg.
Past performance is not a guide to future performance.

Major Purchases

- Heathrow Funding 7.125% 14/02/24
- United Utilities Water Finance 2% 14/02/25
- Tritax Big Box REIT 2.625% 14/12/26
- Vodafone 4.875% 03/10/78
- Prudential 5.625% 20/10/51

Major Sales

- GE Capital UK Funding Unlimited 5.875% 18/01/33
- Bank of Nova Scotia 1.75% 23/12/22
- ELM for Swiss Reinsurance 6.3024% Perpetual
- Westfield America Management 2.625% 30/03/29
- Standard Life Aberdeen 5.5% 04/12/42

Phil Roantree
30 June 2019
AXA Investment Managers UK Limited

AXA Sterling Corporate Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 98.20% (30/06/18: 96.85%)			
Australia 2.57% (30/06/18: 2.75%)			
APT Pipelines 3.125% 18/07/31	147,000	154	0.27
APT Pipelines 4.25% 26/11/24	250,000	278	0.49
BHP Billiton Finance 6.5% 22/10/77	190,000	215	0.38
Scentre Group Trust 1 3.875% 16/07/26	300,000	329	0.57
Toyota Finance Australia 1.625% 11/07/22	275,000	279	0.49
Vicinity Centres Trust 3.375% 07/04/26	200,000	212	0.37
Belgium 0.66% (30/06/18: 0.73%)			
Anheuser-Busch InBev 2.25% 24/05/29	381,000	378	0.66
Bermuda 0.49% (30/06/18: 0.00%)			
Hiscox 6.125% 24/11/45	250,000	278	0.49
Canada 0.35% (30/06/18: 2.37%)			
Canadian Imperial Bank of Commerce 1.125% 30/06/22	200,000	199	0.35
Cayman Islands 1.92% (30/06/18: 1.92%*)			
Trafford Centre Finance 7.03% 28/01/29	541,981	668	1.17
Yorkshire Power Finance 7.25% 04/08/28	301,000	429	0.75
Denmark 0.27% (30/06/18: 0.00%)			
Orsted 2.125% 17/05/2027	152,000	157	0.27
France 5.25% (30/06/18: 4.54%)			
Banque Federative du Credit Mutuel 2.25% 18/12/23	400,000	412	0.72
BNP Paribas 5.75% 24/01/22	200,000	220	0.38
BPCE 5.25% 16/04/29	400,000	476	0.83
CNP Assurances 7.375% 30/09/41	300,000	333	0.58
Dexia Credit Local 0.875% 07/09/21	200,000	199	0.35
Electricite de France 6% Perpetual	300,000	321	0.56
Electricite de France 6.125% 02/06/34	150,000	215	0.38
Orange 5.75% Perpetual	250,000	276	0.48
Total Capital International 1.66% 22/07/26	300,000	303	0.53
Total Capital International 1.75% 07/07/25	248,000	253	0.44
Germany 0.80% (30/06/18: 0.88%)			
Deutsche Bahn Finance 1.875% 13/02/26	244,000	250	0.44
Deutsche Bahn Finance 2.75% 20/06/22	200,000	209	0.36
Guernsey 0.45% (30/06/18: 0.39%)			
Credit Suisse Funding Guernsey 2.75% 08/08/25	250,000	257	0.45
Ireland 0.65% (30/06/18: 0.83%)			
GE Capital UK Funding Unlimited 5.875% 18/01/33	300,000	370	0.65
Italy 0.30% (30/06/18: 0.74%)			
FCA Bank Ireland 1.625% 29/09/21	171,000	170	0.30
Japan 0.70% (30/06/18: 0.81%)			
East Japan Railway 4.75% 08/12/31	300,000	402	0.70
Jersey 6.43% (30/06/18: 6.58%)			
AA Bond 2.75% 31/07/23	367,000	335	0.59
AA Bond 2.875% 31/01/22	150,000	143	0.25
AA Bond 4.875% 31/07/24	238,000	234	0.41

AXA Sterling Corporate Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
CPUK Finance 3.69% 28/08/28	300,000	319	0.56
CPUK Finance 7.239% 28/02/24	400,000	484	0.85
Gatwick Funding 4.625% 27/03/34	150,000	186	0.32
Gatwick Funding 5.25% 23/01/24	184,000	211	0.37
Heathrow Funding 6.45% 10/12/31	300,000	435	0.76
Heathrow Funding 7.125% 14/02/24	500,000	605	1.06
Intu Jersey 2 2.875% 01/11/22	500,000	400	0.70
Porterbrook Rail Finance 7.125% 20/10/26	250,000	322	0.56
Mexico 0.28% (30/06/18: 0.74%)			
America Movil 6.375% 06/09/73	150,000	158	0.28
Netherlands 4.00% (30/06/18: 6.63%)			
Cooperatieve Rabobank 4.625% 23/05/29	350,000	405	0.71
Daimler International Finance 2% 04/09/23	300,000	304	0.53
E.ON International Finance 6.375% 07/06/32	250,000	354	0.62
Enel Finance International 5.625% 14/08/24	250,000	293	0.51
Highbury Finance 7.017% 20/03/23	266,815	305	0.53
innogy Finance 6.25% 03/06/30	250,000	341	0.60
Koninklijke KPN 5.75% 17/09/29	250,000	288	0.50
Spain 1.63% (30/06/18: 0.67%)			
Abertis Infraestructuras 3.375% 27/11/26	300,000	307	0.54
Banco Santander 2.75% 12/09/23	300,000	310	0.54
Telefonica Emisiones 5.445% 08/10/29	250,000	316	0.55
Sweden 2.15% (30/06/18: 2.42%)			
Scania 1.875% 28/06/22	250,000	250	0.44
Svenska Handelsbanken 1.625% 18/06/22	275,000	278	0.49
Svenska Handelsbanken 2.375% 18/01/22	250,000	257	0.45
Swedbank 1.25% 29/12/21	165,000	164	0.29
Swedbank 1.625% 28/12/22	275,000	276	0.48
Switzerland 0.48% (30/06/18: 0.75%)			
UBS London 1.25% 10/12/20	273,000	273	0.48
United Arab Erimates 0.56% (30/06/18: 0.00%)			
DP World 4.25% 25/09/30	300,000	323	0.56
United Kingdom 60.83% (30/06/18: 56.02%*)			
ABP Finance 6.25% 14/12/26	400,000	489	0.86
Admiral 5.5% 25/07/24	307,000	339	0.59
Anglian Water Services Financing 2.625% 15/06/27	250,000	244	0.43
Anglian Water Services Financing 4.5% 22/02/26	250,000	274	0.48
Aspire Defence Finance 4.674% 31/03/40	135,791	174	0.30
Aviva 5.9021% Perpetual	300,000	308	0.54
Aviva 6.125% 14/11/36	100,000	115	0.20
BAE Systems 4.125% 08/06/22	250,000	268	0.47
Barclays 3% 08/05/26	250,000	252	0.44
Barclays Bank 10% 21/05/21	300,000	345	0.60
Barclays Bank 9.5% 07/08/21	250,000	288	0.50
BAT International Finance 7.25% 12/03/24	250,000	307	0.54
BL Superstores Finance 5.27% 04/10/30	158,037	173	0.30
BL Superstores Finance 5.578% 04/10/30	375,000	438	0.77
BP Capital Markets 1.827% 08/09/25	156,000	159	0.28
British Telecommunications 3.125% 21/11/31	250,000	262	0.46
Broadgate Financing 4.851% 05/04/31	295,000	376	0.66

AXA Sterling Corporate Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Broadgate Financing 4.949% 05/04/29	375,619	438	0.77
Bunzl Finance 2.25% 11/06/25	150,000	151	0.26
Cadent Finance 2.125% 22/09/28	350,000	347	0.61
Canary Wharf Finance II 6.8% 22/10/33	529,459	687	1.20
Centrica 4.375% 13/03/29	225,000	261	0.46
Centrica 5.25% 10/04/75	200,000	204	0.36
Close Brothers 4.25% 24/01/27	500,000	523	0.91
Compass 2% 03/07/29	200,000	207	0.36
Coventry Building Society 1.875% 24/10/23	179,000	182	0.32
Direct Line Insurance 4.75% Perpetual	450,000	383	0.67
Direct Line Insurance 9.25% 27/04/42	100,000	118	0.21
Eastern Power Networks 6.25% 12/11/36	250,000	376	0.66
Electricity North West 8.875% 25/03/26	375,000	535	0.93
esure 6.75% 19/12/24	250,000	249	0.44
Eversholt Funding 6.359% 02/12/25	250,000	306	0.54
Firstgroup 8.75% 08/04/21	200,000	222	0.39
GlaxoSmithKline Capital 3.375% 20/12/27	250,000	283	0.48
Great Rolling Stock 6.875% 27/07/35	264,425	334	0.58
Greene King Finance 3.593% 15/03/35	233,000	241	0.42
Greene King Finance 5.318% 15/09/31	265,567	306	0.54
Hammerson 3.5% 27/10/25	400,000	410	0.72
HSBC 2.256% 13/11/26	199,000	199	0.35
HSBC 5.75% 20/12/27	250,000	302	0.53
HSBC 6.75% 11/09/28	400,000	517	0.90
Imperial Brands Finance 5.5% 28/09/26	300,000	355	0.62
Investec Bank 4.25% 24/07/28	400,000	404	0.71
Land Securities Capital Markets 1.974% 08/02/24	150,000	152	0.27
Legal & General 5.125% 14/11/48	222,000	243	0.42
Legal & General 5.375% 27/10/45	300,000	332	0.58
Lendlease Europe Finance 6.125% 12/10/21	260,000	282	0.49
Lloyds Bank 7.5% 15/04/24	400,000	505	0.88
Lloyds Bank 7.625% 22/04/25	200,000	256	0.45
London & Quadrant Housing Trust 2.625% 28/02/28	300,000	308	0.54
London Power Networks 6.125% 07/06/27	250,000	323	0.56
Manchester Airport Funding 4.125% 02/04/24	250,000	278	0.49
Marston's Issuer 5.641% 15/07/35	250,000	202	0.35
Martlet Homes 3% 09/05/52	250,000	255	0.45
Meadowhall Finance 4.986% 12/01/32	144,548	177	0.31
Mitchells & Butlers Finance 6.013% 15/12/28	261,117	296	0.52
Mitchells & Butlers Finance 6.469% 15/09/30	532,000	594	1.04
Motability Operations 4.375% 08/02/27	300,000	356	0.62
Nationwide Building Society 3.25% 20/01/28	373,000	405	0.71
NewRiver REIT 3.5% 07/03/28	400,000	399	0.70
Next 3.625% 18/05/28	500,000	520	0.91
Next 4.375% 02/10/26	300,000	331	0.58
NIE Finance 6.375% 02/06/26	300,000	385	0.67
Northern Gas Networks Finance 4.875% 30/06/27	350,000	427	0.75
Northumbrian Water Finance 1.625% 11/10/26	400,000	390	0.68
Places for People Homes 3.625% 22/11/28	384,000	402	0.70
Places For People Treasury 2.875% 17/08/26	359,000	362	0.63
Provident Financial 7% 04/06/23	248,000	249	0.44
Prudential 5.56% 20/07/55	250,000	266	0.47
Prudential 5.625% 20/10/51	250,000	275	0.48
Quadgas Finance 3.375% 17/09/29	400,000	406	0.71
RL Finance Bonds No. 2 6.125% 30/11/43	300,000	337	0.59
Royal Bank of Scotland 3.125% 28/03/27	206,000	209	0.37
RSL Finance No 1 6.625% 31/03/38	222,285	319	0.56

AXA Sterling Corporate Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Santander UK 2.92% 08/05/26	400,000	407	0.71
Santander UK 3.625% 14/01/26	300,000	320	0.56
Scottish Widows 7% 16/06/43	450,000	592	1.04
Segro 2.375% 11/10/29	250,000	253	0.44
Segro 6.75% 23/11/21	200,000	224	0.39
Severn Trent Utilities Finance 6.125% 26/02/24	300,000	358	0.63
Skipton Building Society 1.75% 30/06/22	450,000	446	0.78
Society of Lloyd's 4.75% 30/10/24	350,000	386	0.68
Southern Gas Networks 3.1% 15/09/36	219,000	236	0.41
Southern Gas Networks 4.875% 21/03/29	300,000	374	0.65
SP Manweb 4.875% 20/09/27	265,000	323	0.56
Standard Chartered 5.125% 06/06/34	250,000	285	0.50
Student Finance 2.6663% 30/09/24	600,000	592	1.04
Telereal Securitisation 4.0902% 10/12/33	400,000	415	0.73
Telereal Securitisation 5.3887% 10/12/31	270,645	326	0.57
Tesco Property Finance 2 6.0517% 13/10/39	212,634	279	0.49
Tesco Property Finance 3 5.744% 13/04/40	242,145	316	0.55
Tesco Property Finance 6 5.4111% 13/07/44	312,112	397	0.69
Thames Water Utilities Finance 4% 19/06/25	250,000	276	0.48
Thames Water Utilities Finance 1.875% 24/01/24	200,000	200	0.35
Thames Water Utilities Finance 5.75% 13/09/30	250,000	273	0.48
TP ICAP 5.25% 26/01/24	250,000	259	0.45
Tritax Big Box REIT 2.625% 14/12/26	500,000	505	0.88
TSB Banking 5.75% 06/05/26	250,000	254	0.44
United Utilities Water Finance 2% 14/02/25	500,000	509	0.89
Virgin Money 3.375% 24/04/26	246,000	248	0.43
Vodafone 4.875% 03/10/78	500,000	510	0.89
Western Power Distribution South West 2.375% 16/05/29	250,000	255	0.45
Western Power Distribution South West 5.875% 25/03/27	375,000	474	0.83
Yorkshire Building Society 3.375% 13/09/28	350,000	334	0.58
Zurich Finance UK 6.625% Perpetual	500,000	561	0.98
United States 7.43% (30/06/18: 7.08%)			
AT&T 4.375% 14/09/29	400,000	459	0.80
BAT Capital 2.125% 15/08/25	250,000	246	0.43
Berkshire Hathaway Finance 2.375% 19/06/39	500,000	508	0.89
Citigroup 2.75% 24/01/24	126,000	131	0.23
Digital Stout Holding 3.75% 17/10/30	350,000	373	0.65
Discovery Communications 2.5% 20/09/24	200,000	202	0.35
Fidelity National Information Services 2.602% 21/05/25	100,000	103	0.18
Fidelity National Information Services 3.36% 21/05/31	250,000	264	0.46
Ford Motor Credit 4.535% 06/03/25	160,000	168	0.29
General Electric 5.25% 07/12/28	450,000	524	0.92
Goldman Sachs 3.125% 25/07/29	250,000	264	0.46
Prologis 2.25% 30/06/29	250,000	252	0.44
Tennessee Valley Authority 5.625% 07/06/32	200,000	286	0.50
Washington Mutual Bank 5.5% 10/06/19^	850,000	-	-
Wells Fargo 2.125% 22/04/22	240,000	244	0.43
Wells Fargo Bank 5.25% 01/08/23	200,000	226	0.40
TOTAL CORPORATE BONDS		**56,147**	**98.20**

AXA Sterling Corporate Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
FUTURES 0.02% (30/06/18: 0.04%)			
United Kingdom 0.02% (30/06/18: 0.04%)			
Long Gilt Futures September 2019	18	14	0.02
TOTAL FUTURES		**14**	**0.02**
Portfolio of investments		56,161	98.22
Net other assets		1,016	1.78
Total net assets		**57,177**	**100.00**

^ These stocks have either been suspended, delisted or are in liquidation.

* Since the previous report country classifications have been updated. Comparative figures have been updated where appropriate.

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2019, there were no investments in the Fund which were valued using a quote from a single broker (30/06/18 : £nil).

AXA Sterling Corporate Bond Fund

Comparative Tables

As at 30 June 2019

	H Net Accumulation			H Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	145.25	142.22	131.19	160.21	156.89	144.16
Return before operating charges ^	(0.73)	3.12	11.70	7.14	3.42	12.85
Operating charges ^	(0.02)	(0.09)	(0.11)	(0.08)	(0.10)	(0.12)
Return after operating charges ^	(0.75)	3.03	11.59	7.06	3.32	12.73
Return to Shareholders	(144.50)	-	-	-	-	-
Distributions	(1.25)	(5.11)	(5.46)	(5.51)	(5.61)	(5.99)
Retained distributions on accumulation shares	1.25	5.11	4.90	5.51	5.61	5.99
Closing net asset value per share †	-	145.25	142.22	167.27	160.21	156.89
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-0.52%	2.13%	8.84%	4.41%	2.12%	8.83%
Other information						
Closing net asset value (£) †	-	7,262	7,111	4,984	8,353,801	8,180,851
Closing number of shares	-	5,000	5,000	2,980	5,214,378	5,214,378
Operating charges ^	-	0.06%	0.08%	0.05%	0.06%	0.08%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	147.10	147.10	144.60	168.20	162.20	159.50
Lowest share price #	144.50	142.40	133.00	156.70	157.00	146.10

	R Net Income			R Gross Income		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	86.91	88.16	84.23	84.20	85.41	81.60
Return before operating charges ^	(0.48)	1.92	7.44	5.07	1.86	7.21
Operating charges ^	(0.26)	(0.94)	(0.95)	(0.89)	(0.91)	(0.92)
Return after operating charges ^	(0.74)	0.98	6.49	4.18	0.95	6.29
Transfer to gross share class	(85.64)	-	-	-	-	-
Distributions	(0.53)	(2.23)	(2.56)	(2.11)	(2.16)	(2.48)
Closing net asset value per share †	-	86.91	88.16	86.27	84.20	85.41
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-0.85%	1.11%	7.71%	4.96%	1.11%	7.71%
Other information						
Closing net asset value (£) †	-	622,086	742,801	2,580,899	2,043,230	2,474,093
Closing number of shares	-	715,761	842,587	2,991,521	2,426,516	2,896,722
Operating charges ^	-	1.06%	1.08%	1.05%	1.06%	1.08%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	87.89	90.75	90.71	87.26	87.92	87.94
Lowest share price #	85.64	87.02	85.38	82.65	84.31	82.73

AXA Sterling Corporate Bond Fund

Comparative Tables

As at 30 June 2019

	R Net Accumulation			R Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	142.08	140.53	130.84	142.37	140.82	130.69
Return before operating charges ^	(0.75)	3.06	11.60	8.69	3.06	11.62
Operating charges ^	(0.43)	(1.51)	(1.49)	(1.52)	(1.51)	(1.49)
Return after operating charges ^	(1.18)	1.55	10.11	7.17	1.55	10.13
Transfer to gross share class	(140.90)	-	-	-	-	-
Distributions	(0.86)	(3.58)	(4.02)	(3.59)	(3.59)	(4.02)
Retained distributions on accumulation shares	0.86	3.58	3.60	3.59	3.59	4.02
Closing net asset value per share †	-	142.08	140.53	149.54	142.37	140.82
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-0.83%	1.10%	7.73%	5.04%	1.10%	7.75%
Other information						
Closing net asset value (£) †	-	4,374,364	4,136,810	6,480,841	1,585,679	1,724,545
Closing number of shares	-	3,078,828	2,943,687	4,333,957	1,113,772	1,224,647
Operating charges ^	-	1.06%	1.08%	1.05%	1.06%	1.08%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	143.70	144.70	143.00	150.30	145.00	143.30
Lowest share price #	140.90	140.50	132.60	140.90	140.80	132.50

	Z Net Income			Z Gross Income		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	87.45	88.70	84.74	91.70	93.02	88.86
Return before operating charges ^	(0.48)	1.94	7.50	5.52	2.02	7.87
Operating charges ^	(0.14)	(0.50)	(0.51)	(0.51)	(0.52)	(0.54)
Return after operating charges ^	(0.62)	1.44	6.99	5.01	1.50	7.33
Transfer to gross share class	(86.19)	-	-	-	-	-
Distributions	(0.64)	(2.69)	(3.03)	(2.75)	(2.82)	(3.17)
Closing net asset value per share †	-	87.45	88.70	93.96	91.70	93.02
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-0.71%	1.62%	8.25%	5.46%	1.61%	8.25%
Other information						
Closing net asset value (£) †	-	11,442,003	12,000,776	11,258,290	432,574	325,264
Closing number of shares	-	13,084,082	13,529,111	11,982,441	471,720	349,686
Operating charges ^	-	0.56%	0.58%	0.55%	0.56%	0.58%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	88.50	91.40	91.30	95.14	95.84	95.82
Lowest share price #	86.19	87.62	85.92	90.02	91.88	90.11

AXA Sterling Corporate Bond Fund

Comparative Tables

As at 30 June 2019

	Z Net Accumulation			Z Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	136.04	133.89	124.11	151.55	149.15	137.76
Return before operating charges ^	(0.72)	2.91	11.00	9.27	3.25	12.24
Operating charges ^	(0.22)	(0.76)	(0.76)	(0.85)	(0.85)	(0.85)
Return after operating charges ^	(0.94)	2.15	10.24	8.42	2.40	11.39
Transfer to gross share class	(135.10)	-	-	-	-	-
Distributions	(1.00)	(4.10)	(4.47)	(4.60)	(4.57)	(4.98)
Retained distributions on accumulation shares	1.00	4.10	4.01	4.60	4.57	4.98
Closing net asset value per share †	-	136.04	133.89	159.97	151.55	149.15
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-0.69%	1.61%	8.25%	5.56%	1.61%	8.27%
Other information						
Closing net asset value (£) †	-	20,610,248	6,667,936	26,352,050	1,788,734	852,914
Closing number of shares	-	15,150,052	4,980,161	16,473,207	1,180,319	571,847
Operating charges ^	-	0.56%	0.58%	0.55%	0.56%	0.58%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	137.70	138.10	136.20	160.80	153.80	151.70
Lowest share price #	135.10	134.00	125.80	150.30	149.30	139.60

	B Net Accumulation			B Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	115.90	113.96	105.51	116.79	114.82	105.93
Return before operating charges ^	(0.55)	2.47	9.39	7.14	2.51	9.43
Operating charges ^	(0.15)	(0.53)	(0.54)	(0.53)	(0.54)	(0.54)
Return after operating charges ^	(0.70)	1.94	8.85	6.61	1.97	8.89
Transfer to gross share class	(115.20)	-	-	-	-	-
Distributions	(0.88)	(3.61)	(3.92)	(3.67)	(3.63)	(3.94)
Retained distributions on accumulation shares	0.88	3.61	3.52	3.67	3.63	3.94
Closing net asset value per share †	-	115.90	113.96	123.40	116.79	114.82
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-0.60%	1.70%	8.39%	5.66%	1.72%	8.39%
Other information						
Closing net asset value (£) †	-	440,162	514,878	10,066,869	10,562,817	11,476,867
Closing number of shares	-	379,763	451,812	8,157,674	9,044,666	9,995,163
Operating charges ^	-	0.46%	0.48%	0.45%	0.46%	0.48%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	117.30	117.60	115.90	124.10	118.50	116.80
Lowest share price #	115.10	114.10	106.90	115.90	114.90	107.40

AXA Sterling Corporate Bond Fund

Comparative Tables

As at 30 June 2019

	B Net Income			B Gross Income		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	107.34	108.88	104.02	107.38	108.91	104.03
Return before operating charges ^	(0.59)	2.37	9.21	6.45	2.38	9.22
Operating charges ^	(0.14)	(0.50)	(0.52)	(0.48)	(0.50)	(0.52)
Return after operating charges ^	(0.73)	1.87	8.69	5.97	1.88	8.70
Transfer to gross share class	(105.80)	-	-	-	-	-
Distributions	(0.81)	(3.41)	(3.83)	(3.33)	(3.41)	(3.82)
Closing net asset value per share †	-	107.34	108.88	110.02	107.38	108.91
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-0.68%	1.71%	8.35%	5.56%	1.72%	8.36%
Other information						
Closing net asset value (£) †	-	38,165	38,766	433,318	420,783	453,628
Closing number of shares	-	35,554	35,603	393,866	391,881	416,499
Operating charges ^	-	0.46%	0.48%	0.45%	0.46%	0.48%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	108.60	112.20	112.00	111.40	112.20	112.20
Lowest share price #	105.80	107.60	105.40	105.40	107.60	105.50

+ Net share classes converted into gross share classes on 12 October 2018.

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the sub-fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the average Net Asset Value for the accounting year.

AXA Sterling Corporate Bond Fund

Statement of Total Return
For the year ended 30 June 2019

	Note	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Income:					
Net capital gains/(losses)	2		1,154		(970)
Revenue	3	1,989		2,044	
Expenses	4	(339)		(311)	
Net revenue before taxation		1,650		1,733	
Taxation	5	-		-	
Net revenue after taxation			1,650		1,733
Total return before distributions			2,804		763
Distributions	6		(1,650)		(1,733)
Change in net assets attributable to Shareholders from investment activities			**1,154**		**(970)**

Statement of Change in Net Assets Attributable to Shareholders
For the year ended 30 June 2019

	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Opening net assets attributable to Shareholders		62,722		49,597
Amounts receivable on issue of shares	16,497		26,762	
Amounts payable on cancellation of shares	(24,427)		(14,012)	
		(7,930)		12,750
Change in net assets attributable to Shareholders from investment activities (see above)		1,154		(970)
Retained distributions on accumulation shares		1,231		1,345
Closing net assets attributable to Shareholders		**57,177**		**62,722**

AXA Sterling Corporate Bond Fund

Balance Sheet

As at

	Note	30/06/19 £'000	30/06/18 £'000
Assets:			
Fixed assets:			
Investments		56,161	60,770
Current assets:			
Debtors	7	1,059	1,326
Cash and bank balances	8	1,164	1,143
Total assets		**58,384**	**63,239**
Liabilities:			
Creditors:			
Distribution payable		(100)	(110)
Other creditors	9	(1,107)	(407)
Total liabilities		**(1,207)**	**(517)**
Net assets attributable to Shareholders		**57,177**	**62,722**

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 207 - 209.

2. Net capital gains/(losses)

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
The net capital gains/(losses) comprise:		
Non-derivative securities	1,103	(1,197)
Brokers commission on futures	-	(1)
Derivative contracts	53	230
Transaction charges	(2)	(2)
Net capital gains/(losses)	**1,154**	**(970)**

3. Revenue

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Bank interest	1	2
Interest on debt securities	1,988	2,042
Total revenue	**1,989**	**2,044**

4. Expenses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual Management Charge	300	277
Registration fees	6	6
	306	283
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	15	15
Safe custody fees	4	4
	19	19
Other expenses		
Audit fees	8	8
Printing fees	6	1
	14	9
Total expenses	**339**	**311**

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements
For the year ended 30 June 2019

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2018: 20%) is applied to the net revenue before taxation. The differences are explained below:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Net revenue before taxation	1,650	1,733
Net revenue for the year multiplied by the standard rate of corporation tax	330	347
Effects of:		
Tax deductible interest distributions	(330)	(347)
Current tax charge for the year	**-**	**-**

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (2018: £nil) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
First interim	460	415
Second interim	395	436
Third interim	382	445
Final	403	475
Add: Revenue paid on cancellation of shares	121	68
Deduct: Revenue received on creation of shares	(111)	(106)
Net distribution for the year	**1,650**	**1,733**

7. Debtors

	30/06/19 £'000	30/06/18 £'000
Amounts receivable for creation of shares	192	412
Accrued revenue	867	914
Total debtors	**1,059**	**1,326**

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

8. Cash and bank balances

	30/06/19 £'000	30/06/18 £'000
Cash and bank balances	1,147	1,138
Amount held at futures clearing houses and brokers	17	5
Total cash and bank balances	**1,164**	**1,143**

9. Other creditors

	30/06/19 £'000	30/06/18 £'000
Amounts payable for cancellation of shares	1,060	23
Purchases awaiting settlement	-	345
Accrued Annual Management Charge	25	24
Accrued other expenses	22	15
Total other creditors	**1,107**	**407**

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no Shareholdings in the Company at the year end.

As at 30 June 2019 material shareholders have holdings totalling 52.93% (30/06/2018: 28.60%) of the Funds' shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's Annual Management Charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/18	Issued	Cancelled	Converted	30/06/19
H Net Accumulation +	0.00	5,000	-	(5,000)	-	-
H Gross Accumulation	0.00	5,214,378	3,413	(5,214,811)	-	2,980
R Net Income +	1.00	715,761	1,304	(52,792)	(664,273)	-
R Gross Income	1.00	2,426,516	127,658	(220,467)	657,814	2,991,521
R Net Accumulation +	1.00	3,078,828	215,985	(141,966)	(3,152,847)	-
R Gross Accumulation	1.00	1,113,772	939,069	(786,312)	3,067,428	4,333,957
Z Net Income +	0.50	13,084,082	134,640	(58,034)	(13,160,688)	-
Z Gross Income	0.50	471,720	2,796,695	(3,862,077)	12,576,103	11,982,441
Z Net Accumulation +	0.50	15,150,052	1,928,293	(2,092,819)	(14,985,526)	-
Z Gross Accumulation	0.50	1,180,319	5,526,562	(3,759,462)	13,525,788	16,473,207
B Net Accumulation +	0.40	379,763	192	(32,298)	(347,657)	-
B Gross Accumulation	0.40	9,044,666	17,980	(1,249,932)	344,960	8,157,674
B Net Income +	0.40	35,554	298	(4,969)	(30,883)	-
B Gross Income	0.40	391,881	786,256	(815,125)	30,854	393,866

+ Net share classes converted into gross share classes on 12 October 2018.

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2018: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2018).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £5,614,752 (2018: £6,074,750). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	1,164	56,147	1,073	58,384
Total	**1,164**	**56,147**	**1,073**	**58,384**
30/06/18				
Pound sterling	1,143	60,747	1,349	63,239
Total	**1,143**	**60,747**	**1,349**	**63,239**

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	-	-	(1,207)	(1,207)
Total	**-**	**-**	**(1,207)**	**(1,207)**
30/06/18				
Pound sterling			(517)	(517)
Total	**-**	**-**	**(517)**	**(517)**

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £3,532,000 (2018: £3,857,000) A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each sub-fund.

Transactions in securities may expose the Fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/19 Market Value £'000	%	30/06/18 Market Value £'000	%
Investment grade	53,176	93.01	56,898	90.71
Speculative grade	2,322	4.05	3,182	5.08
Unrated	649	1.14	667	1.06
Total value of bonds	**56,147**	**98.20**	**60,747**	**96.85**

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

AXA Sterling Corporate Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties as at 30 June 2019 was as follows:

	30/06/19 Exposure £'000	30/06/18 Exposure £'000
(a) Futures		
Royal Bank of Scotland	14	23
Total value of derivatives	**14**	**23**

14. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2019.

At the balance sheet date the average portfolio dealing spread was 0.67% (2018: 0.65%).

15. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

16. Fair value disclosure

	30/06/19		30/06/18	
Valuation technique	**Assets £'000**	**Liabilities £'000**	**Assets £'000**	**Liabilities £'000**
Level 1 ^	300	-	23	-
Level 2 ^^	55,861	-	60,747	-
Level 3 ^^^	-	-	-	-
	56,161	**-**	**60,770**	**-**

^ Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^^ Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^^^ Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2019

First Distribution in pence per share

Group 1 Shares purchased prior to 1 July 2018

Group 2 Shares purchased on or after 1 July 2018 to 30 September 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 30/11/18 (p)	Distribution paid 30/11/17 (p)
Share Class H Net Accumulation				
Group 1	1.249	-	1.249	1.388
Group 2	1.249	-	1.249	1.388
Share Class H Gross Accumulation				
Group 1	1.376	-	1.376	1.523
Group 2	1.376	-	1.376	1.523
Share Class R Net Income				
Group 1	0.528	-	0.528	0.632
Group 2	0.231	0.297	0.528	0.632
Share Class R Gross Income				
Group 1	0.512	-	0.512	0.612
Group 2	0.512	-	0.512	0.612
Share Class R Net Accumulation				
Group 1	0.863	-	0.863	1.007
Group 2	0.436	0.427	0.863	1.007
Share Class R Gross Accumulation				
Group 1	0.865	-	0.865	1.009
Group 2	0.547	0.318	0.865	1.009
Share Class Z Net Income				
Group 1	0.641	-	0.641	0.749
Group 2	0.304	0.337	0.641	0.749
Share Class Z Gross Income				
Group 1	0.673	-	0.673	0.785
Group 2	0.387	0.286	0.673	0.785
Share Class Z Net Accumulation				
Group 1	0.998	-	0.998	1.129
Group 2	0.573	0.425	0.998	1.129
Share Class Z Gross Accumulation				
Group 1	1.111	-	1.111	1.258
Group 2	0.515	0.596	1.111	1.258
Share Class B Net Accumulation				
Group 1	0.879	-	0.879	0.991
Group 2	0.879	-	0.879	0.991
Share Class B Gross Accumulation				
Group 1	0.886	-	0.886	0.998
Group 2	0.429	0.457	0.886	0.998

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2019

Share Class B Net Income				
Group 1	0.814	-	0.814	0.947
Group 2	0.814	-	0.814	0.947
Share Class B Gross Income				
Group 1	0.815	-	0.815	0.947
Group 2	0.815	-	0.815	0.947

Second Distribution in pence per share

Group 1 Shares purchased prior to 1 October 2018

Group 2 Shares purchased on or after 1 October 2018 to 31 December 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 28/02/19 (p)	Distribution paid 28/02/18 (p)
Share Class H Net Accumulation +				
Group 1	-	-	-	1.230
Group 2	-	-	-	1.230
Share Class H Gross Accumulation				
Group 1	1.378	-	1.378	1.352
Group 2	1.378	-	1.378	1.352
Share Class R Net Income +				
Group 1	-	-	-	0.530
Group 2	-	-	-	0.530
Share Class R Gross Income				
Group 1	0.570	-	0.570	0.513
Group 2	0.076	0.494	0.570	0.513
Share Class R Net Accumulation +				
Group 1	-	-	-	0.851
Group 2	-	-	-	0.851
Share Class R Gross Accumulation				
Group 1	0.970	-	0.970	0.852
Group 2	0.424	0.546	0.970	0.852
Share Class Z Net Income +				
Group 1	-	-	-	0.646
Group 2	-	-	-	0.646
Share Class Z Gross Income				
Group 1	0.739	-	0.739	0.676
Group 2	0.309	0.430	0.739	0.676
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.982
Group 2	-	-	-	0.982
Share Class Z Gross Accumulation				
Group 1	1.230	-	1.230	1.094
Group 2	0.500	0.730	1.230	1.094

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2019

Share Class B Net Accumulation +				
Group 1	-	-	-	0.865
Group 2	-	-	-	0.865
Share Class B Gross Accumulation				
Group 1	0.978	-	0.978	0.871
Group 2	0.575	0.403	0.978	0.871
Share Class B Net Income +				
Group 1	-	-	-	0.819
Group 2	-	-	-	0.819
Share Class B Gross Income				
Group 1	0.892	-	0.892	0.820
Group 2	0.892	-	0.892	0.820

Third Distribution in pence per share

Group 1 Shares purchased prior to 1 January 2019

Group 2 Shares purchased on or after 1 January 2019 to 31 March 2019

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/05/19 (p)	Distribution paid 31/05/18 (p)
Share Class H Net Accumulation +				
Group 1	-	-	-	1.212
Group 2	-	-	-	1.212
Share Class H Gross Accumulation				
Group 1	1.358	-	1.358	1.331
Group 2	1.358	-	1.358	1.331
Share Class R Net Income +				
Group 1	-	-	-	0.516
Group 2	-	-	-	0.516
Share Class R Gross Income				
Group 1	0.508	-	0.508	0.500
Group 2	0.400	0.108	0.508	0.500
Share Class R Net Accumulation +				
Group 1	-	-	-	0.834
Group 2	-	-	-	0.834
Share Class R Gross Accumulation				
Group 1	0.869	-	0.869	0.836
Group 2	0.343	0.526	0.869	0.836
Share Class Z Net Income +				
Group 1	-	-	-	0.629
Group 2	-	-	-	0.629
Share Class Z Gross Income				
Group 1	0.663	-	0.663	0.660
Group 2	0.233	0.430	0.663	0.660

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2019

Share Class Z Net Accumulation +				
Group 1	-	-	-	0.965
Group 2	-	-	-	0.965
Share Class Z Gross Accumulation				
Group 1	1.113	-	1.113	1.075
Group 2	0.403	0.710	1.113	1.075
Share Class B Net Accumulation +				
Group 1	-	-	-	0.850
Group 2	-	-	-	0.850
Share Class B Gross Accumulation				
Group 1	0.887	-	0.887	0.857
Group 2	0.512	0.375	0.887	0.857
Share Class B Net Income +				
Group 1	-	-	-	0.800
Group 2	-	-	-	0.800
Share Class B Gross Income				
Group 1	0.803	-	0.803	0.800
Group 2	0.803	-	0.803	0.800

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 April 2019

Group 2 Shares purchased on or after 1 April 2019 to 30 June 2019

	Gross revenue (p)	Equalisation (p)	Distribution payable 30/08/2019 (p)	Distribution paid 31/08/18 (p)
Share Class H Net Accumulation +				
Group 1	-	-	-	1.277
Group 2	-	-	-	1.277
Share Class H Gross Accumulation				
Group 1	1.399	-	1.399	1.405
Group 2	1.399	-	1.399	1.405
Share Class R Net Income +				
Group 1	-	-	-	0.547
Group 2	-	-	-	0.547
Share Class R Gross Income				
Group 1	0.517	-	0.517	0.530
Group 2	0.254	0.263	0.517	0.530
Share Class R Net Accumulation +				
Group 1	-	-	-	0.889
Group 2	-	-	-	0.889
Share Class R Gross Accumulation				
Group 1	0.890	-	0.890	0.891
Group 2	0.368	0.522	0.890	0.891

AXA Sterling Corporate Bond Fund

Distribution Table

As at 30 June 2019

Share Class Z Net Income +				
Group 1	-	-	-	0.662
Group 2	-	-	-	0.662
Share Class Z Gross Income				
Group 1	0.679	-	0.679	0.694
Group 2	0.225	0.454	0.679	0.694
Share Class Z Net Accumulation +				
Group 1	-	-	-	1.022
Group 2	-	-	-	1.022
Share Class Z Gross Accumulation				
Group 1	1.148	-	1.148	1.139
Group 2	0.623	0.525	1.148	1.139
Share Class B Net Accumulation +				
Group 1	-	-	-	0.900
Group 2	-	-	-	0.900
Share Class B Gross Accumulation				
Group 1	0.916	-	0.916	0.907
Group 2	0.532	0.384	0.916	0.907
Share Class B Net Income +				
Group 1	-	-	-	0.841
Group 2	-	-	-	0.841
Share Class B Gross Income				
Group 1	0.823	-	0.823	0.841
Group 2	0.823	-	0.823	0.841

+ Net share classes converted into gross share classes at 12 October 2018.

AXA Sterling Credit Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Investment Objective

The aim of the Fund is to provide income combined with any capital growth.

Investment Policy

The Fund invests primarily in a diversified portfolio of investment grade bonds issued by companies where the period for full repayment of the bond by the company is expected to be less than 5 years with the aim of reducing the effect of fluctuations in interest rates. The Fund manager seeks to reduce the effect of credit risk through diversification and its analysis and selection of bonds.

Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

Risk and Reward Profile

As at 30 June 2019

By investing in the Fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of the Fund which invests significantly in equities or overseas. Typically, you would be investing for a period of at least five years.

Lower Risk **Higher Risk**

Potentially lower reward Potentially higher reward

1	**2**	3	4	5	6	7

The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

AXA Sterling Credit Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

• Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

Other risks which could have an impact in extreme market conditions include:

• Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The ACD may be forced to buy or sell such investments as a consequence of Shareholders buying or selling Shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• Currency risk - assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's Price. It may not be possible or practicable to hedge against such exchange rate risk.

AXA Sterling Credit Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

The ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.

Market review

Despite a high level of volatility over the 12-month period, credit spreads were broadly unchanged. After remaining relatively range-bound during the third quarter, credit spreads (yield premium over gilts) significantly widened in the fourth quarter due to heightened concerns over global growth, trade tensions between the US and China, and a US Federal Reserve (Fed) perceived as hawkish (monetary policy that promotes raising interest rates), lifting the target range for its benchmark interest rate to 2.00–2.25% in September, and again – to 2.25–2.50% – in December. Meanwhile, the European Central Bank (ECB) ended its quantitative-easing programme in December, while maintaining interest rates at 0%.

Following the Fed's subsequent change of tone regarding monetary policy in January, leading to the expectation of interest rates cuts for 2019, and the resumption of trade talks between the US and China, credit spreads significantly tightened over the following four months. This move tighter was further reinforced by the dovish (monetary policy that promotes lower interest rates) tones from other central banks including the ECB, hinting that they could further cut interest rates and possibly resume quantitative easing to support the Eurozone's economy. However, credit spreads widened in May on the back of a breakdown in trade negotiations between the US and China but subsequently recovered in June following an agreement to resume talks.

Brexit continued to weigh on sentiment during the period. While the UK was given an extension to its departure date from the EU, Prime Minister Theresa May failed to gain support for her withdrawal agreement, and announced that she was to resign in early June – stoking further fears about the prospect of a 'no-deal' departure as neither of her potential replacements refused to rule it out.

Global government bond yields were broadly lower over the period, reflecting investors' concerns over slowing global growth. Overall, UK gilt yields fell from 1.28% to 0.83% over the period. Economic news was mixed for much of the period, but GDP growth of 0.5% over the first quarter of 2019 (1.8% year-on-year) eclipsed the previous quarter's quarterly growth of 0.2%. Manufacturing output was solid, rising 2.2% over the quarter, the strongest figure for over 30 years; stockpiling against the possibility of a 'no-deal' Brexit drove much of this growth. Unemployment fell to 3.8% in the first quarter of 2019, the lowest level since 1974. However, in light of Brexit uncertainty, the Bank of England's (BoE) policymakers scaled back forecasts of economic growth over the second quarter to zero. Having raised interest rates in August 2018, the BoE held them steady at 0.75% throughout the period.

AXA Sterling Credit Short Duration Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Fund activity

Over the period in review, the Fund generated a total net return of +1.82% (Z Acc, net of fees) and +2.24% (Z Acc, gross of fees), while cash, as defined by the ICE BofAML British Pound 3-Month Deposit Bid Rate Average Index (L5BP), delivered a return of +0.70%.

During the period, we decreased our exposure to cyclical names following the increased likelihood of a global growth slowdown and expensive valuations, adding to defensive names. We also reduced our exposure to UK companies as valuations did not compensate enough for Brexit-related risks.

We were active in both primary and secondary markets. Names bought in the sterling primary market included Japanese carmaker Toyota, Australian bank CBA, UK bank Investec, French bank BFCM, US life insurance company MetLife, US bank Citigroup, UK building society Nationwide and Norwegian bank DNB. We also added new names to the Fund in the sterling secondary market including US REIT Digital Realty, UK retailer Morrisons, Portuguese utility EDP, Gatwick airport, UK holiday villages operator Center Parcs, UK pub operator Mitchells & Butlers and US telecom company Verizon.

We were also active in the euro primary market buying US medical technology companies Medtronic and Becton Dickinson, French warehouse and logistics company Logicor and US financial services technology company Fiserv.

Outlook

Given fears of slowing economic growth potentially leading to a global recession due to continuing trade tensions, heightened uncertainty around Brexit and risk of an early general election, political risk in the European periphery (non-core) and expensive valuations in the sterling credit market, we maintain a defensive bias to allow us to benefit from potential pockets of weaknesses ahead.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide for future performance.

Major Purchases

- DNB Bank 1.625% 15/12/23
- CPUK Finance 7.239% 28/02/24
- Gatwick Funding 5.25% 23/01/24
- Manchester Airport Funding 4.125% 02/04/24
- Aareal Bank 1.5% 16/06/22

Major Sales / Redemptions

- Enel 6.25% 20/06/19
- G4S 7.75% 13/05/19
- CPUK Finance 2.666% 28/02/20
- RELX Investments 2.75% 01/08/19
- WPP Finance 6.375% 06/11/20

Nicolas Trindade
30 June 2019
Source: AXA Investment Managers UK Limited

AXA Sterling Credit Short Duration Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 94.35% (30/06/18: 93.82%)			
Australia 3.85% (30/06/18: 3.21%)			
Commonwealth Bank of Australia 1.2175% 12/07/21	4,000,000	4,003	0.45
Commonwealth Bank of Australia 3.082% 18/09/22	USD 5,000,000	3,943	0.45
National Australia Bank 0.875% 26/06/20	2,400,000	2,394	0.27
National Australia Bank 1.125% 10/11/21	1,500,000	1,499	0.17
National Australia Bank 5.125% 09/12/21	430,000	470	0.05
Scentre 2.375% 08/04/22	9,481,000	9,697	1.10
Toyota Finance Australia 1.625% 11/07/22	5,700,000	5,786	0.66
Westpac Banking 1% 30/06/22	4,125,000	4,095	0.46
Westpac Banking 2.625% 14/12/22	408,000	426	0.05
Westpac Banking 5% 21/10/19	1,700,000	1,720	0.19
Belgium 0.87% (30/06/18: 1.46%)			
Eni Finance International 4.75% 28/01/21	7,350,000	7,710	0.87
Bermuda 0.51% (30/06/18: 0.59%)			
Hiscox 2% 14/12/22	4,544,000	4,540	0.51
Canada 3.06% (30/06/18: 4.42%)			
Bank of Montreal 1.375% 29/12/21	4,892,000	4,923	0.56
Bank of Nova Scotia 1.25% 08/06/22	4,520,000	4,534	0.51
Bank of Nova Scotia 1.75% 23/12/22	4,650,000	4,740	0.54
Canadian Imperial Bank of Commerce 1.20575% 10/01/22	7,000,000	7,022	0.80
Glencore Canada Financial 7.375% 27/05/20	1,000,000	1,053	0.12
Royal Bank of Canada 1.01563% 08/12/22	4,730,000	4,706	0.53
Cayman Islands 0.82% (30/06/18: 0.79%)			
Southern Water Services Finance 5% 31/03/21	5,461,000	5,802	0.66
Trafford Centre Finance 4.25% 28/04/24	1,300,000	1,395	0.16
Denmark 0.00% (30/06/18: 0.77%)			
Finland 0.76% (30/06/18: 0.82%*)			
Nordea Bank 3.51063% 27/05/21	USD 4,000,000	3,181	0.36
OP Corporate Bank 2.5% 20/05/22	3,420,000	3,530	0.40
France 8.20% (30/06/18: 7.61%)			
Banque Federative du Credit Mutuel 0.875% 08/06/20	4,200,000	4,188	0.47
Banque Federative du Credit Mutuel 1.375% 20/12/21	2,800,000	2,798	0.32
Banque Federative du Credit Mutuel 1.875% 13/12/22	3,400,000	3,446	0.39
Banque Federative du Credit Mutuel 2.25% 18/12/23	4,000,000	4,117	0.47
BNP Paribas 5.75% 24/01/22	3,800,000	4,171	0.47
BPCE 2.125% 16/12/22	6,000,000	6,148	0.70
BPCE 3.74338% 22/05/22	USD 3,000,000	2,377	0.27
Credit Agricole 3.60113% 24/04/23	USD 2,326,000	1,819	0.21
Credit Agricole 5.5% 17/12/21	2,745,000	3,032	0.34
Credit Agricole 7.375% 18/12/23	3,750,000	4,622	0.52
Dexia Credit Local 0.875% 07/09/21	3,000,000	2,988	0.34
Dexia Credit Local 1.125% 15/06/22	2,300,000	2,302	0.26
Dexia Credit Local 1.375% 07/12/22	3,000,000	3,027	0.34
Dexia Credit Local 2% 17/06/20	2,900,000	2,925	0.33
Electricite de France 6.875% 12/12/22	3,100,000	3,691	0.42
Engie 6.125% 11/02/21	3,500,000	3,777	0.43
LVMH Moet Hennessy Louis Vuitton 1% 14/06/22	3,081,000	3,075	0.35
RCI Banque 1.875% 08/11/22	6,171,000	6,185	0.70
SNCF Reseau 5.5% 01/12/21	2,000,000	2,209	0.25

AXA Sterling Credit Short Duration Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Total Capital International 1.14088% 01/07/19	5,450,000	5,450	0.62
Germany 2.14% (30/06/18: 1.46%*)			
Aareal Bank 1.5% 16/06/22	8,000,000	8,059	0.91
BASF 1.375% 21/06/22	1,641,000	1,659	0.19
Deutsche Bank 1.75% 16/12/21	3,300,000	3,255	0.37
Deutsche Bank 1.875% 28/02/20	5,900,000	5,894	0.67
Guernsey 0.70% (30/06/18: 0.71%)			
Credit Suisse Funding Guernsey 3% 27/05/22	4,122,000	4,293	0.49
Credit Suisse Funding Guernsey 4.89088% 16/04/21	USD 2,300,000	1,862	0.21
Ireland 2.06% (30/06/18: 2.08%)			
ESB Finance 6.5% 05/03/20	9,450,000	9,770	1.11
GE Capital UK Funding 4.125% 13/09/23	2,500,000	2,694	0.30
GE Capital UK Funding 4.375% 31/07/19	1,850,000	1,854	0.21
GE Capital UK Funding 5.125% 24/05/23	3,500,000	3,874	0.44
Italy 2.81% (30/06/18: 5.48%)			
Autostrade per l'Italia 6.25% 09/06/22	9,133,000	10,000	1.13
FCA Bank Ireland 1.625% 29/09/21	6,810,000	6,756	0.77
Intesa Sanpaolo 5.25% 28/01/22	7,500,000	8,034	0.91
Japan 1.61% (30/06/18: 1.81%)			
Mitsubishi UFJ Financial 4.40025% 01/03/21	USD 1,851,000	1,489	0.17
Mizuho Financial 3.46063% 28/02/22	USD 3,500,000	2,768	0.31
Sumitomo Mitsui Financial 3.04325% 18/10/22	USD 7,800,000	6,147	0.70
Sumitomo Mitsui Financial 4.133% 09/03/21	USD 4,700,000	3,770	0.43
Jersey 5.90% (30/06/18: 5.35%)			
AA Bond 2.75% 31/07/23	3,293,000	3,004	0.34
AA Bond 2.875% 31/01/22	5,300,000	5,042	0.57
AA Bond 4.2487% 31/07/20	1,281,000	1,300	0.15
CPUK Finance 7.239% 28/02/24	7,967,000	9,643	1.09
Gatwick Funding 5.25% 23/01/24	8,000,000	9,187	1.04
Glencore Finance Europe 6% 03/04/22	4,484,000	4,965	0.56
Heathrow Funding 6% 20/03/20	4,250,000	4,389	0.50
Heathrow Funding 7.125% 14/02/24	3,500,000	4,238	0.48
Heathrow Funding 9.2% 29/03/21	4,253,000	4,824	0.55
Porterbrook Rail Finance 6.5% 20/10/20	5,163,000	5,477	0.62
Luxembourg 2.09% (30/06/18: 0.49%)			
Allergan Funding 1.5% 15/11/23	2,257,000	2,103	0.24
Becton Dickinson Euro Finance 0.632% 04/06/23	EUR 1,396,000	1,258	0.14
Gazprom Capital 5.338% 25/09/20	3,958,000	4,125	0.47
Logicor Financing 0.5% 30/04/21	EUR 2,144,000	1,934	0.22
Medtronic Global 0% 02/12/22	EUR 4,170,000	3,736	0.42
Medtronic Global 0.375% 07/03/23	EUR 5,852,000	5,294	0.60
Mexico 0.43% (30/06/18: 0.46%)			
Petroleos Mexicanos 8.25% 02/06/22	3,500,000	3,830	0.43
Netherlands 9.68% (30/06/18: 8.20%*)			
ABN AMRO Bank 1% 30/06/20	1,700,000	1,698	0.19
BMW International Investment 1% 17/11/21	2,250,000	2,237	0.25
BMW International Investment 1.875% 11/09/23	3,350,000	3,387	0.38
Cooperatieve Rabobank 4% 19/09/22	924,000	1,003	0.11

AXA Sterling Credit Short Duration Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Cooperatieve Rabobank 4.625% 13/01/21	4,511,000	4,750	0.54
Daimler International Finance 1% 20/12/19	2,500,000	2,497	0.28
Daimler International Finance 1.5% 18/08/21	3,000,000	3,004	0.34
Daimler International Finance 2% 04/09/23	1,500,000	1,521	0.17
Daimler International Finance 2.75% 04/12/20	2,180,000	2,222	0.25
Deutsche Telekom International Finance 6.5% 08/04/22	7,690,000	8,754	0.99
EDP Finance 8.625% 04/01/24	5,000,000	6,392	0.73
Highbury Finance 7.017% 20/03/23	3,768,766	4,301	0.49
ING 3.47988% 29/03/22	USD 5,500,000	4,373	0.50
ING Bank 3.49513% 17/08/20	USD 1,320,000	1,037	0.12
ING Bank 5.375% 15/04/21	700,000	752	0.09
innogy Finance 5.5% 06/07/22	2,550,000	2,857	0.32
innogy Finance 5.625% 06/12/23	3,700,000	4,345	0.49
innogy Finance 6.5% 20/04/21	5,500,000	5,992	0.68
Teva Pharmaceutical Finance Netherlands 6% 15/04/24	USD 6,000,000	4,438	0.50
Toyota Motor Finance Netherlands 1.375% 23/05/23	3,500,000	3,515	0.40
Volkswagen Financial Services 1.5% 12/04/21	1,412,000	1,409	0.16
Volkswagen Financial Services 1.625% 09/06/22	3,700,000	3,686	0.42
Volkswagen Financial Services 1.75% 17/04/20	1,000,000	1,003	0.11
Volkswagen Financial Services 1.75% 12/09/22	410,000	410	0.05
Volkswagen Financial Services 1.875% 07/09/21	900,000	904	0.10
Volkswagen Financial Services 2.625% 22/07/19	500,000	500	0.06
Volkswagen Financial Services 2.75% 02/10/20	3,250,000	3,300	0.37
Vonovia Finance 0.112% 22/12/22	EUR 5,800,000	5,168	0.59
Norway 1.19% (30/06/18: 0.28%)			
DNB Bank 1.625% 15/12/23	10,379,000	10,480	1.19
Spain 2.90% (30/06/18: 2.43%)			
Banco Santander 3.4595% 12/04/23	USD 7,000,000	5,474	0.62
Banco Santander 3.90075% 11/04/22	USD 4,000,000	3,188	0.36
Iberdrola Finanzas 6% 01/07/22	3,900,000	4,409	0.50
Telefonica Emisiones 5.289% 09/12/22	5,550,000	6,238	0.71
Telefonica Emisiones 5.597% 12/03/20	6,100,000	6,280	0.71
Sweden 2.98% (30/06/18: 3.98%*)			
Scania 1.875% 28/06/22	7,450,000	7,441	0.84
Skandinaviska Enskilda Banken 3% 18/12/20	3,300,000	3,384	0.38
Svenska Handelsbanken 1.625% 18/06/22	7,115,000	7,182	0.82
Svenska Handelsbanken 3% 20/11/20	2,951,000	3,027	0.34
Swedbank 1.25% 29/12/21	2,645,000	2,632	0.30
Swedbank 1.625% 28/12/22	2,625,000	2,630	0.30
Switzerland 1.08% (30/06/18: 1.22%)			
UBS Funding Switzerland 4.08338% 14/04/21	USD 2,000,000	1,605	0.18
UBS Jersey 6.375% 19/11/24	5,144,000	5,238	0.59
UBS London 1.25% 10/12/20	2,690,000	2,692	0.31
United Kingdom 29.14% (30/06/18: 29.68%*)			
BAE Systems 4.125% 08/06/22	9,294,000	9,971	1.13
Bank of Scotland 6.375% 16/08/19	1,750,000	1,760	0.20
Barclays Bank 10% 21/05/21	3,812,000	4,380	0.50
Barclays Bank UK 0.99125% 09/01/23	2,700,000	2,688	0.30
BAT International Finance 1.75% 05/07/21	3,500,000	3,516	0.40
BAT International Finance 6.375% 12/12/19	1,250,000	1,277	0.14
BUPA Finance 3.375% 17/06/21	6,760,000	7,024	0.80
BUPA Finance 5% 25/04/23	2,000,000	2,193	0.25

AXA Sterling Credit Short Duration Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Close Brothers 2.75% 26/04/23	2,223,000	2,285	0.26
Close Brothers 4.25% 24/01/27	4,324,000	4,525	0.51
Close Brothers Finance 3.875% 27/06/21	2,420,000	2,540	0.29
Coventry Building Society 1.08613% 17/03/20	1,100,000	1,101	0.12
Coventry Building Society 1.30975% 13/11/23	3,200,000	3,214	0.36
Coventry Building Society 5.875% 28/09/22	1,300,000	1,478	0.17
Coventry Building Society 6% 16/10/19	1,930,000	1,961	0.22
Eastern Power Networks 5.75% 08/03/24	2,000,000	2,354	0.27
Eversholt Funding 5.831% 02/12/20	5,250,000	5,558	0.63
FCE Bank 2.759% 13/11/19	900,000	904	0.10
FCE Bank 3.25% 19/11/20	3,400,000	3,457	0.39
Firstgroup 5.25% 29/11/22	1,200,000	1,296	0.15
Firstgroup 8.75% 08/04/21	3,816,000	4,232	0.48
Friends Life 8.25% 21/04/22	2,050,000	2,420	0.27
Friends Life 12% 21/05/21	2,106,000	2,515	0.29
Great Rolling Stock 6.25% 27/07/20	7,775,000	8,151	0.92
HSBC 2.175% 27/06/23	6,681,000	6,741	0.76
HSBC 4.693% 08/03/21	USD 2,000,000	1,616	0.18
HSBC 6.5% 20/05/24	2,000,000	2,422	0.27
Imperial Brands Finance 9% 17/02/22	1,400,000	1,659	0.19
Intu SGS Finance 3.875% 17/03/23	7,906,000	7,912	0.90
Investec Bank 4.25% 24/07/28	5,619,000	5,672	0.64
Jaguar Land Rover Automotive 2.75% 24/01/21	3,043,000	2,903	0.33
Land Securities Capital Markets 1.974% 08/02/24	6,500,000	6,597	0.75
Land Securities Capital Markets 5.425% 31/03/22	3,405,000	3,501	0.40
Lendlease Europe Finance 6.125% 12/10/21	5,612,000	6,082	0.69
Lloyds Bank 5.75% 09/07/25	1,700,000	1,769	0.20
London Stock Exchange 4.75% 02/11/21	6,364,100	6,845	0.78
London Stock Exchange 9.125% 18/10/19	1,520,000	1,555	0.18
Manchester Airport Funding 4.125% 02/04/24	7,500,000	8,338	0.94
Mitchells & Butlers Finance 5.965% 15/12/23	2,373,703	2,544	0.29
National Express 0.089% 15/05/20	EUR 1,207,000	1,076	0.12
National Express 2.5% 11/11/23	4,362,000	4,412	0.50
National Express 6.625% 17/06/20	6,370,000	6,680	0.76
National Westminster Bank 1.06638% 15/05/20	2,500,000	2,503	0.28
National Westminster Bank 1.310181% 22/03/23	2,000,000	2,009	0.23
Nationwide Building Society 1.46048% 10/01/24	5,333,000	5,387	0.61
Next 5.375% 26/10/21	7,949,000	8,626	0.98
Northern Electric Finance 8.875% 16/10/20	1,000,000	1,095	0.12
Northern Powergrid Yorkshire 9.25% 17/01/20	3,382,000	3,524	0.40
Northumbrian Water Finance 6.875% 06/02/23	5,330,000	6,349	0.72
Santander UK 0.505% 27/03/24	EUR 3,083,000	2,707	0.31
Santander UK 1.875% 17/02/20	5,092,000	5,115	0.58
Scottish Widows 5.5% 16/06/23	3,500,000	3,901	0.44
Segro 6.75% 23/11/21	2,794,000	3,123	0.35
Segro 6.75% 23/02/24	1,612,000	1,950	0.22
Segro 7% 14/03/22	3,900,000	4,431	0.50
Severn Trent Utilities Finance 1.625% 04/12/22	3,400,000	3,434	0.39
Sky 2.875% 24/11/20	6,045,000	6,179	0.70
Tate & Lyle International Finance 6.75% 25/11/19	5,709,000	5,830	0.66
Tesco 6.125% 24/02/22	750,000	836	0.09
Thames Water Utilities Finance 2.375% 03/05/23	1,700,000	1,688	0.19
Thames Water Utilities Finance 5.05% 30/06/20	7,000,000	7,228	0.82
TSB Bank 1.04% 07/12/22	2,365,000	2,351	0.27
Western Power Distribution East Midlands 5.25% 17/01/23	4,000,000	4,515	0.51
Western Power Distribution South Wales 9.25% 09/11/20	1,250,000	1,380	0.16
Wm Morrison Supermarkets 4.625% 08/12/23	5,864,000	6,592	0.75

AXA Sterling Credit Short Duration Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
WPP Finance 0.128% 20/03/22	EUR 1,602,000	1,421	0.16
Yorkshire Water Finance 6.5876% 21/02/23	5,000,000	5,908	0.67
United States 11.57% (30/06/18: 10.52%)			
American Honda Finance 1.3% 21/03/22	5,567,000	5,570	0.63
American International 5% 26/04/23	5,450,000	6,097	0.69
Bank of America 6.125% 15/09/21	2,000,000	2,207	0.25
BAT Capital Corp 3.398% 15/08/22	USD 2,800,000	2,206	0.25
Becton Dickinson 1.401% 24/05/23	EUR 6,200,000	5,752	0.65
BMW US Capital 2% 20/11/19	1,500,000	1,505	0.17
BP Capital Markets America 3.0685% 19/09/22	USD 1,739,000	1,368	0.15
Citigroup 2.75% 24/01/24	5,022,000	5,216	0.59
Citigroup 6.25% 02/09/19	3,000,000	3,026	0.34
Digital Stout 4.75% 13/10/23	5,600,000	6,229	0.71
Fidelity National Information Services 1.7% 30/06/22	9,968,000	10,032	1.14
Fiserv 0.375% 01/07/23	EUR 1,534,000	1,381	0.16
Ford Motor Credit 3.59988% 28/03/22	USD 2,162,000	1,667	0.19
General Electric 5.5% 07/06/21	3,035,000	3,253	0.37
General Motors Financial 3.85338% 14/01/22	USD 2,500,000	1,975	0.22
Jackson National Life Global Funding 3.04125% 27/06/22	USD 8,300,000	6,579	0.75
McDonald's 6.375% 03/02/20	5,300,000	5,456	0.62
Metropolitan Life Global Funding I 1.125% 15/12/21	4,344,000	4,326	0.49
Metropolitan Life Global Funding I 1.625% 09/06/22	4,000,000	4,027	0.46
Nestle 1% 11/06/21	3,705,000	3,707	0.42
New York Life Global Funding 1.75% 15/12/22	4,532,000	4,609	0.52
Toyota Motor Credit 1.125% 07/09/21	4,922,000	4,928	0.56
Verizon Communications 4.073% 18/06/24	4,000,000	4,527	0.51
Wells Fargo 2.125% 22/04/22	6,377,000	6,486	0.73
TOTAL CORPORATE BONDS		**832,733**	**94.35**
FUTURES (0.01%) (30/06/18: 0.00%)			
Germany (0.01%) (30/06/18: 0.00%)			
Euro-BOBL Futures September 2019	(127)	(38)	(0.01)
United States 0.00% (30/06/18: 0.00%)			
5 Year Treasury Note Futures September 2019	(49)	(8)	-
TOTAL FUTURES		**(46)**	**(0.01)**

AXA Sterling Credit Short Duration Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
FORWARDS CURRENCY CONTRACTS 0.00% (30/06/18: (0.10%))			
Sold EUR35,600,000 for GBP31,580,248 Settlement 04/09/2019		(344)	(0.04)
Sold USD80,600,000 for GBP63,540,083 Settlement 04/09/2019		392	0.04
TOTAL FORWARDS CURRENCY CONTRACTS		**48**	**-**
Portfolio of investments		832,735	94.34
Net other assets		49,964	5.66
Total net assets		**882,699**	**100.00**

* Since the previous report country classifications have been updated. Comparative figures have been updated where appropriate.

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2019, there were no investments in the Fund which were valued using a quote from a single broker (30/06/18: £nil).

AXA Sterling Credit Short Duration Bond Fund

Comparative Tables

As at 30 June 2019

	A Net Income			A Net Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	100.07	100.95	100.35	105.67	105.12	103.08
Return before operating charges ^	0.20	0.92	2.49	0.24	0.93	2.60
Operating charges ^	(0.10)	(0.37)	(0.37)	(0.11)	(0.38)	(0.39)
Return after operating charges ^	0.10	0.55	2.12	0.13	0.55	2.21
Transfer to gross share class	(99.80)	-	-	(105.80)	-	-
Distributions	(0.37)	(1.43)	(1.52)	(0.39)	(1.49)	(1.59)
Retained distributions on accumulation shares	-	-	-	0.39	1.49	1.42
Closing net asset value per share †	-	100.07	100.95	-	105.67	105.12
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	0.10%	0.54%	2.11%	0.12%	0.52%	2.14%
Other information						
Closing net asset value (£) †	-	36,324	13,331	-	3,900,510	3,225,683
Closing number of shares	-	36,299	13,206	-	3,691,278	3,068,624
Operating charges ^	-	0.36%	0.37%	-	0.36%	0.37%
Direct transaction costs *	-	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	100.50	101.80	101.80	106.10	106.00	105.70
Lowest share price #	99.70	100.20	100.50	105.70	105.20	103.20

	A Gross Income			A Gross Accumulation		
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	100.09	100.99	100.38	106.67	106.11	103.94
Return before operating charges ^	2.20	0.88	2.55	2.36	0.94	2.56
Operating charges ^	(0.36)	(0.36)	(0.38)	(0.39)	(0.38)	(0.39)
Return after operating charges ^	1.84	0.52	2.17	1.97	0.56	2.17
Distributions	(1.52)	(1.42)	(1.56)	(1.61)	(1.48)	(1.61)
Retained distributions on accumulation shares	-	-	-	1.61	1.48	1.61
Closing net asset value per share †	100.41	100.09	100.99	108.64	106.67	106.11
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.84%	0.51%	2.16%	1.85%	0.53%	2.09%
Other information						
Closing net asset value (£) †	84,576	4,975	4,980	8,548,307	2,400,587	265,743
Closing number of shares	84,229	4,970	4,931	7,868,584	2,250,389	250,437
Operating charges ^	0.36%	0.36%	0.37%	0.36%	0.36%	0.37%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	101.00	101.80	101.90	108.90	107.00	106.70
Lowest share price #	99.23	100.20	100.50	106.50	106.20	104.10

AXA Sterling Credit Short Duration Bond Fund

Comparative Tables

As at 30 June 2019

	H Net Accumulation			H Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	120.81	119.73	117.00	124.87	123.78	120.77
Return before operating charges ^	0.19	1.09	2.98	2.75	1.10	3.03
Operating charges ^	-	(0.01)	(0.02)	(0.01)	(0.01)	(0.02)
Return after operating charges ^	0.19	1.08	2.96	2.74	1.09	3.01
Return to Shareholder	(121.00)	-	-	-	-	-
Distributions	(0.55)	(2.16)	(2.26)	(2.33)	(2.19)	(2.30)
Retained distributions on accumulation shares	0.55	2.16	2.03	2.33	2.19	2.30
Closing net asset value per share †	-	120.81	119.73	127.61	124.87	123.78
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	0.16%	0.90%	2.53%	2.19%	0.88%	2.49%
Other information						
Closing net asset value (£) †	-	6,041	5,987	14,691,779	14,221,147	15,690,094
Closing number of shares	-	5,000	5,000	11,512,915	11,388,963	12,675,393
Operating charges ^	-	0.01%	0.02%	0.01%	0.01%	0.02%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	121.40	121.20	120.40	127.90	125.20	124.50
Lowest share price #	120.90	119.90	117.20	124.80	124.00	121.00

	R Net Income			R Net Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	102.77	103.69	103.03	114.33	114.31	112.60
Return before operating charges ^	0.23	0.91	2.63	0.25	1.01	2.82
Operating charges ^	(0.25)	(0.89)	(0.90)	(0.28)	(0.99)	(0.99)
Return after operating charges ^	(0.02)	0.02	1.73	(0.03)	0.02	1.83
Transfer to gross share class	(102.50)	-	-	(114.30)	-	-
Distributions	(0.25)	(0.94)	(1.07)	(0.28)	(1.05)	(1.17)
Retained distributions on accumulation shares	-	-	-	0.28	1.05	1.05
Closing net asset value per share †	-	102.77	103.69	-	114.33	114.31
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-0.02%	0.02%	1.68%	-0.03%	0.02%	1.62%
Other information						
Closing net asset value (£) †	-	185,453	224,319	-	8,819,416	7,249,806
Closing number of shares	-	180,463	216,332	-	7,713,685	6,342,505
Operating charges ^	-	0.86%	0.87%	-	0.86%	0.87%
Direct transaction costs *	-	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	103.10	104.40	104.50	114.70	115.10	115.00
Lowest share price #	102.40	102.80	103.20	114.20	114.00	112.80

AXA Sterling Credit Short Duration Bond Fund

Comparative Tables

As at 30 June 2019

	R Gross Income			R Gross Accumulation		
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	102.78	103.71	103.08	116.89	116.86	114.99
Return before operating charges ^	2.26	0.91	2.64	2.57	1.04	2.88
Operating charges ^	(0.89)	(0.89)	(0.91)	(1.01)	(1.01)	(1.01)
Return after operating charges ^	1.37	0.02	1.73	1.56	0.03	1.87
Distributions	(1.04)	(0.95)	(1.10)	(1.18)	(1.07)	(1.19)
Retained distributions on accumulation shares	-	-	-	1.18	1.07	1.19
Closing net asset value per share †	103.11	102.78	103.71	118.45	116.89	116.86
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.33%	0.02%	1.68%	1.33%	0.03%	1.63%
Other information						
Closing net asset value (£) †	256,972	5,139	5,185	11,272,712	344,863	800,001
Closing number of shares	249,217	5,000	5,000	9,517,044	295,038	684,588
Operating charges ^	0.86%	0.86%	0.87%	0.86%	0.86%	0.87%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	103.60	104.40	104.50	118.70	117.70	117.50
Lowest share price #	101.90	102.90	103.20	116.40	116.60	115.20

	Z Net Income			Z Net Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	102.80	103.72	103.11	117.59	117.03	114.82
Return before operating charges ^	0.18	0.92	2.59	0.25	1.04	2.87
Operating charges ^	(0.12)	(0.43)	(0.44)	(0.14)	(0.48)	(0.49)
Return after operating charges ^	0.06	0.49	2.15	0.11	0.56	2.38
Transfer to gross share class	(102.50)	-	-	(117.70)	-	-
Distributions	(0.36)	(1.41)	(1.54)	(0.42)	(1.60)	(1.71)
Retained distributions on accumulation shares	-	-	-	0.42	1.60	1.54
Closing net asset value per share †	-	102.80	103.72	-	117.59	117.03
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	0.06%	0.47%	2.08%	0.09%	0.48%	2.08%
Other information						
Closing net asset value (£) †	-	135,511,298	121,384,916	-	338,797,844	327,325,982
Closing number of shares	-	131,821,914	117,028,910	-	288,129,981	279,687,210
Operating charges ^	-	0.41%	0.42%	-	0.41%	0.42%
Direct transaction costs *	-	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	103.20	104.50	104.60	118.10	118.00	117.70
Lowest share price #	102.40	102.90	103.30	117.60	117.10	115.00

AXA Sterling Credit Short Duration Bond Fund

Comparative Tables

As at 30 June 2019

	Z Gross Income			Z Gross Accumulation		
	30/06/2019	30/06/2018	30/06/2017	30/06/2019	30/06/2018	30/06/2017
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	102.66	103.60	103.01	120.70	120.13	117.67
Return before operating charges ^	2.24	0.90	2.56	2.66	1.07	2.96
Operating charges ^	(0.42)	(0.43)	(0.44)	(0.50)	(0.50)	(0.50)
Return after operating charges ^	1.82	0.47	2.12	2.16	0.57	2.46
Distributions	(1.49)	(1.41)	(1.53)	(1.77)	(1.64)	(1.76)
Retained distributions on accumulation shares	-	-	-	1.77	1.64	1.76
Closing net asset value per share †	102.99	102.66	103.60	122.86	120.70	120.13
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.77%	0.45%	2.06%	1.79%	0.47%	2.09%
Other information						
Closing net asset value (£) †	155,062,614	65,635,265	134,794,400	430,080,087	31,715,669	59,749,059
Closing number of shares	150,558,203	63,932,516	130,110,134	350,056,091	26,276,634	49,735,199
Operating charges ^	0.41%	0.41%	0.42%	0.41%	0.41%	0.42%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	103.60	104.40	104.60	123.10	121.10	120.80
Lowest share price #	101.80	102.80	103.20	120.40	120.20	117.90

	ZI Income ~		ZI Accumulation ~	
	30/06/2019	30/06/2018	30/06/2019	30/06/2018
Change in net assets per share	(p)	(p)	(p)	(p)
Opening net asset value per share †	98.61	100.00	99.87	100.00
Return before operating charges ^	2.16	0.13	2.20	0.14
Operating charges ^	(0.26)	(0.26)	(0.26)	(0.27)
Return after operating charges ^	1.90	(0.13)	1.94	(0.13)
Distributions	(1.58)	(1.26)	(1.61)	(1.27)
Retained distributions on accumulation shares	-	-	1.61	1.27
Closing net asset value per share †	98.93	98.61	101.81	99.87
*^ after direct transaction costs of:	-	-	-	-
Performance				
Return after operating charges	1.93%	-0.13%	1.94%	-0.13%
Other information				
Closing net asset value (£) †	242,610,234	150,028,951	20,092,125	6,412,466
Closing number of shares	245,236,045	152,138,036	19,735,508	6,421,084
Operating charges ^	0.26%	0.26%	0.26%	0.26%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price #	99.54	100.00	102.00	100.20
Lowest share price #	97.76	98.72	99.71	99.44

+ Net share classes converted into gross share classes on 12 October 2018.

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the sub-fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the Average Net Asset value for the accounting year.

~ ZI share class launched on 29 August 2017.

AXA Sterling Credit Short Duration Bond Fund

Statement of Total Return
For the year ended 30 June 2019

	Note	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Income:					
Net capital gains/(losses)	2		2,970		(6,812)
Revenue	3	15,232		12,354	
Expenses	4	(3,032)		(2,832)	
Interest payable and similar charges		(19)		(7)	
Net revenue before taxation		12,181		9,515	
Taxation	5	-		-	
Net revenue after taxation			12,181		9,515
Total return before distributions			15,151		2,703
Distributions	6		(12,181)		(9,515)
Change in net assets attributable to Shareholders from investment activities			**2,970**		**(6,812)**

Statement of Change in Net Assets Attributable to Shareholders
For the year ended 30 June 2019

	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Opening net assets attributable to Shareholders		758,026		670,739
Amounts receivable on issue of shares	261,089		423,421	
Amounts payable on cancellation of shares	(145,940)		(334,917)	
		115,149		88,504
Change in net assets attributable to Shareholders from investment activities (see above)		2,970		(6,812)
Retained distributions on accumulation shares		6,554		5,595
Closing net assets attributable to Shareholders		**882,699**		**758,026**

AXA Sterling Credit Short Duration Bond Fund

Balance Sheet

As at 30 June

	Note	30/06/19 £'000	30/06/18 £'000
Assets:			
Fixed assets:			
Investments		833,142	711,146
Current assets:			
Debtors	7	15,841	11,723
Cash and bank balances	8	53,039	38,356
Total assets		**902,022**	**761,225**
Liabilities:			
Investment liabilities		(407)	(745)
Creditors:			
Distribution payable		(1,580)	(1,291)
Other creditors	9	(17,336)	(1,163)
Total liabilities		**(19,323)**	**(3,199)**
Net assets attributable to Shareholders		**882,699**	**758,026**

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 207 - 209.

2. Net capital gains/(losses)

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
The net capital gains/(losses) comprise:		
Non-derivative securities	6,951	(6,739)
Currency gains/(losses)	386	(98)
Derivative contracts	(197)	(20)
Forward currency contracts	(4,167)	47
Transaction charges	(3)	(2)
Net capital gains/(losses)	**2,970**	**(6,812)**

3. Revenue

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Bank interest	83	23
Interest on debt securities	15,149	12,331
Total revenue	**15,232**	**12,354**

4. Expenses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual Management Charge	2,924	2,733
Registration fees	3	4
	2,927	2,737
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	32	32
Safe custody fees	58	53
	90	85
Other expenses		
Audit fees	7	9
Printing fees	8	1
	15	10
Total expenses	**3,032**	**2,832**

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2018: 20%) is applied to the net revenue before taxation. The differences are explained below:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Net revenue before taxation	12,181	9,515
Net revenue for the year multiplied by the standard rate of corporation tax	2,436	1,903
Effects of:		
Additional created income generated from conversions	-	1
Tax deductible interest distributions	(2,436)	(1,904)
Current tax charge for the year	**-**	**-**

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (2018: £nil) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
First interim	2,149	2,533
Second interim	3,037	2,276
Third interim	3,018	2,272
Final	4,122	2,721
Add: Revenue paid on cancellation of shares	815	472
Deduct: Revenue received on creation of shares	(960)	(759)
Net distribution for the year	**12,181**	**9,515**

7. Debtors

	30/06/19 £'000	30/06/18 £'000
Amounts receivable for creation of shares	6,018	3,029
Accrued revenue	9,823	8,694
Total debtors	**15,841**	**11,723**

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

8. Cash and bank balances

	30/06/19 £'000	30/06/18 £'000
Cash and bank balances	52,851	38,356
Amount held at futures clearing houses and brokers	188	-
Total cash and bank balances	**53,039**	**38,356**

9. Other creditors

	30/06/19 £'000	30/06/18 £'000
Amounts payable for cancellation of shares	10,493	893
Purchases awaiting settlement	6,503	-
Accrued Annual Management Charge	241	216
Accrued other expenses	99	54
Total other creditors	**17,336**	**1,163**

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no Shareholdings in the Company at the year end.

As at 30 June 2019 there are no shareholders with holdings over 25% (30/06/2018: no holdings over 25%) of the Funds' shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's Annual Management Charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/18	Issued	Cancelled	Converted	30/06/19
A Net Income +	0.35	36,299	1,052	(5,044)	(32,307)	-
A Net Accumulation +	0.35	3,691,278	114,536	(335,059)	(3,470,755)	-
A Gross Income	0.35	4,970	47,650	(691)	32,300	84,229
A Gross Accumulation	0.35	2,250,389	3,232,182	(1,052,244)	3,438,257	7,868,584
H Net Accumulation +	Nil	5,000	-	(5,000)	-	-
H Gross Accumulation	Nil	11,388,963	123,952	-	-	11,512,915
R Net Income +	0.85	180,463	16,978	(286)	(197,155)	-
R Net Accumulation +	0.85	7,713,685	2,085,945	(542,085)	(9,257,545)	-
R Gross Income	0.85	5,000	83,737	(36,675)	197,155	249,217
R Gross Accumulation	0.85	295,038	2,106,337	(1,943,726)	9,059,395	9,517,044
Z Net Income +	0.40	131,821,914	5,206,530	(5,550,785)	(131,477,659)	-
Z Net Accumulation +	0.40	288,129,981	16,782,097	(1,312,597)	(303,599,481)	-
Z Gross Income	0.40	63,932,516	18,961,675	(35,903,307)	103,567,319	150,558,203
Z Gross Accumulation	0.40	26,276,634	73,017,789	(43,774,441)	294,536,109	350,056,091
ZI Income	0.25	152,138,036	108,530,175	(44,457,646)	29,025,480	245,236,045
ZI Accumulation	0.25	6,421,084	12,494,760	(884,046)	1,703,710	19,735,508

+ Net share classes converted into gross share classes on 12 October 2018.

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2018: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2018).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £83,273,313 (2018: £71,114,534). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
	30/06/19	**30/06/18**
Currency	**£'000**	**£'000**
Euro	(17)	(92)
US dollar	202	(57)
Total foreign currency exposure	185	(149)

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	82,776	703,037	15,395	801,208
Euro	15,549	21,458	43	37,050
US dollar	58,515	4,438	811	63,764
Total	**156,840**	**728,933**	**16,249**	**902,022**
30/06/18				
Pound sterling	76,599	593,763	12,320	682,682
Euro	12,344	4,022	111	16,477
US dollar	61,773	-	293	62,066
Total	**150,716**	**597,785**	**12,724**	**761,225**

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	-	-	(13,814)	(13,814)
Euro	-	-	(5,487)	(5,487)
US dollar	-	-	(22)	(22)
Total	**-**	**-**	**(19,323)**	**(19,323)**
30/06/18				
Euro	-	-	(94)	(94)
US dollar	-	-	(651)	(651)
Total	**-**	**-**	**(745)**	**(745)**

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £16,405,000 (2018: £13,583,000) A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each sub-fund.

Transactions in securities may expose the Fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/19 Market Value £'000	%	30/06/18 Market Value £'000	%
Investment grade	824,556	93.43	692,382	91.35
Speculative grade	8,177	0.92	14,041	1.85
Unrated	-	-	4,723	0.62
Total value of bonds	**832,733**	**94.35**	**711,146**	**93.82**

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties as at 30 June 2019 was as follows:

	30/06/19 Exposure £'000	30/06/18 Exposure £'000
(a) Futures		
Royal Bank of Scotland	(46)	-
Total value of derivatives	**(46)**	**-**
(b) Forwards		
BNP Paribas	95,072	78,691
Total value of derivatives	**95,072**	**78,691**

AXA Sterling Credit Short Duration Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

14. Portfolio transaction costs

There were no transactions costs incurred during the year to 30 June 2019.

At the balance sheet date the average portfolio dealing spread was 0.31% (2018: 0.27%).

15. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

16. Fair value disclosure

	30/06/19		30/06/18	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£'000**	**£'000**	**£'000**	**£'000**
Level 1 ^	2,209	(46)	2,281	-
Level 2 ^^	830,933	(361)	708,865	(745)
Level 3 ^^^	-	-	-	-
	833,142	**(407)**	**711,146**	**(745)**

^ Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^^ Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^^^ Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2019

First Distribution in pence per share

Group 1 Shares purchased prior to 1 July 2018

Group 2 Shares purchased on or after 1 July 2018 to 30 September 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 30/11/18 (p)	Distribution paid 30/11/17 (p)
Share Class A Net Income				
Group 1	0.370	-	0.370	0.350
Group 2	0.350	0.020	0.370	0.350
Share Class A Net Accumulation				
Group 1	0.388	-	0.388	0.362
Group 2	0.123	0.265	0.388	0.362
Share Class A Gross Income				
Group 1	0.370	-	0.370	0.345
Group 2	0.370	-	0.370	0.345
Share Class A Gross Accumulation				
Group 1	0.389	-	0.389	0.366
Group 2	0.232	0.157	0.389	0.366
Share Class H Net Accumulation				
Group 1	0.547	-	0.547	0.528
Group 2	0.547	-	0.547	0.528
Share Class H Gross Accumulation				
Group 1	0.568	-	0.568	0.535
Group 2	0.568	-	0.568	0.535
Share Class R Net Income				
Group 1	0.249	-	0.249	0.227
Group 2	0.135	0.114	0.249	0.227
Share Class R Net Accumulation				
Group 1	0.277	-	0.277	0.250
Group 2	0.114	0.163	0.277	0.250
Share Class R Gross Income				
Group 1	0.252	-	0.252	0.230
Group 2	0.252	-	0.252	0.230
Share Class R Gross Accumulation				
Group 1	0.283	-	0.283	0.256
Group 2	0.283	-	0.283	0.256
Share Class Z Net Income				
Group 1	0.364	-	0.364	0.344
Group 2	0.139	0.225	0.364	0.344
Share Class Z Net Accumulation				
Group 1	0.417	-	0.417	0.389
Group 2	0.175	0.242	0.417	0.389

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2019

Share Class Z Gross Income				
Group 1	0.364	-	0.364	0.344
Group 2	0.153	0.211	0.364	0.344
Share Class Z Gross Accumulation				
Group 1	0.428	-	0.428	0.399
Group 2	0.241	0.187	0.428	0.399
Share Class ZI Income				
Group 1	0.387	-	0.387	0.124
Group 2	0.280	0.107	0.387	0.124
Share Class ZI Accumulation				
Group 1	0.392	-	0.392	0.124
Group 2	0.158	0.234	0.392	0.124

Second Distribution in pence per share

Group 1 Shares purchased prior to 1 October 2018

Group 2 Shares purchased on or after 1 October 2018 to 31 December 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 28/02/19 (p)	Distribution paid 28/02/18 (p)
Share Class A Net Income +				
Group 1	-	-	-	0.355
Group 2	-	-	-	0.355
Share Class A Net Accumulation +				
Group 1	-	-	-	0.370
Group 2	-	-	-	0.370
Share Class A Gross Income				
Group 1	0.395	-	0.395	0.354
Group 2	0.218	0.177	0.395	0.354
Share Class A Gross Accumulation				
Group 1	0.413	-	0.413	0.374
Group 2	0.152	0.261	0.413	0.374
Share Class H Net Accumulation +				
Group 1	-	-	-	0.538
Group 2	-	-	-	0.538
Share Class H Gross Accumulation				
Group 1	0.597	-	0.597	0.545
Group 2	0.597	-	0.597	0.545
Share Class R Net Income +				
Group 1	-	-	-	0.234
Group 2	-	-	-	0.234
Share Class R Net Accumulation +				
Group 1	-	-	-	0.259
Group 2	-	-	-	0.259

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2019

Share Class R Gross Income				
Group 1	0.264	-	0.264	0.234
Group 2	0.082	0.182	0.264	0.234
Share Class R Gross Accumulation				
Group 1	0.300	-	0.300	0.265
Group 2	0.119	0.181	0.300	0.265
Share Class Z Net Income +				
Group 1	-	-	-	0.351
Group 2	-	-	-	0.351
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.397
Group 2	-	-	-	0.397
Share Class Z Gross Income				
Group 1	0.382	-	0.382	0.351
Group 2	0.200	0.182	0.382	0.351
Share Class Z Gross Accumulation				
Group 1	0.452	-	0.452	0.408
Group 2	0.239	0.213	0.452	0.408
Share Class ZI Income				
Group 1	0.406	-	0.406	0.378
Group 2	0.174	0.232	0.406	0.378
Share Class ZI Accumulation				
Group 1	0.413	-	0.413	0.378
Group 2	0.201	0.212	0.413	0.378

Third Distribution in pence per share

Group 1 Shares purchased prior to 1 January 2019

Group 2 Shares purchased on or after 1 January 2019 to 31 March 2019

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/05/19 (p)	Distribution paid 31/05/18 (p)
Share Class A Net Income +				
Group 1	-	-	-	0.358
Group 2	-	-	-	0.358
Share Class A Net Accumulation +				
Group 1	-	-	-	0.375
Group 2	-	-	-	0.375
Share Class A Gross Income				
Group 1	0.366	-	0.366	0.357
Group 2	0.153	0.213	0.366	0.357
Share Class A Gross Accumulation				
Group 1	0.393	-	0.393	0.379
Group 2	0.194	0.199	0.393	0.379

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2019

Share Class H Net Accumulation +				
Group 1	-	-	-	0.546
Group 2	-	-	-	0.546
Share Class H Gross Accumulation				
Group 1	0.567	-	0.567	0.550
Group 2	0.053	0.514	0.567	0.550
Share Class R Net Income +				
Group 1	-	-	-	0.240
Group 2	-	-	-	0.240
Share Class R Net Accumulation +				
Group 1	-	-	-	0.266
Group 2	-	-	-	0.266
Share Class R Gross Income				
Group 1	0.252	-	0.252	0.241
Group 2	0.208	0.044	0.252	0.241
Share Class R Gross Accumulation				
Group 1	0.288	-	0.288	0.271
Group 2	0.087	0.201	0.288	0.271
Share Class Z Net Income +				
Group 1	-	-	-	0.355
Group 2	-	-	-	0.355
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.403
Group 2	-	-	-	0.403
Share Class Z Gross Income				
Group 1	0.363	-	0.363	0.355
Group 2	0.210	0.153	0.363	0.355
Share Class Z Gross Accumulation				
Group 1	0.430	-	0.430	0.414
Group 2	0.195	0.235	0.430	0.414
Share Class ZI Income				
Group 1	0.384	-	0.384	0.378
Group 2	0.129	0.255	0.384	0.378
Share Class ZI Accumulation				
Group 1	0.392	-	0.392	0.379
Group 2	0.185	0.207	0.392	0.379

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2019

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 April 2019

Group 2 Shares purchased on or after 1 April 2019 to 30 June 2019

	Gross revenue (p)	Equalisation (p)	Distribution payable 30/08/19 (p)	Distribution paid 31/08/18 (p)
Share Class A Net Income +				
Group 1	-	-	-	0.365
Group 2	-	-	-	0.365
Share Class A Net Accumulation +				
Group 1	-	-	-	0.384
Group 2	-	-	-	0.384
Share Class A Gross Income				
Group 1	0.388	-	0.388	0.364
Group 2	0.319	0.069	0.388	0.364
Share Class A Gross Accumulation				
Group 1	0.419	-	0.419	0.362
Group 2	0.272	0.147	0.419	0.362
Share Class H Net Accumulation +				
Group 1	-	-	-	0.547
Group 2	-	-	-	0.547
Share Class H Gross Accumulation				
Group 1	0.602	-	0.602	0.563
Group 2	0.602	-	0.602	0.563
Share Class R Net Income +				
Group 1	-	-	-	0.244
Group 2	-	-	-	0.244
Share Class R Net Accumulation +				
Group 1	-	-	-	0.271
Group 2	-	-	-	0.271
Share Class R Gross Income				
Group 1	0.270	-	0.270	0.244
Group 2	0.117	0.153	0.270	0.244
Share Class R Gross Accumulation				
Group 1	0.309	-	0.309	0.277
Group 2	0.141	0.168	0.309	0.277
Share Class Z Net Income +				
Group 1	-	-	-	0.361
Group 2	-	-	-	0.361
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.412
Group 2	-	-	-	0.412

AXA Sterling Credit Short Duration Bond Fund

Distribution Table

As at 30 June 2019

Share Class Z Gross Income				
Group 1	0.385	-	0.385	0.361
Group 2	0.159	0.226	0.385	0.361
Share Class Z Gross Accumulation				
Group 1	0.458	-	0.458	0.423
Group 2	0.187	0.271	0.458	0.423
Share Class ZI Income				
Group 1	0.407	-	0.407	0.383
Group 2	0.265	0.142	0.407	0.383
Share Class ZI Accumulation				
Group 1	0.417	-	0.417	0.387
Group 2	0.163	0.254	0.417	0.387

+ Net share classes converted into gross share classes on 12 October 2018.

AXA Sterling Index-Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Investment Objective

The aim of the Fund is to provide income and capital growth, with the objective of reducing the negative effect of inflation over the long term.

Investment Policy

The Fund invests primarily in a portfolio of index-linked bonds issued by the UK government. The Fund manager also seeks to increase performance of the Fund by investing in non-governmental, non-index-linked, and non-Sterling denominated bonds where these offer better value. The Fund is managed with reference to the composition and risk profile of the FTSE Actuaries UK Index-Linked Gilts Over 5 Years Index. However the Fund manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index.

Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

Risk and Reward Profile

As at 30 June 2019

By investing in the Fund which invests primarily in indexed-linked fixed interest stocks you are likely to be looking for an investment which will generate a steady and predictable income whilst providing some protection against inflation. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of the Fund which invests significantly in equities or overseas and you would be investing for a period of at least five years.

Lower Risk **Higher Risk**

Potentially lower reward Potentially higher reward

1	2	3	4	**5**	6	7

The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation which may result in gains or losses.

Additional risks

Under normal market conditions the Fund's key risk factors are:

● Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

● Index-linked bonds risk - are fixed interest securities whose capital repayment amounts and interest payments are adjusted in line with movements in inflation indices. They are designed to mitigate the effects of inflation on the value of a portfolio. The market value of index-linked bonds is determined by the market's expectations of future movements in both interest rates and inflation rates.

AXA Sterling Index-Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

As with other bonds, the value of index-linked bonds will generally fall when expectations of interest rates rise and vice versa. However, when the market anticipates a rise in inflation rates, index-linked bonds will generally outperform other bonds, and vice versa.

Index-linked bonds bought in the secondary market (i.e., not directly from the issuer) whose capital values have been adjusted upward due to inflation since issuance, may decline in value if there is a subsequent period of deflation.

Due to the sensitivity of these bonds to interest rates and expectations of future inflation, there is no guarantee that the value of these bonds will correlate with inflation rates in the short to medium term.

Index-linked bonds risk is an inherent risk of investing in index-linked bonds. Exposure to this risk is managed by the allocation decision on the proportion of the portfolio to invest in index-linked bonds, as well as the amount of remaining maturity of these bonds, which will affect their sensitivity in value, to changes in expected inflation levels.

Other risks which could have an impact in extreme market conditions include:

● Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

● Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

● Currency risk (Note that the Fund aims to reduce the risk of movements in exchange rates by hedging the foreign currency exposure of the Fund back to pounds Sterling.) - assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's Price. It may not be possible or practicable to hedge against such exchange rate risk.

AXA Sterling Index-Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

The ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.

Market Overview

World equity markets performed strongly over the 12-month period. Global stocks rose initially amid investor optimism over trade relations, China's plans for a fiscal stimulus programme and robust second-quarter US corporate earnings. However, concerns over global growth and trade relations dampened performance in the last quarter of 2018. World equity markets went on to perform strongly in the first six months of 2019. The US–China trade dispute dominated headlines, causing a sell-off in quarter four and again in May 2019, but markets were buoyed at the end of the period by hopes for a rapprochement between Washington and Beijing and the dovish (monetary policy that promotes lower interest rates) tone of central banks. In Europe, Brexit weighed on sentiment. While the UK was given an extension to its departure date from the European Union (EU), Prime Minister Theresa May failed to gain support for her withdrawal agreement, and announced that she was to resign in early June – stoking further fears about the prospect of a 'no-deal' departure.

Global government bonds

The JPM Global Government Bond Index returned +9.61% in sterling terms.

Global government bond yields (which move inversely to prices) were broadly lower over the period, reflecting investors' concerns over slowing global growth.

Overall, the benchmark 10-year treasury yield fell from 2.86% at the beginning of the period to 2.01% by the end of June 2019. In the first quarter of 2019, the US yield curve inverted, with three-month treasury bonds yielding more than longer-dated treasuries. Historically, this has pointed to an impending recession.

The Fed lifted its target range for its benchmark interest rate to 2.00–2.25% in September, raising the range again in December, to 2.25–2.5%. By the end of the period, however, investors expected a rate cut to be implemented instead.

The European parliamentary elections in May 2019 were largely successful for pro-EU politics, but some anti-EU parties made gains (notably in Italy), pushing down German 10-year bond yields and widening the spread of Italian debt over German bonds. In June, yields on French 10-year bonds turned negative for the first time, while the German 10-year bund sagged further below zero to hit a new low after remarks from the European Central Bank (ECB) that policymakers could use interest-rate cuts and a resumption of quantitative easing to support the Eurozone's economy.

AXA Sterling Index-Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

UK gilts

UK gilts returned +4.90%, as measured by the FTSE Actuaries UK Government All Stocks Index. Gilt yields, which move inversely to price, fell from 1.28% to 0.83% over the period.

Brexit dominated headlines, with the Brexit Party making sweeping gains at the European parliamentary elections. Theresa May announced that she would step down, with neither of her potential replacements refusing to rule out a 'no-deal' Brexit, which caused anxiety in markets and depressed yields.

Economic news was mixed for much of the period, but GDP growth of 0.5% over the first quarter of 2019 (1.8% year-on-year) eclipsed the previous quarter's quarterly growth of 0.2%. Manufacturing output was solid, rising 2.2% over the quarter, the strongest figure for over 30 years; stockpiling against the possibility of a 'no-deal' Brexit drove much of this growth. Unemployment fell to 3.8% in the first quarter of 2019, the lowest level since 1974. However, in light of Brexit uncertainty, the BoE's policymakers scaled back forecasts of economic growth over the second quarter to zero.

Having raised rates in August 2018, the Monetary Policy Committee (MPC) held them steady at 0.75% at subsequent meetings although retained a hawkish (monetary policy that promotes raising interest rates) bias to their rhetoric citing the continued strength in the labour market and inflation pressures as their primary concern.

Index-linked gilts

Index-linked gilts returned +7.96%, as measured by the FTSE Actuaries Index Linked All Stocks Index.

The UK's rate of inflation (measured by the consumer price index) fell, dropping from 2.4% at the beginning of the period to 2.0% in May 2019.

A report from the Bank of England (BoE) showed that longer-term inflation expectations in the UK climbed to a 10-year high. When asked (in June) about inflation in five years' time, respondents answered that they expected inflation to be 3.8%. This compares with their February response of 3.4%. When asked about inflation in the next year, those surveyed felt that inflation would be 3.1%. This was down slightly from their answer of 3.2% when asked in February.

Fund Activity

Over the period, we generally maintained an overweight portfolio duration (a measure of the sensitivity of a bond's price to a change in interest rates) exposure relative to the comparative benchmark (the FTSE-Actuaries Index-Linked 5+ Years Index). At the start of H2 2018, we retained a preference for longer-dated bonds over shorter-dated (having less than five years to maturity) bonds. The market fully expected a rate rise from the BoE in August after persistent climbs in inflation. As expected, the BoE raised interest rates and the UK Consumer Price Index rate of inflation came in slightly higher at 2.5%.

In September, we started to reduce longer-dated bonds, as the inflation breakeven (the difference in yield between a nominal bond and an inflation-linked bond) widened over the month. UK government bonds outperformed other core government bonds in October, although UK inflation breakevens initially widened, but ended unchanged as they weakened in line with weak risk markets.

November saw poor returns largely driven by the weakness in the long end of the nominal gilt yield, which had an adverse impact given the long duration nature of the portfolio, although this was offset by higher inflation breakevens as Brexit concerns weighed on sterling. Developed government bond markets benefited from a flight to quality in December as equity and risk markets sold off into the year-end. The long end of the curve reversed much of its previous month's underperformance, which benefited the Fund given the long duration nature of the portfolio, and more than offset a narrowing in breakeven spreads.

We reduced our portfolio duration over the course of February and March as index-linked bonds had a very strong performance and reached our initial yield targets, with 10-year nominal gilt yields trading through the 1% level. March also saw a significant benchmark index extension as the March 2024 index-linked bond fell below the minimum five-year maturity. In April we used the back up in yields over the month as an opportunity to re-establish our long duration position within the portfolio and added some micro steepening bias in our curve positioning ahead of forthcoming supply events. While in June we continued to add duration to the portfolio during the month as well as re-initiating a curve flattening bias ahead of another significant benchmark index extensions in July.

AXA Sterling Index-Linked Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Fund performance and outlook

During the year ending 30 June 2019, the AXA Sterling Index Linked Bond Fund provided a total net return of 9.56% (Z Acc, net of fees and gross of tax), compared with the FTSE Actuaries UK Govt Index-Linked 5 Years+ Index return of 9.1%.

Global developed-government bond markets should continue to benefit from any further global central bank accommodation amid ongoing concerns about the outlook for global growth. More locally, for the gilt and UK index-linked market, political developments will remain the focus – firstly through the appointment of a new Prime Minister followed by the likely appointment of a new Chancellor of the Exchequer as well as other new cabinet positions. The results of any expected reopening of Brexit negotiations between the UK and EU will be the main driver of near-term relative Fund performance as the 31 October deadline for departure from the EU approaches.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide to future performance.

Major Purchases

- UK Treasury 0.125% IL 10/08/41
- UK Treasury 0.125% IL 10/08/48
- UK Treasury 0.125% IL 22/03/26
- UK Treasury 0.375% IL 22/03/62
- Network Rail Infrastructure Finance 1.75% IL 22/11/27

Major Sales

- UK Treasury 1.25% IL 22/11/27
- UK Treasury 2% IL 26/01/35
- UK Treasury 0.125% IL 22/03/68
- UK Treasury 0.375% IL 22/03/62
- UK Treasury 1.25% IL 22/11/55

Nick Hayes
30 June 2019
Source: AXA Investment Managers UK Limited

AXA Sterling Index-Linked Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
INDEX LINKED GOVERNMENT BONDS 95.67% (30/06/18: 97.11%)			
United Kingdom 95.67% (30/06/18: 97.11%)			
UK Treasury 0.125% IL 22/03/24	1,918,000	2,584	1.28
UK Treasury 0.125% IL 22/03/26	2,530,000	3,366	1.66
UK Treasury 0.125% IL 22/03/29	3,670,000	5,670	2.80
UK Treasury 0.125% IL 22/11/36	2,250,000	3,692	1.82
UK Treasury 0.125% IL 10/08/41	2,623,000	4,290	2.12
UK Treasury 0.125% IL 22/03/44	4,700,000	9,145	4.52
UK Treasury 0.125% IL 22/03/46	5,038,000	9,490	4.69
UK Treasury 0.125% IL 10/08/48	1,967,000	3,622	1.79
UK Treasury 0.125% IL 22/11/56	2,262,000	4,954	2.45
UK Treasury 0.125% IL 22/03/58	3,621,000	8,345	4.13
UK Treasury 0.125% IL 22/11/65	2,768,000	7,214	3.57
UK Treasury 0.125% IL 22/03/68	3,405,000	9,763	4.83
UK Treasury 0.25% IL 22/03/52	4,192,000	9,600	4.75
UK Treasury 0.375% IL 22/03/62	4,273,000	12,258	6.06
UK Treasury 0.5% IL 22/03/50	3,728,000	9,878	4.88
UK Treasury 0.625% IL 22/03/40	3,743,000	8,391	4.15
UK Treasury 0.625% IL 22/11/42	3,888,000	9,343	4.62
UK Treasury 0.75% IL 22/03/34	5,189,000	9,764	4.83
UK Treasury 0.75% IL 22/11/47	3,986,900	10,911	5.39
UK Treasury 1.125% IL 22/11/37	3,620,000	8,955	4.43
UK Treasury 1.25% IL 22/11/27	3,000,000	6,020	2.98
UK Treasury 1.25% IL 22/11/32	4,657,000	9,636	4.76
UK Treasury 1.25% IL 22/11/55	2,478,000	9,524	4.71
UK Treasury 2% IL 26/01/35	1,441,000	4,166	2.06
UK Treasury 2.5% IL 17/07/24	1,708,000	6,303	3.12
UK Treasury 4.125% IL 22/07/30	1,737,000	6,618	3.27
TOTAL INDEX LINKED GOVERNMENT BONDS		**193,502**	**95.67**
INDEX LINKED CORPORATE BONDS 3.52% (30/06/18: 2.50%)			
Cayman Islands 0.10% (30/06/18: 0.09%)			
DWR Cymru Financing 3.514% IL 31/03/30	38,000	95	0.05
Southern Water Services Finance 3.816% IL 31/03/23	57,000	108	0.05
Jersey 0.36% (30/06/18: 0.30%)			
Heathrow Funding 3.334% IL 09/12/39	300,000	736	0.36
Supranational 0.01% (30/06/18: 0.01%)			
European Investment Bank 2.65% IL 16/04/20	10,000	18	0.01
United Kingdom 3.05% (30/06/18: 2.10%)			
Artesian Finance 3.625% IL 30/09/32	93,000	248	0.12
CTRL Section 1 Finance 2.334% 02/11/51	57,000	187	0.09
London Power Networks 3.125% IL 07/06/32	36,000	90	0.04
National Grid Gas 4.1875% IL 14/12/22	93,000	185	0.09
Network Rail Infrastructure Finance 1.375% IL 22/11/37	956,000	2,314	1.14
Network Rail Infrastructure Finance 1.75% IL 22/11/27	1,416,000	2,717	1.34
Network Rail Infrastructure Finance 1.9618% IL 01/12/25	160,000	315	0.16
Tesco 3.322% IL 05/11/25	39,000	80	0.04
Thames Water Utilities Finance 3.375% IL 21/07/21	32,000	56	0.03
TOTAL INDEX LINKED CORPORATE BONDS		**7,149**	**3.52**

AXA Sterling Index-Linked Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
FUTURES 0.03% (30/06/18: 0.00%)			
United Kingdom 0.03% (30/06/18: 0.00%)			
Long Gilt Futures September 2019	48	58	0.03
TOTAL FUTURES		**58**	**0.03**
Portfolio of investments		200,709	99.22
Net other assets		1,577	0.78
Total net assets		**202,286**	**100.00**

All bonds are denominated in Sterling (unless otherwise indicated).
At 30 June 2019, there were no investments in the Fund which were valued using a quote from a single broker (30/06/18: £nil).

AXA Sterling Index-Linked Bond Fund

Comparative Tables

As at 30 June 2019

	A Net Accumulation			A Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	137.40	135.51	126.70	137.50	135.58	126.72
Return before operating charges ^	(3.59)	2.26	9.18	13.36	2.29	9.23
Operating charges ^	(0.11)	(0.37)	(0.37)	(0.38)	(0.37)	(0.37)
Return after operating charges ^	(3.70)	1.89	8.81	12.98	1.92	8.86
Transfer to gross share class	(133.70)	-	-	-	-	-
Distributions	-	-	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-	-	-
Closing net asset value per share †	-	137.40	135.51	150.48	137.50	135.58
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-2.69%	1.39%	6.95%	9.44%	1.42%	6.99%
Other information						
Closing net asset value (£) †	-	1,338,797	1,970,334	5,324,404	4,880,962	4,952,419
Closing number of shares	-	974,385	1,454,027	3,538,301	3,549,731	3,652,869
Operating charges ^	-	0.27%	0.27%	0.27%	0.27%	0.27%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	141.10	143.10	146.98	155.00	143.20	147.05
Lowest share price #	133.20	130.80	124.66	133.30	130.90	124.69

	H Net Accumulation			H Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	248.38	244.26	227.74	252.47	248.32	231.53
Return before operating charges ^	(6.57)	4.17	16.57	24.57	4.20	16.84
Operating charges ^	(0.01)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
Return after operating charges ^	(6.58)	4.12	16.52	24.52	4.15	16.79
Return to Shareholders	(241.80)	-	-	-	-	-
Distributions	-	-	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-	-	-
Closing net asset value per share †	-	248.38	244.26	276.99	252.47	248.32
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-2.65%	1.69%	7.25%	9.71%	1.67%	7.25%
Other information						
Closing net asset value (£) †	-	12,419	12,213	6,364,761	6,912,146	7,299,147
Closing number of shares	-	5,000	5,000	2,297,838	2,737,802	2,939,381
Operating charges ^	-	0.02%	0.02%	0.02%	0.02%	0.02%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	255.20	258.20	264.78	285.30	262.40	269.19
Lowest share price #	241.00	235.80	224.10	245.00	239.80	227.85

AXA Sterling Index-Linked Bond Fund

Comparative Tables

As at 30 June 2019

	R Net Accumulation			R Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	234.08	231.96	217.91	235.04	232.91	218.81
Return before operating charges ^	(6.16)	3.91	15.86	22.79	3.93	15.92
Operating charges ^	(0.52)	(1.79)	(1.81)	(1.88)	(1.80)	(1.82)
Return after operating charges ^	(6.68)	2.12	14.05	20.91	2.13	14.10
Transfer to gross share class	(227.40)	-	-	-	-	-
Distributions	-	-	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-	-	-
Closing net asset value per share †	-	234.08	231.96	255.95	235.04	232.91
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-2.85%	0.91%	6.45%	8.90%	0.91%	6.44%
Other information						
Closing net asset value (£) †	-	3,934,212	7,037,291	22,145,410	12,280,633	39,709,468
Closing number of shares	-	1,680,748	3,033,818	8,652,290	5,224,824	17,048,922
Operating charges ^	-	0.77%	0.77%	0.77%	0.77%	0.77%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	240.20	244.80	251.86	263.70	245.80	252.90
Lowest share price #	226.70	223.50	214.35	227.70	224.40	215.24

	Z Net Accumulation			Z Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	268.67	265.05	247.92	277.58	273.84	256.09
Return before operating charges ^	(7.12)	4.47	17.99	26.97	4.62	18.63
Operating charges ^	(0.25)	(0.85)	(0.86)	(0.92)	(0.88)	(0.88)
Return after operating charges ^	(7.37)	3.62	17.13	26.05	3.74	17.75
Transfer to gross share class	(261.30)	-	-	-	-	-
Distributions	-	-	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-	-	-
Closing net asset value per share †	-	268.67	265.05	303.63	277.58	273.84
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-2.74%	1.37%	6.91%	9.38%	1.37%	6.93%
Other information						
Closing net asset value (£) †	-	117,807,939	135,120,584	168,451,396	74,002,521	90,090,143
Closing number of shares	-	43,848,564	50,979,283	55,479,283	26,659,710	32,898,966
Operating charges ^	-	0.32%	0.32%	0.32%	0.32%	0.32%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	275.90	280.00	287.51	312.80	289.30	297.04
Lowest share price #	260.50	255.90	243.93	269.10	264.40	251.97

+ Net share classes converted into gross share classes on 12 October 2018.

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the sub-fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the average Net Asset Value for the accounting year.

AXA Sterling Index-Linked Bond Fund

Statement of Total Return

For the year ended 30 June 2019

	Note	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Income:					
Net capital gains	2		19,834		6,845
Revenue	3	(1,307)		(2,661)	
Expenses	4	(712)		(1,015)	
Interest payable and similar charges		-		(3)	
Net expense before taxation		(2,019)		(3,679)	
Taxation	5	-		-	
Net expense after taxation			(2,019)		(3,679)
Total return before equalisation			17,815		3,166
Equalisation	6		-		-
Change in net assets attributable to Shareholders from investment activities			**17,815**		**3,166**

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2019

	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Opening net assets attributable to Shareholders		221,170		286,192
Amounts receivable on issue of shares	27,907		16,538	
Amounts payable on cancellation of shares	(64,606)		(84,726)	
		(36,699)		(68,188)
Change in net assets attributable to Shareholders from investment activities (see above)		17,815		3,166
Closing net assets attributable to Shareholders		**202,286**		**221,170**

AXA Sterling Index-Linked Bond Fund

Balance Sheet

As at

	Note	30/06/19 £'000	30/06/18 £'000
Assets:			
Fixed assets:			
Investments		200,709	220,304
Current assets:			
Debtors	7	389	408
Cash and bank balances	8	3,781	1,124
Total assets		**204,879**	**221,836**
Liabilities:			
Creditors:			
Other creditors	9	(2,593)	(666)
Total liabilities		**(2,593)**	**(666)**
Net assets attributable to Shareholders		**202,286**	**221,170**

AXA Sterling Index-Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 207 - 209.

2. Net capital gains

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
The net capital gains comprise:		
Non-derivative securities	19,383	7,446
Brokers commission on futures	(1)	(16)
Currency gains/(losses)	-	(38)
Derivative contracts	452	(899)
Forward currency contracts	-	353
Transaction charges	-	(1)
Net capital gains	**19,834**	**6,845**

3. Revenue

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Bank interest	3	2
Interest on debt securities	(1,310)	(2,663)
Total revenue	**(1,307)**	**(2,661)**

4. Expenses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual Management Charge	655	964
Registration fees	2	2
	657	966
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	32	32
Safe custody fees	7	8
	39	40
Other expenses		
Audit fees	8	8
Printing fees	8	1
	16	9
Total expenses	**712**	**1,015**

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

AXA Sterling Index-Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2018: 20%) is applied to the net expense before taxation. The differences are explained below:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Net expense before taxation	(2,019)	(3,679)
Net expense for the year multiplied by the standard rate of corporation tax	(404)	(736)
Effects of:		
Movement in excess management expenses	1,519	2,508
Relief for indexation on UK Gilts	(1,115)	(1,772)
Current tax charge for the year	**-**	**-**

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £6,420,979 (2018: £4,901,844) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Equalisation

The equalisation take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
First interim	-	-
Second interim	-	-
Third interim	-	-
Final	-	-
Add: Revenue paid on cancellation of shares	-	-
Deduct: Revenue received on creation of shares	-	-
Net equalisation for the year	**-**	**-**
Reconciliation of net expense after taxation to equalisation		
Net expense after taxation	(2,019)	(3,679)
Revenue deficit	7,595	12,537
Indexation on UK Government Index-Linked Bonds	(5,576)	(8,858)
Net equalisation for the year	**-**	**-**

7. Debtors

	30/06/19 £'000	30/06/18 £'000
Amounts receivable for creation of shares	78	101
Sales awaiting settlement	79	-
Accrued revenue	232	307
Total debtors	**389**	**408**

AXA Sterling Index-Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

8. Cash and bank balances

	30/06/19 £'000	30/06/18 £'000
Cash and bank balances	3,757	1,124
Amount held at futures clearing houses and brokers	24	-
Total cash and bank balances	**3,781**	**1,124**

9. Other creditors

	30/06/19 £'000	30/06/18 £'000
Amounts payable for cancellation of shares	899	590
Purchases awaiting settlement	1,614	-
Accrued Annual Management Charge	54	57
Accrued other expenses	26	19
Total other creditors	**2,593**	**666**

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no Shareholdings in the Company at the year end.

As at 30 June 2019 there are no shareholders with holdings over 25% (30/06/2018: no holdings over 25%) of the Funds' shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's Annual Management Charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/18	Issued	Cancelled	Converted	30/06/19
A Net Accumulation +	0.25	974,385	41,091	(262,960)	(752,516)	-
A Gross Accumulation	0.25	3,549,731	158,185	(921,569)	751,954	3,538,301
H Net Accumulation +	0.00	5,000	-	(5,000)	-	-
H Gross Accumulation	0.00	2,737,802	-	(439,964)	-	2,297,838
R Net Accumulation +	0.75	1,680,748	4,568	(305,286)	(1,380,030)	-
R Gross Accumulation	0.75	5,224,824	4,724,554	(2,604,860)	1,307,772	8,652,290
Z Net Accumulation +	0.30	43,848,564	718,678	(4,008,178)	(40,559,064)	-
Z Gross Accumulation	0.30	26,659,710	4,956,927	(15,445,907)	39,308,553	55,479,283

+ Net share classes converted into gross share classes on 12 October 2018.

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2018: nil).

AXA Sterling Index-Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2018).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £20,065,082 (2018: £22,030,354). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	3,781	200,651	447	204,879
Total	**3,781**	**200,651**	**447**	**204,879**
30/06/18				
Pound sterling	1,125	220,304	407	221,836
Total	**1,125**	**220,304**	**407**	**221,836**

AXA Sterling Index-Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	-	-	(2,593)	(2,593)
Total	**-**	**-**	**(2,593)**	**(2,593)**
30/06/18				
Pound sterling			(666)	(666)
Total	**-**	**-**	**(666)**	**(666)**

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £48,196,000 (2018: £53,556,000). A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. The majority of bonds in which the Fund invests are investment grade listed bonds or government securities which are lower risk. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each sub-fund.

Transactions in securities may expose the Fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the Funds are conducted through counterparties approved by the ACD.

Credit Rating	30/06/19 Market Value £'000	%	30/06/18 Market Value £'000	%
Investment grade	196,361	97.07	220,229	99.58
Speculative grade	4,290	2.12	75	0.03
Unrated	-	-	-	-
Total value of bonds	**200,651**	**99.19**	**220,304**	**99.61**

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

AXA Sterling Index-Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties as at 30 June 2019 was as follows:

	30/06/19 Exposure £'000	30/06/18 Exposure £'000
(a) Futures		
Royal Bank of Scotland	58	-
Total value of derivatives	**58**	**-**

14. Portfolio transaction costs

30/06/2019	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	18,187	-	-	-	-	18,187
Total	**18,187**	**-**		**-**		**18,187**

30/06/2019	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Bonds	54,881	-	-	-	-	54,881
Total	**54,881**	**-**		**-**		**54,881**

30/06/2018	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	66,445	-	-	-	-	66,445
Futures	-	5	-	-	-	5
Total	**66,445**	**5**		**-**		**66,450**

30/06/2018	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Bonds	130,612	-	-	-	-	130,612
Futures	-	(5)	-	-	-	(5)
Total	**130,612**	**(5)**		**-**		**130,607**

Transaction costs as percentage of average net asset value	01/07/18 to 30/06/19 %	01/07/17 to 30/06/18 %
Commissions	0.00%	0.00%
Taxes	0.00%	0.00%

At the balance sheet date the average portfolio dealing spread was 0.12% (2018: 0.12%).

AXA Sterling Index-Linked Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

15. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

16. Fair value disclosure

	30/06/19		30/06/18	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£'000**	**£'000**	**£'000**	**£'000**
Level 1 ^	17,145	-	214,774	-
Level 2 ^^	183,564	-	5,530	-
Level 3 ^^^	-	-	-	-
	200,709	**-**	**220,304**	**-**

^ Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^^ Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^^^ Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

AXA Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2019

Investment Objective

The aim of the Fund is to provide an income and capital return (net of fees) in line with the market for sterling denominated, investment grade bonds issued by companies over the long-term while maintaining a low turnover of bonds held by the Fund. The market is represented by the ICE BofAML Sterling Non-Gilt Index for long-term performance purposes.

Investment Policy

The average credit quality and sensitivity to movements in market interest rates of the bonds held by the Fund are very similar to those of the bonds represented by the index but otherwise the Fund manager has complete discretion to take positions which are different from the Index in seeking to achieve the Fund's objective. The Fund invests at least 70% of its value in sterling denominated, investment grade bonds issued by companies and may also invest up to 20% of its value in non-sterling denominated, investment grade bonds. The low turnover manner in which the Fund is managed means that the Fund avoids unnecessary trading costs. The Fund manager focuses on avoiding downgrades and defaults through its analysis and selection of bonds and, by diversifying the Fund's portfolio across different corporate sectors, aims to mitigate the risks associated with any particular sector. The Fund avoids investing in bonds issued by companies presenting excessive environmental, social and governance (ESG) risk. Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM). The Fund is permitted to use derivatives for investment purposes but does not currently do so.

Risk and Reward Profile

As at 30 June 2019

By investing in the Fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but has less potential for capital return than is the case with funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. Typically, you would prefer an investment with less risk than that of the Fund which invests significantly in equities or overseas. Typically, you would be investing for a period of at least five years.

Lower Risk — **Higher Risk**

Potentially lower reward — Potentially higher reward

1	2	3	**4**	5	6	7

The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation which may result in gains or losses.

Additional risks

Under normal market conditions the Fund's key risk factors are:

● Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

AXA Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2019

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

● Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.These guidelines could include measures of sensitivity to changes of interest rates.

Other risks which could have an impact in extreme market conditions include:

● Prepayment and extension risk - is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

● Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The ACD may be forced to buy or sell such investments as a consequence of Shareholders buying or selling Shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

● Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

AXA Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2019

● Currency risk (Note that the Fund aims to reduce the risk of movements in exchange rates by hedging the foreign currency exposure of the Fund back to pounds Sterling.) - assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's Price. It may not be possible or practicable to hedge against such exchange rate risk.

The ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.

Market Snapshot

Market review

Despite a high level of volatility over the 12-month period, credit spreads were broadly unchanged. After remaining relatively range-bound during the third quarter, credit spreads (yield premium over gilts) significantly widened in the fourth quarter due to heightened concerns over global growth, trade tensions between the US and China, and a US Federal Reserve (Fed) perceived as hawkish (monetary policy that promotes raising interest rates), lifting the target range for its benchmark interest rate to 2.00–2.25% in September, and again – to 2.25–2.50% – in December. Meanwhile, the European Central Bank (ECB) ended its quantitative-easing programme in December, while maintaining interest rates at 0%.

Following the Fed's subsequent change of tone regarding monetary policy in January, leading to the expectation of interest rates cuts for 2019, and the resumption of trade talks between the US and China, credit spreads significantly tightened over the following four months. This move tighter was further reinforced by the dovish (monetary policy that promotes lower interest rates) tones from other central banks including the ECB, hinting that they could further cut interest rates and possibly resume quantitative easing to support the Eurozone's economy. However, credit spreads widened in May on the back of a breakdown in trade negotiations between the US and China but subsequently recovered in June following an agreement to resume talks.

Brexit continued to weigh on sentiment during the period. While the UK was given an extension to its departure date from the EU, Prime Minister Theresa May failed to gain support for her withdrawal agreement, and announced that she was to resign in early June – stoking further fears about the prospect of a 'no-deal' departure as neither of her potential replacements refused to rule out a 'no-deal' Brexit.

AXA Sterling Buy and Maintain Credit Fund

Investment Manager's Report

For the year ended 30 June 2019

Global government bond yields were broadly lower over the period, reflecting investors' concerns over slowing global growth. Overall, UK gilt yields fell from 1.28% to 0.83% over the period. Economic news was mixed for much of the period, but GDP growth of 0.5% over the first quarter of 2019 (1.8% year-on-year) eclipsed the previous quarter's quarterly growth of 0.2%. Manufacturing output was solid, rising 2.2% over the quarter, the strongest figure for over 30 years; stockpiling against the possibility of a 'no-deal' Brexit drove much of this growth. Unemployment fell to 3.8% in the first quarter of 2019, the lowest level since 1974. However, in light of Brexit uncertainty, the Bank of England's (BoE) policymakers scaled back forecasts of economic growth over the second quarter to zero. Having raised interest rates in August 2018, the BoE held them steady at 0.75% throughout the period.

Fund Activity

Very healthy Total Returns as the Fund benefitted from lower gilt rates over the last 12 months to June 2019. The Fund has outperformed the reference index as markets were very volatile and spread widened over the period. The Fund behaved in line with expectation in this environment given the conservative approach to credit. The average credit quality has remained relatively stable over the period and there is no material downgrade to report over the period.

A number of new names were added to the portfolio in the 12 months to June 2019. In H2 2018, we added Italian utility company Enel, as well as a new securitisation through the new A+ rated deal from Connect Plus M25. In the last quarter of the 2018, we participated in Southern Housing Association sterling deal and Anglian Water's long-dated issue.

We were quite cautiously positioned over 2018 but, as the market experiences some weakness, we reinvested natural cash flows benefiting from repricing into sectors such as autos, energy and real estate. Given the strong credit market in the first half of 2019, the performance of the Fund was relatively resilient in the circumstance thanks to the redeployment of accumulated natural cash flows into better-valued credit. The Fund had increased exposure to emerging market names and peripheral names mainly through primary issuance. The output from global cross currency relative value made us increase euro-denominated debt at the expense of US dollars and add to sterling across the curve. Sterling credit offers value at the front end and is very in demand at the long end so supported by strong technicals. We also managed to avoid any major downgrade and negative credit stories, while minimising turnover as no bonds have been sold due to credit concerns over the period.

Outlook

Given fears of slowing economic growth potentially leading to a global recession due to continuing trade tensions, heightened uncertainty around Brexit and risk of an early general election, political risk in the European periphery (non-core) and expensive valuations in the sterling credit market, we maintain a defensive bias and will maximise opportunities in case of market correction to lock in higher level of spread.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide to future performance.

Major Purchases

- Liberty Living Finance 2.625% 28/11/24
- Yorkshire Building Society 3.5% 21/04/26
- Walmart 5.625% 27/03/34
- Lunar Funding I 5.75% 18/10/33
- Connect Plus M25 Issuer 2.607% 31/03/39

Major Sales

- Liberty Living Finance 2.625% 28/11/24
- Yorkshire Building Society 3.5% 21/04/26
- Fonterra Co-operative 9.375% 04/12/23
- Bank of Montreal 1.375% 29/12/21
- British Telecommunications 5.75% 07/12/28

Lionel Pernias
30 June 2019
AXA Investment Managers UK Limited

AXA Sterling Buy and Maintain Credit Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 95.82% (30/06/18: 95.59%)			
Australia 2.79% (30/06/18: 3.37%)			
APT Pipelines 4.25% 26/11/24	1,450,000	1,614	0.60
Australia & New Zealand Banking 5.125% 10/09/19	EUR 220,000	198	0.07
Commonwealth Bank of Australia 5.5% 06/08/19	EUR 210,000	189	0.07
Macquarie Bank 3.5% 18/12/20	800,000	826	0.31
National Australia Bank 5.125% 09/12/21	780,000	852	0.32
Scentre Trust 3.5% 12/02/25	USD 300,000	241	0.09
Scentre Trust 1 3.875% 16/07/26	1,057,000	1,160	0.43
Vicinity Centres Trust 3.375% 07/04/26	1,529,000	1,619	0.60
Westpac Banking 5% 21/10/19	805,000	815	0.30
Belgium 0.38% (30/06/18: 0.47%)			
Anheuser-Busch InBev 2.25% 24/05/29	152,000	151	0.06
Anheuser-Busch InBev 2.85% 25/05/37	877,000	866	0.32
Bermuda 0.49% (30/06/18: 0.35%)			
Hiscox 2% 14/12/22	1,306,000	1,305	0.49
Canada 0.55% (30/06/18: 1.17%)			
Bank of Montreal 1.625% 21/06/22	450,000	456	0.17
Bank of Nova Scotia 1.25% 08/06/22	800,000	802	0.30
Bank of Nova Scotia 1.75% 23/12/22	200,000	204	0.08
Cayman Islands 2.90% (30/06/18: 2.06%*)			
Dwr Cymru Financing 2.5% 31/03/36	100,000	106	0.04
Dwr Cymru Financing 6.015% 31/03/28	1,080,000	1,457	0.54
Lunar Funding I 5.75% 18/10/33	1,200,000	1,693	0.63
Southern Water Services Finance 5% 31/03/21	365,000	388	0.14
Southern Water Services Finance 5.125% 30/09/56	111,000	182	0.07
Southern Water Services Finance 6.64% 31/03/26	384,000	496	0.18
Tencent 2.875% 11/02/20	USD 200,000	157	0.06
Tencent 3.975% 11/04/29	USD 2,000,000	1,639	0.61
Trafford Centre Finance 6.5% 28/07/33	1,253,750	1,689	0.63
Denmark 0.53% (30/06/18: 0.00%)			
Orsted 2.5% 16/05/33	1,379,000	1,428	0.53
Finland 0.59% (30/06/18: 1.17%*)			
Nordea Bank 2.125% 13/11/19	300,000	301	0.11
Nordea Bank 2.375% 02/06/22	400,000	411	0.15
OP Corporate Bank 2.5% 20/05/22	850,000	877	0.33
France 6.73% (30/06/18: 7.54%)			
Banque Federative du Credit Mutuel 0.875% 08/06/20	400,000	399	0.15
Banque Federative du Credit Mutuel 1.375 % 20/12/21	400,000	400	0.15
Banque Federative du Credit Mutuel 2.25% 18/12/23	600,000	617	0.23
BNP Paribas 5.75% 24/01/22	1,290,000	1,416	0.53
Bouygues 5.5% 06/10/26	1,250,000	1,529	0.57
BPCE 5.25% 16/04/29	1,300,000	1,546	0.58
Cie de Saint-Gobain 5.625% 15/11/24	1,350,000	1,606	0.60
Credit Agricole 7.375% 18/12/23	1,150,000	1,417	0.53
Engie 5% 01/10/60	1,050,000	1,676	0.62
LVMH Moet Hennessy Louis Vuitton 1% 14/06/22	667,000	666	0.25
Orange 5.625% 23/01/34	200,000	275	0.10
Orange 8.125% 20/11/28	630,000	946	0.35
RCI Banque 1.875% 08/11/22	329,000	330	0.12

AXA Sterling Buy and Maintain Credit Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
SNCF Mobilites 5.375% 18/03/27	700,000	896	0.33
Societe Generale 2.625% 27/02/25	EUR 200,000	195	0.07
Sodexo 1.75% 26/06/28	330,000	331	0.12
Suez 5.375% 02/12/30	500,000	672	0.25
Total Capital International 1.25% 16/12/24	236,000	236	0.09
Total Capital International 1.75% 07/07/25	589,000	600	0.22
Total Capital International 2.7% 25/01/23	USD 250,000	199	0.07
Total Capital International 3.75% 10/04/24	USD 700,000	585	0.22
Vinci 2.25% 15/03/27	1,500,000	1,551	0.58
Germany 0.50% (30/06/18: 0.19%)			
Deutsche Bahn Finance 1.875% 13/02/26	1,300,000	1,332	0.50
Guernsey 0.59% (30/06/18: 0.61%)			
Credit Suisse Funding Guernsey 2.75% 08/08/25	1,405,000	1,446	0.54
Credit Suisse Funding Guernsey 3% 27/05/22	117,000	122	0.05
Ireland 0.66% (30/06/18: 1.01%)			
GE Capital UK Funding Unlimited 8% 14/01/39	1,180,000	1,780	0.66
Italy 0.55% (30/06/18: 1.04%)			
Intesa Sanpaolo 5.25% 28/01/22	850,000	910	0.34
Intesa Sanpaolo 5.25% 12/01/24	USD 700,000	571	0.21
Japan 0.34% (30/06/18: 0.48%)			
East Japan Railway 4.5% 25/01/36	450,000	606	0.23
East Japan Railway 5.25% 22/04/33	200,000	283	0.11
Jersey 2.30% (30/06/18: 2.54%)			
CPUK Finance 7.239% 28/02/24	750,000	908	0.34
Gatwick Funding 6.5% 02/03/41	1,110,000	1,739	0.65
Heathrow Funding 4.625% 31/10/46	1,278,000	1,699	0.63
Porterbrook Rail Finance 4.625% 04/04/29	1,610,000	1,838	0.68
Luxembourg 1.02% (30/06/18: 1.18%)			
Gazprom Gaz Capital 4.25% 06/04/24	1,100,000	1,167	0.43
Gazprom Gaz Capital 5.338% 25/09/20	320,000	333	0.12
Schlumberger Investment 3.3% 14/09/21	USD 600,000	479	0.18
Whirlpool Finance Luxembourg 1.25% 02/11/26	EUR 852,000	780	0.29
Mexico 0.20% (30/06/18: 0.30%)			
America Movil 5% 27/10/26	450,000	543	0.20
Netherlands 6.75% (30/06/18: 6.80%)			
ABN AMRO Bank 1.375% 07/06/22	200,000	200	0.07
ABN AMRO Bank 2.375% 07/12/21	900,000	926	0.34
Aegon 6.125% 15/12/31	800,000	1,132	0.42
Aegon 6.625% 16/12/39	300,000	476	0.18
Allianz Finance II 4.5% 13/03/43	1,100,000	1,567	0.58
BMW Finance 0.875% 16/08/22	1,487,000	1,463	0.54
Cooperatieve Rabobank 4.625% 23/05/29	1,350,000	1,561	0.58
Deutsche Telekom International Finance 7.625% 15/06/30	948,000	1,426	0.53
E.ON International Finance 6.375% 07/06/32	365,000	517	0.19
EDP Finance 8.625% 04/01/24	700,000	895	0.33
Enel Finance International 3.625% 25/05/27	USD 261,000	204	0.08
Enel Finance International 4.625% 14/09/25	USD 350,000	294	0.11
Enel Finance International 5.625% 14/08/24	660,000	774	0.29

AXA Sterling Buy and Maintain Credit Fund

Portfolio Statement
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	Holding	Market Value £'000	% of Total Net Assets
ING Bank 5.8% 25/09/23	USD 800,000	693	0.26
innogy Finance 4.75% 31/01/34	100,000	124	0.05
innogy Finance 6.125% 06/07/39	600,000	890	0.33
innogy Finance 6.5% 20/04/21	500,000	545	0.20
Linde Finance 5.875% 24/04/23	1,275,000	1,504	0.56
Naturgy Finance 1.375% 19/01/27	EUR 300,000	283	0.11
NN 0.875% 13/01/23	EUR 811,000	746	0.28
Siemens 3.75% 10/09/42	1,300,000	1,671	0.62
Urenco Finance 2.25% 05/08/22	EUR 297,000	282	0.10
New Zealand 0.10% (30/06/18: 0.52%)			
Fonterra Co-operative 9.375% 04/12/23	209,000	276	0.10
Norway 1.11% (30/06/18: 1.09%)			
DNB Bank 1.625% 15/12/23	747,000	754	0.28
DNB Bank 4.25% 27/01/20	640,000	651	0.24
Equinor 6.875% 11/03/31	1,030,000	1,587	0.59
Saudi Arabia 0.50% (30/06/18: 0.00%)			
Saudi Arabian Oil 3.5% 16/04/29	USD 1,700,000	1,345	0.50
Spain 1.81% (30/06/18: 1.93%)			
Banco Bilbao Vizcaya Argentaria 3% 20/10/20	USD 900,000	711	0.26
Banco Santander 2.5% 18/03/25	EUR 200,000	193	0.07
Banco Santander 2.75% 12/09/23	1,200,000	1,240	0.46
Banco Santander 3.125% 19/01/27	EUR 200,000	202	0.08
CaixaBank 1.125% 17/05/24	EUR 800,000	740	0.28
Mapfre 1.625% 19/05/26	EUR 800,000	757	0.28
Telefonica Emisiones 5.375% 02/02/26	850,000	1,013	0.38
Sweden 1.61% (30/06/18: 2.11%*)			
Essity 1.625% 30/03/27	EUR 641,000	613	0.23
Skandinaviska Enskilda Banken 1.25% 05/08/22	300,000	299	0.11
Skandinaviska Enskilda Banken 3% 18/12/20	700,000	718	0.27
Svenska Handelsbanken 1.625% 15/12/23	1,000,000	1,007	0.37
Svenska Handelsbanken 2.75% 05/12/22	610,000	638	0.24
Swedbank 1.25% 29/12/21	198,000	197	0.07
Swedbank 1.625% 28/12/22	225,000	225	0.08
Vattenfall 6.875% 15/04/39	390,000	654	0.24
Switzerland 0.39% (30/06/18: 0.25%)			
UBS London 1.25% 10/12/20	1,042,000	1,043	0.39
United Kingdom 47.87% (30/06/18: 45.17%*)			
ABP Finance 6.25% 14/12/26	700,000	856	0.32
Affinity Sutton Capital Markets 5.981% 17/09/38	405,000	608	0.23
Anglian Water Services Financing 1.625% 10/08/25	150,000	149	0.06
Anglian Water Services Financing 2.75% 26/10/29	550,000	587	0.22
Anglian Water Services Financing 4.5% 05/10/27	850,000	1,012	0.38
Aspire Defence Finance 4.674% 31/03/40	1,466,537	1,871	0.70
AstraZeneca 5.75% 13/11/31	365,000	508	0.19
Barclays 3.25% 12/02/27	1,150,000	1,173	0.44
Barclays Bank 10% 21/05/21	360,000	414	0.15
BG Energy Capital 5% 04/11/36	350,000	499	0.19
BG Energy Capital 5.125% 01/12/25	900,000	1,103	0.41
BL Superstores Finance 4.482% 04/10/25	254,719	289	0.11
BP Capital Markets 2.03% 14/02/25	1,550,000	1,590	0.59

AXA Sterling Buy and Maintain Credit Fund

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	Holding	Market Value £'000	% of Total Net Assets
Broadgate Financing 4.821% 05/07/33	330,000	437	0.16
Broadgate Financing 4.999% 05/10/31	1,075,000	1,309	0.49
BUPA Finance 5% 25/04/23	600,000	658	0.24
BUPA Finance 5% 08/12/26	700,000	791	0.29
Canary Wharf Finance II 5.952% 22/01/35	440,000	634	0.24
Cardiff University 3% 07/12/55	1,500,000	1,750	0.65
Clarion Funding 2.625% 18/01/29	500,000	522	0.19
Clarion Funding 3.125% 19/04/48	350,000	371	0.14
Clydesdale Bank 4.625% 08/06/26	500,000	607	0.23
Compass 2% 03/07/29	1,577,000	1,633	0.61
Connect Plus M25 Issuer 2.607% 31/03/39	1,591,144	1,709	0.64
Coventry Building Society 1% 05/05/20	229,000	228	0.08
Coventry Building Society 1.875% 24/10/23	767,000	778	0.29
Coventry Building Society 5.875% 28/09/22	460,000	523	0.19
Crh Finance 4.125% 02/12/29	1,350,000	1,570	0.58
CTRL Section 1 Finance 5.234% 02/05/35	1,361,805	1,776	0.66
Diageo Finance 1.75% 12/10/26	751,000	762	0.28
Dignity Finance 3.5456% 31/12/34	1,465,993	1,565	0.58
Eastern Power Networks 4.75% 30/09/21	170,000	183	0.07
Eastern Power Networks 6.25% 12/11/36	200,000	301	0.11
Eversholt Funding 6.697% 22/02/35	1,330,000	1,717	0.64
Experian Finance 2.125% 27/09/24	992,000	1,013	0.38
FCE Bank 2.727% 03/06/22	1,050,000	1,059	0.39
Friends Life 8.25% 21/04/22	1,000,000	1,181	0.44
Genfinance II 6.064% 21/12/39	400,000	580	0.22
GlaxoSmithKline Capital 5.25% 19/12/33	400,000	551	0.21
GlaxoSmithKline Capital 6.375% 09/03/39	640,000	1,022	0.38
Great Rolling Stock 6.25% 27/07/20	880,000	923	0.34
Greene King Finance 5.318% 15/09/31	1,280,292	1,477	0.55
Harbour Funding 5.28% 31/03/34	470,000	623	0.23
Haven Funding 8.125% 30/09/37	1,013,215	1,588	0.59
High Speed Rail Finance 1 4.375% 01/11/38	470,000	591	0.22
HSBC 3% 22/07/28	100,000	104	0.04
HSBC 5.75% 20/12/27	414,000	499	0.19
HSBC Bank 6.5% 07/07/23	850,000	992	0.37
Hutchison Whampoa Finance UK 5.625% 24/11/26	1,300,000	1,637	0.61
Hyde Housing Association 5.125% 23/07/40	490,000	663	0.25
Integrated Accommodation Services 6.48% 31/03/29	852,129	1,055	0.39
Intu SGS Finance 4.25% 17/09/30	1,114,000	1,109	0.41
Intu SGS Finance 4.625% 17/03/28	100,000	103	0.04
Juturna European Loan Conduit No 16 5.0636% 10/08/33	1,391,585	1,738	0.65
Land Securities Capital Markets 1.974% 08/02/24	1,200,000	1,218	0.45
Legal & General Finance 5.875% 11/12/31	632,000	895	0.33
Legal & General Finance 5.875% 05/04/33	500,000	713	0.27
Liberty Living Finance 2.625% 28/11/24	1,258,000	1,273	0.47
Lloyds Bank 7.5% 15/04/24	440,000	556	0.21
Lloyds Bank 7.625% 22/04/25	750,000	959	0.36
London & Quadrant Housing Trust 2.625% 28/02/28	539,000	553	0.21
London & Quadrant Housing Trust 3.125% 28/02/53	1,000,000	1,006	0.37
London Power Networks 2.625% 01/03/29	700,000	731	0.27
Longstone Finance 4.896% 19/04/31	1,380,000	1,604	0.60
Manchester Airport Funding 2.875% 31/03/39	892,000	911	0.34
Manchester Airport Funding 2.875% 30/09/44	150,000	151	0.06
Manchester Airport Funding 4.75% 31/03/34	482,000	612	0.23
Meadowhall Finance 4.986% 12/01/32	1,250,344	1,527	0.57
Mitchells & Butlers Finance 5.574% 15/12/30	463,368	527	0.20
Mitchells & Butlers Finance 6.013% 15/12/28	280,036	317	0.12

AXA Sterling Buy and Maintain Credit Fund

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As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Motability Operations 1.75% 03/07/29	400,000	394	0.15
Motability Operations 3.75% 16/07/26	556,000	633	0.24
Motability Operations 5.375% 28/06/22	280,000	314	0.12
National Grid Electricity Transmission 7.375% 13/01/31	395,000	594	0.22
Nationwide Building Society 3.25% 20/01/28	1,400,000	1,521	0.57
Nats En Route 5.25% 31/03/26	1,434,198	1,637	0.61
NatWest Markets 7.5% 29/04/24	360,000	447	0.17
Next 3% 26/08/25	1,012,000	1,036	0.39
Next 5.375% 26/10/21	330,000	358	0.13
NIE Finance 2.5% 27/10/25	675,000	698	0.26
Northern Gas Networks Finance 4.875% 30/06/27	335,000	409	0.15
Northern Gas Networks Finance 4.875% 15/11/35	150,000	198	0.07
Northumbrian Water Finance 2.375% 05/10/27	400,000	409	0.15
Notting Hill Genesis 2.875% 31/01/29	407,000	422	0.16
Octagon Healthcare Funding 5.333% 31/12/35	1,421,111	1,792	0.67
Peabody Capital 5.25% 17/03/43	100,000	139	0.05
Peabody Capital No 2 3.25% 14/09/48	1,000,000	1,056	0.39
Peabody Capital No 2 4.625% 12/12/53	343,000	466	0.17
Places for People Homes 5.09% 31/07/24	1,338,000	1,538	0.57
Prudential 6.125% 19/12/31	1,130,000	1,518	0.56
Rio Tinto Finance 4% 11/12/29	1,300,000	1,567	0.58
Rolls-Royce 3.375% 18/06/26	400,000	433	0.16
Royal Bank of Scotland 2.875% 19/09/26	450,000	455	0.17
RSL Finance No 1 6.625% 31/03/38	377,885	543	0.20
Sanctuary Capital 6.697% 23/03/39	390,000	632	0.24
Santander UK 3.875% 15/10/29	1,400,000	1,638	0.61
Scottish Widows 7% 16/06/43	1,042,000	1,370	0.51
Segro 2.375% 11/10/29	850,000	859	0.32
Severn Trent Utilities Finance 1.125% 07/09/21	100,000	100	0.04
Severn Trent Utilities Finance 2.75% 05/12/31	600,000	636	0.24
Sky 6% 21/05/27	750,000	977	0.36
Society of Lloyd's 4.75% 30/10/24	1,350,000	1,490	0.55
Southern Gas Networks 2.5% 03/02/25	542,000	563	0.21
Southern Gas Networks 3.1% 15/09/36	573,000	616	0.23
Southern Housing 3.5% 19/10/47	1,525,000	1,692	0.63
Sovereign Housing Capital 5.705% 10/09/39	436,000	643	0.24
SP Manweb 4.875% 20/09/27	1,250,000	1,526	0.57
Stagecoach 4% 29/09/25	521,000	546	0.20
Standard Chartered 4.375% 18/01/38	100,000	126	0.05
Standard Chartered 5.125% 06/06/34	1,300,000	1,480	0.55
Student Finance 2.6663% 30/09/24	1,570,000	1,551	0.58
Sunderland SHG Finance 6.38% 31/03/42	425,000	598	0.22
Telereal Securitisation 5.9478% 10/12/31	1,218,319	1,503	0.56
Tesco Property Finance 1 7.6227% 13/07/39	328,468	482	0.18
Thames Water Utilities Finance 5.125% 28/09/37	450,000	585	0.22
Thames Water Utilities Finance 6.75% 16/11/28	750,000	1,020	0.38
THFC Funding No 2 6.35% 08/07/39	1,140,000	1,755	0.65
Together Housing Finance 4.5% 17/12/42	1,250,000	1,598	0.59
Transport for London 4.5% 31/03/31	1,300,000	1,597	0.59
Unilever 1.125% 03/02/22	297,000	298	0.11
Unilever 1.375% 15/09/24	500,000	503	0.19
Unilever 1.5% 22/07/26	457,000	457	0.17
United Utilities Water Finance 2% 14/02/25	1,139,000	1,159	0.43
University of Cambridge 2.35% 27/06/78	600,000	638	0.24
University of Cambridge 3.75% 17/10/52	750,000	1,055	0.39
University of Leeds 3.125% 19/12/50	1,400,000	1,635	0.61
University of Liverpool 3.375% 25/06/55	1,313,000	1,651	0.61

AXA Sterling Buy and Maintain Credit Fund

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	Holding	Market Value £'000	% of Total Net Assets
University of Manchester 4.25% 04/07/53	1,120,000	1,647	0.61
University of Oxford 2.544% 08/12/2117	1,640,000	1,721	0.64
University of Southampton 2.25% 11/04/57	1,709,000	1,596	0.59
Vodafone 5.9% 26/11/32	445,000	608	0.23
Wales & West Utilities Finance 3% 03/08/38	500,000	542	0.20
Wales & West Utilities Finance 4.625% 13/12/23	350,000	400	0.15
Wales & West Utilities Finance 6.25% 30/11/21	50,000	56	0.02
Wellcome Trust 4% 09/05/59	220,000	342	0.13
Western Power Distribution South West 2.375% 16/05/29	511,000	520	0.19
Western Power Distribution West Midlands 5.75% 16/04/32	420,000	571	0.21
Wheatley Capital 4.375% 28/11/44	404,000	489	0.18
White City Property Finance 5.1202% 17/04/35	1,256,802	1,600	0.60
WPP Finance 2010 3.75% 19/09/24	USD 1,500,000	1,216	0.45
Yorkshire Building Society 3.5% 21/04/26	1,250,000	1,332	0.50
Yorkshire Water Finance 6.375% 19/08/39	1,120,000	1,817	0.68
United States 14.56% (30/06/18: 14.24%)			
AbbVie 3.6% 14/05/25	USD 764,000	620	0.23
American Honda Finance 1.3% 21/03/22	1,523,000	1,524	0.57
American International 5% 26/04/23	850,000	951	0.35
Amgen 4% 13/09/29	1,350,000	1,555	0.58
Apple 3.05% 31/07/29	1,370,000	1,554	0.58
AT&T 7% 30/04/40	400,000	603	0.22
AT&T 7% 30/04/40	150,000	227	0.08
Bank of America 2.3% 25/07/25	1,510,000	1,549	0.58
Becton Dickinson 1% 15/12/22	EUR 566,000	518	0.19
Becton Dickinson 3.7% 06/06/27	USD 139,000	114	0.04
Berkshire Hathaway Finance 2.625% 19/06/59	1,351,000	1,418	0.53
Cardinal Health 3.41% 15/06/27	USD 922,000	720	0.27
Citigroup 2.75% 24/01/24	489,000	508	0.19
Citigroup 3.875% 26/03/25	USD 200,000	163	0.06
Citigroup 4.5% 03/03/31	374,000	434	0.16
Citigroup 5.15% 21/05/26	306,000	368	0.14
Citigroup 6.8% 25/06/38	200,000	323	0.12
Comcast 5.5% 23/11/29	800,000	1,063	0.40
Fidelity National Information Services 1.7% 30/06/22	1,035,000	1,042	0.39
Fiserv 2.25% 01/07/25	1,286,000	1,291	0.48
Goldman Sachs 4.25% 29/01/26	1,400,000	1,562	0.58
HCP 4% 01/06/25	USD 1,100,000	910	0.34
JPMorgan Chase 3.5% 18/12/26	1,400,000	1,569	0.58
McDonald's 5.875% 23/04/32	835,000	1,157	0.43
McKesson 3.125% 17/02/29	850,000	880	0.33
Metropolitan Life Global Funding I 3.5% 30/09/26	1,370,000	1,546	0.58
Morgan Stanley 2.625% 09/03/27	1,500,000	1,551	0.58
Pfizer 2.735% 15/06/43	577,000	614	0.23
PNC Bank 3.25% 01/06/25	USD 700,000	570	0.21
Procter & Gamble 1.8% 03/05/29	1,461,000	1,502	0.56
Prologis 2.25% 30/06/29	1,643,000	1,656	0.62
RELX Capital 4% 18/03/29	USD 2,000,000	1,655	0.62
Toyota Motor Credit 1.125% 07/09/21	1,251,000	1,253	0.47
United Parcel Service 5.125% 12/02/50	1,050,000	1,658	0.62
Verizon Communications 3.125% 02/11/35	200,000	214	0.08
Verizon Communications 3.375% 27/10/36	804,000	882	0.33
Walmart 5.625% 27/03/34	1,200,000	1,759	0.65
Welltower 4.8% 20/11/28	1,335,000	1,574	0.59
TOTAL CORPORATE BONDS		**257,396**	**95.82**

AXA Sterling Buy and Maintain Credit Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
FUTURES (0.09%) (30/06/18: 0.03%)			
Germany (0.01%) (30/06/18: (0.02%))			
Euro Bond Futures September 2019	(22)	(34)	(0.01)
United Kingdom (0.01%) (30/06/18: 0.08%)			
Long Gilt Futures September 2019	(28)	(15)	(0.01)
United States (0.07%) (30/06/18: (0.03%))			
10 Year Treasury Note Futures September 2019	(110)	(196)	(0.07)
TOTAL FUTURES		**(245)**	**(0.09)**
FORWARD CURRENCY CONTRACTS 0.03% (30/06/18: (0.12%))			
Sold EUR6,600,000 for GBP5,870,866 Settlement 30/08/2019		(47)	(0.02)
Sold USD17,100,000 for GBP13,542,076 Settlement 30/08/2019		142	0.05
TOTAL FORWARD CURRENCY CONTRACTS		**95**	**0.03**
Portfolio of investments		257,246	95.76
Net other assets		11,392	4.24
Total net assets		**268,638**	**100.00**

* Since the previous report country classifications have been updated. Comparative figures have been updated where appropriate.

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2019, there were no investments in the Fund which were valued using a quote from a single broker (30/06/18: £nil).

AXA Sterling Buy and Maintain Credit Fund

Comparative Tables

As at 30 June 2019

	Z Gross Income**			Z Net Accumulation		
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	99.44	101.62	100.00	124.87	124.32	118.63
Return before operating charges ^	5.96	0.62	2.97	(0.82)	0.75	6.28
Operating charges ^	(0.15)	(0.16)	(0.08)	(0.05)	(0.20)	(0.21)
Return after operating charges ^	5.81	0.46	2.89	(0.87)	0.55	6.07
Transfer to gross share class	-	-	-	(124.00)	-	-
Distributions	(2.59)	(2.64)	(1.27)	(0.83)	(3.26)	(3.60)
Retained distributions on accumulation shares	-	-	-	0.83	3.26	3.22
Closing net asset value per share †	102.66	99.44	101.62	-	124.87	124.32
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	5.84%	0.45%	2.89%	-0.70%	0.44%	5.12%
Other information						
Closing net asset value (£) †	175,118,378	26,607,649	4,947	-	41,264,303	2,154,629
Closing number of shares	170,576,603	26,757,845	4,869	-	33,046,309	1,733,091
Operating charges ^	0.15%	0.16%	0.17%	-	0.16%	0.17%
Direct transaction costs *	0.00%	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	104.00	104.60	104.60	126.60	128.00	127.40
Lowest share price #	97.82	99.47	99.61	123.70	123.30	119.30

	Z Gross Accumulation		
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	128.26	127.70	121.36
Return before operating charges ^	7.80	0.77	6.56
Operating charges ^	(0.19)	(0.21)	(0.22)
Return after operating charges ^	7.61	0.56	6.34
Distributions	(3.38)	(3.35)	(3.70)
Retained distributions on accumulation shares	3.38	3.35	3.70
Closing net asset value per share †	135.87	128.26	127.70
*^ after direct transaction costs of:	-	-	-
Performance			
Return after operating charges	5.93%	0.44%	5.22%
Other information			
Closing net asset value (£) †	93,519,299	106,022,138	141,567,916
Closing number of shares	68,832,000	82,663,192	110,861,023
Operating charges ^	0.15%	0.16%	0.17%
Direct transaction costs *	0.00%	0.00%	0.00%
Prices			
Highest share price #	136.80	131.50	130.60
Lowest share price #	127.00	126.60	122.30

+ Net share classes converted into gross share classes on 12 October 2018.

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the sub-fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year. The figures used within the table have been calculated against the average net asset value for the accounting year.

** Z Gross Income class launched 20 January 2017.

AXA Sterling Buy and Maintain Credit Fund

Statement of Total Return

For the year ended 30 June 2019

	Note	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Income:					
Net capital gains/(losses)	2		7,769		(4,148)
Revenue	3	6,028		4,645	
Expenses	4	(326)		(270)	
Interest payable and similar charges		(2)		(6)	
Net revenue before taxation		5,700		4,369	
Taxation	5	-		-	
Net revenue after taxation			5,700		4,369
Total return before distributions			13,469		221
Distributions	6		(5,700)		(4,369)
Change in net assets attributable to Shareholders from investment activities			**7,769**		**(4,148)**

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2019

	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Opening net assets attributable to Shareholders		173,894		143,728
Amounts receivable on issue of shares	89,871		68,203	
Amounts payable on cancellation of shares	(5,553)		(37,813)	
		84,318		30,390
Change in net assets attributable to Shareholders from investment activities (see above)		7,769		(4,148)
Retained distributions on accumulation shares		2,657		3,924
Closing net assets attributable to Shareholders		**268,638**		**173,894**

AXA Sterling Buy and Maintain Credit Fund

Balance Sheet

As at

	Note	30/06/19 £'000	30/06/18 £'000
Assets:			
Fixed assets:			
Investments		257,538	166,361
Current assets:			
Debtors	7	3,582	2,446
Cash and bank balances	8	10,655	13,063
Total assets		**271,775**	**181,870**
Liabilities:			
Investment liabilities		(292)	(295)
Creditors:			
Bank overdrafts		-	(5)
Distribution payable		(1,095)	(176)
Other creditors	9	(1,750)	(7,500)
Total liabilities		**(3,137)**	**(7,976)**
Net assets attributable to Shareholders		**268,638**	**173,894**

AXA Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2019

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 207 - 209.

2. Net capital gains/(losses)

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
The net capital gains/(losses) comprise:		
Non-derivative securities	9,363	(4,264)
Brokers commission on futures	(2)	(2)
Currency (losses)/gains	(341)	23
Derivative contracts	(1,102)	29
Forward currency contracts	(146)	71
Transaction charges	(3)	(5)
Net capital gains/(losses)	**7,769**	**(4,148)**

3. Revenue

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Bank interest	16	3
Interest on debt securities	6,012	4,642
Total revenue	**6,028**	**4,645**

4. Expenses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual Management Charge	287	219
	287	219
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	31	28
Safe custody fees	15	13
	46	41
Other expenses		
Audit fees*	(10)	9
Printing fees**	3	1
	(7)	10
Total expenses	**326**	**270**

*Curreny year figure is negative due to a write-off on historic over accurals. The Current year charge is £7,794
**Prior year administration charges have been reclassified to printing fees.

AXA Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2019

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2018: 20%) is applied to the net revenue before taxation. The differences are explained below:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Net revenue before taxation	5,700	4,369
Net revenue for the year multiplied by the standard rate of corporation tax	1,140	874
Effects of:		
Tax deductible interest distributions	(1,140)	(874)
Current tax charge for the year	**-**	**-**

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (2018: £nil) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
First interim	1,184	1,075
Second interim	1,548	1,118
Third interim	1,493	1,120
Final	1,676	1,145
Add: Revenue paid on cancellation of Shares	342	140
Deduct: Revenue received on creation of Shares	(543)	(229)
Net distribution for the year	**5,700**	**4,369**

AXA Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2019

7. Debtors	30/06/19 £'000	30/06/18 £'000
Amounts receivable for creation of shares	331	125
Accrued revenue	3,251	2,321
Total debtors	**3,582**	**2,446**

8. Cash and bank balances	30/06/19 £'000	30/06/18 £'000
Cash and bank balances	10,216	12,595
Amount held at futures clearing houses and brokers	439	468
Total cash and bank balances	**10,655**	**13,063**

9. Other creditors	30/06/19 £'000	30/06/18 £'000
Amounts payable for cancellation of Shares	-	7,302
Purchases awaiting settlement	1,685	138
Accrued Annual Management Charge	27	18
Accrued other expenses	38	42
Total other creditors	**1,750**	**7,500**

10. Bank overdrafts	30/06/19 £'000	30/06/18 £'000
Amounts overdrawn at futures clearing houses and brokers	-	5
Total bank overdrafts	**-**	**5**

11. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 ‘Related Party Disclosures’.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders’ Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no Shareholdings in the Company at the year end.

As at 30 June 2019 material shareholders have holdings totalling 54.63% (30/06/2018: 39.51%) of the Funds' shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

AXA Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2019

12. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's Annual Management Charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/18	Issued	Cancelled	Converted	30/06/19
Z Gross Income	0.13	26,757,845	73,997,656	(7,132)	69,828,234	170,576,603
Z Net Accumulation +	0.13	33,046,309	3,285,871	(458,954)	(35,873,226)	-
Z Gross Accumulation	0.13	82,663,192	9,045,346	(4,047,835)	(18,828,703)	68,832,000

+ Net share classes converted into gross share classes on 12 October 2018.

13. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2018: nil).

14. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2018).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £25,739,522 (2018: £16,622,269). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
Currency	**30/06/19 £'000**	**30/06/18 £'000**
Euro	83	(22)
US dollar	322	22
Total net assets	**405**	**-**

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

AXA Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Currency Assets				
30/06/19				
Pound sterling	9,870	238,614	3,428	251,912
Euro	260	5,696	45	6,001
US dollar	525	13,086	251	13,862
Total	**10,655**	**257,396**	**3,724**	**271,775**
30/06/18				
Pound sterling	12,651	150,839	2,457	165,947
Euro	208	6,823	52	7,083
US dollar	204	8,561	75	8,840
Total	**13,063**	**166,223**	**2,584**	**181,870**

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	-	-	(2,860)	(2,860)
Euro	-	-	(81)	(81)
US dollar	-	-	(196)	(196)
Total	**-**	**-**	**(3,137)**	**(3,137)**
30/06/18				
Pound sterling	(5)	-	(7,676)	(7,681)
Euro	-	-	(89)	(89)
US dollar	-	-	(206)	(206)
Total	**(5)**	**-**	**(7,971)**	**(7,976)**

AXA Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £19,717,000 (2018: £12,816,000) A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each sub-fund.

Transactions in securities may expose the Fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/19 Market Value £'000	%	30/06/18 Market Value £'000	%
Investment grade	252,918	94.16	164,742	94.73
Speculative grade	1,046	0.38	1,481	0.86
Unrated	3,432	1.28	-	-
Total value of bonds	**257,396**	**95.82**	**166,223**	**95.59**

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties as at 30 June 2019 was as follows:

	30/06/19 Exposure £'000	30/06/18 Exposure £'000
(a) Futures		
Royal Bank of Scotland	(245)	-
Total value of derivatives	**(245)**	**-**
(b) Forwards		
BNP Paribas	19,318	15,922
Total value of derivatives	**19,318**	**15,922**

AXA Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2019

15. Portfolio transaction costs

30/06/2019	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	108,203	-	-	-	-	108,203
Futures	-	-	-	-	-	-
Total	**108,203**	**-**	**-**	**-**	**-**	**108,203**

30/06/2019	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Bonds	24,290	-	-	-	-	24,290
Futures	-	-	-	-	-	-
Total	**24,290**	**-**	**-**	**-**	**-**	**24,290**

30/06/2018	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	51,877	-	-	-	-	51,877
Futures	-	1	-	-	-	1
Total	**51,877**	**1**	**-**	**-**	**-**	**51,878**

30/06/2018	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Bonds	18,349	-	-	-	-	18,349
Futures	-	-	-	-	-	-
Total	**18,349**	**-**	**-**	**-**	**-**	**18,349**

Transaction costs as percentage of average net asset value	**01/07/18 to 30/06/19 %**	**01/07/17 to 30/06/18 %**
Commissions	0.00%	0.00%
Taxes	0.00%	0.00%

At the balance sheet date the average portfolio dealing spread was 0.78% (2018: 0.79%).

16. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

AXA Sterling Buy and Maintain Credit Fund

Notes to the Financial Statements

For the year ended 30 June 2019

17. Fair value disclosure

	30/06/19		30/06/18	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£'000**	**£'000**	**£'000**	**£'000**
Level 1 ^	896	(245)	1,028	(82)
Level 2 ^^	256,642	(47)	165,333	(213)
Level 3 ^^^	-	-	-	-
	257,538	**(292)**	**166,361**	**(295)**

^ Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^^ Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^^^ Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

AXA Sterling Buy and Maintain Credit Fund

Distribution Table

As at 30 June 2019

First Distribution in pence per share

Group 1 Shares purchased prior to 1 July 2018
Group 2 Shares purchased on or after 1 July 2018 to 30 September 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 30/11/18 (p)	Distribution paid 30/11/17 (p)
Share Class Z Gross Income				
Group 1	0.664	-	0.664	0.674
Group 2	0.664	-	0.664	0.674
Share Class Z Net Accumulation				
Group 1	0.834	-	0.834	0.824
Group 2	0.420	0.414	0.834	0.824
Share Class Z Gross Accumulation				
Group 1	0.856	-	0.856	0.846
Group 2	0.856	-	0.856	0.846

Second Distribution in pence per share

Group 1 Shares purchased prior to 1 October 2018
Group 2 Shares purchased on or after 1 October 2018 to 31 December 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 28/02/19 (p)	Distribution paid 28/02/18 (p)
Share Class Z Gross Income				
Group 1	0.654	-	0.654	0.662
Group 2	0.423	0.231	0.654	0.662
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.814
Group 2	-	-	-	0.814
Share Class Z Gross Accumulation				
Group 1	0.849	-	0.849	0.836
Group 2	0.493	0.356	0.849	0.836

AXA Sterling Buy and Maintain Credit Fund

Distribution Table

As at 30 June 2019

Third Distribution in pence per share

Group 1 Shares purchased prior to 1 January 2019
Group 2 Shares purchased on or after 1 January 2019 to 31 March 2019

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/05/19 (p)	Distribution paid 31/05/18 (p)
Share Class Z Gross Income				
Group 1	0.634	-	0.634	0.645
Group 2	0.115	0.519	0.634	0.645
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.799
Group 2	-	-	-	0.799
Share Class Z Gross Accumulation				
Group 1	0.828	-	0.828	0.821
Group 2	0.391	0.437	0.828	0.821

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 April 2019
Group 2 Shares purchased on or after 1 April 2019 to 30 June 2019

	Gross revenue (p)	Equalisation (p)	Distribution payable 30/08/2019 (p)	Distribution paid 31/08/18 (p)
Share Class Z Gross Income				
Group 1	0.642	-	0.642	0.658
Group 2	0.442	0.200	0.642	0.658
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.821
Group 2	-	-	-	0.821
Share Class Z Gross Accumulation				
Group 1	0.844	-	0.844	0.843
Group 2	0.321	0.523	0.844	0.843

+ Net share classes converted into gross share classes on 12 October 2018.

AXA Sterling Strategic Bond Fund

Investment Manager's Report

For the year ended 30 June 2019

Investment Objective

The aim of the Fund is to provide an income combined with any capital growth over the long-term.

Investment Policy

The Fund invests primarily in a diversified portfolio of sterling denominated, investment grade bonds issued by companies and governments. The Fund manager seeks to reduce the effect of credit risk through its analysis and selection of bonds (with a particular emphasis on industry and issuer) and also positions the Fund to take advantage of its expectation of interest rate movements. The Fund is managed with reference to the composition and risk profile of the BofA Merrill Lynch Sterling Broad Market Index. However the Fund manager invests on a discretionary basis with a significant degree of freedom to take positions which are different from the index.

Where bonds are denominated in a currency other than Sterling, the Fund aims to reduce the risk of movements in exchange rates between such currency and Sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

Risk and Reward Profile

As at 30 June 2019

Lower Risk **Higher Risk**

Potentially lower reward Potentially higher reward

1	2	3	**4**	5	6	7

The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

Additional risks

Under normal market conditions the Fund's key risk factors are:

• Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

• Interest rate risk - is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

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Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

Other risks which could have an impact in extreme market conditions include:

• Prepayment and extension risk - is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

• Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The ACD may be forced to buy or sell such investments as a consequence of Shareholders buying or selling Shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

• Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

• Currency risk - assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's Price. It may not be possible or practicable to hedge against such exchange rate risk.

The ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

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Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.

Investment Review

Our interim report, covering the six months to the end of December 2018, had seen the onset of trade tariffs between the US and China; although the US Federal Reserve (Fed) still raised US rates by 25 basis points (bps) twice (the last in November) to a 2.25%-2.50% target range as the firm economy outweighed trade tensions. Two more hikes were expected in 2019. By December, however, the Fed's view had softened dramatically, viewing rates as close to neutral, as the impact of higher rates and weakness in risk markets had tightened financial conditions sharply. The Brexit outcome was far from clear, as the deal Theresa May had negotiated had many opponents from both 'leave' and 'remain' camps, questioning her ability to get the deal though parliament.

The latest six months has seen monetary policy expectations shift lower, while the 29 March 2019 Brexit deadline had to be extended as an agreement in the UK parliament remained elusive.

Theresa May's focus was to convince MPs to back the withdrawal agreement (WA) she had negotiated with the EU in December. With Brexit such a divisive topic across the UK, this was always going to be a difficult ask. The unpopular Irish backstop, evoking fears that the UK could be trapped in a customs union with the EU, prompted rebellion among her own party and combined with opposition parties ensured a massive defeat for the WA in January. Concessions offered by the EU, which insisted the WA could not be reopened, strengthened May's proposals, but did not change the legal risk, so the WA was defeated a second time, but by a lower majority. With the March deadline for the UK's exit rapidly approaching, May was forced to seek an extension. Eight indicative votes to gauge what MPs would support were held, but none muster a majority. May gained more support for her WA in a third vote after agreeing to step down once it was passed, but was again defeated. Further indicative votes aimed at breaking the deadlock failed to get sufficient backing, so May then sought a dialogue with the opposition Labour party, whose preference was for a softer Brexit. Unsurprisingly, these cross-party talks ended with no agreement. To rule out a 'no-deal' Brexit by accident (because of no agreement), a further extension was sought and granted, with 31 October the new flexible deadline. The prime minister finally admitted defeat in her ability to get parliament to approve the deal she had negotiated, and announced her resignation effective from 7 June. With the UK forced to take part in May's European elections, the two main parties polled poorly with the newly-formed Brexit party (32%) and remain-backing Liberal Democrats (19%) scoring highest. The new Conservative party leader and prime minister will be chosen by party members, with favourite Boris Johnson and Jeremy Hunt the two candidates following the elimination process. June's by-election in Peterborough (which had voted by 60% to leave the EU in the 2016 referendum), saw Labour hold its seat despite a strong showing from the Brexit party, so no clearer on where the divided nation stands on Brexit.

Central banks turned more dovish, taking notice of market concerns (i.e. weak risk markets) about slower growth in the latter half of 2018 and early 2019, with the Fed scaling back rate hike expectations and ending its balance sheet normalisation. Trade tensions were a key cause of the slowdown in growth, but with US-China trade talks clearly going well the US delayed the scheduled increase in tariffs on 1 March. Apparently close to a satisfactory completion, trade talks suddenly broke down in early May, the US citing Chinese backtracking on earlier commitments. The previously postponed tariff hike from 10% to 25% on $200 billion of Chinese imports was swiftly implemented.

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China retaliated, with little apparent appetite to back down and vowed to continue stimulus at home. A US-China technology spat further damaged sentiment. In Europe, which seems dependent on growth elsewhere in order to have any significant growth of its own, economic data was decidedly soft, forcing a cautious European Central Bank (ECB) to announce ongoing support for bank funding. Markets took comfort from the change in the interest rate outlook. US data suggested a softer economy, with the Fed rhetoric becoming more dovish, closer to market expectations of easier monetary policy. US rates were held in June, but the Fed was monitoring implications of the trade dispute and would act as appropriate to sustain the economic expansion. Several Fed members now expect two rate cuts this year, the first possibly coming as early as July. Hopes of an initial 50bps cut, however, have been downplayed. The ECB assured further stimulus if the economic outlook doesn't improve, while the hawkish Bank of England acknowledged more downside risks to growth. US-Iranian tensions helped push up oil prices.

After a quiet start to 2019 for government bonds, the more significant change in central bank attitudes in March saw yields drop sharply. Yields moved higher in April given optimism on US-China trade talks and Brexit negotiations, but reversed sharply lower in May as trade talks were abandoned and there was no Brexit resolution. Yields continued lower in June as investor expectations of easier monetary policies became more likely given central banks' comments. Ten-year gilt yields fell by 45bps to 0.83% over the last six months (-45bps over the 12 months), more muted than in the US and Germany where central bank action is perceived as closer. Ten-year German bund yields are once again deeply negative, while US treasury yields are 123bps off their November 2018 high. The return on the ICE BofAML Gilt Index was +5.01% (+5.23% over the 12 months), with 0-5 year +0.83%, 5-15 years +3.69% and the over 15-year index +8.03% (+7.16% over the 12 months).

After a lull towards the end of in Q4, the market for new sterling corporate bond issues re-opened in January, and in an encouraging sign for risk, pricing of many deals was squeezed from initial guidance reflecting strong demand. New issuance of both financials and corporates continued at a steady pace, including several new and rare issuers and demand remained strong, even when the market had a brief risk-off wobble in May when trade talks broke down. More risk-on markets saw corporate bond spreads 29bps tighter (adjusted for +2bps index rebalancing) at +124bps over the last six months (spreads were 8bps lower over the 12 months). In addition to spread, returns from corporate bonds are also based on the move in underlying gilt yields, so combined with lower gilt yields, corporate bond yields were 60bps lower at 2.12% (-33bps over 12 months), to give a total return on the ICE BofAML Sterling Non-Gilts Index of +6.29% (+6.62% over the 12 months). By rating band, moves were as to be expected in a more risk-on environment, with lower-rated bonds outperforming, BBB's 40bps tighter at +187bps. The ICE BofAML Sterling Broad Index rose 5.40% over the six months (+5.44% over the 12 months).

The AXA Sterling Strategic Bond Fund provided a total return of +4.98% (Z Acc, net of fees and gross of tax) during the 12 months to 30 June 2019, +5.62% in the last six months.

The Fund follows a UK Aggregate strategy, giving investors exposure to gilts and investment grade corporate bonds (including high quality quasi-government bonds). The fund continues to favour a small overweight in corporate bonds, encouraged extra yield in a global low-yield environment and relatively supportive credit fundamentals, with an underweight in lower yielding gilts as a consequence. Wary of the outright low level of yields, the Fund has adopted a small short duration position relative to the index, in order to reduce the negative price impact from any move higher in yields. With markets nervous in January, we took advantage of wider (cheaper) spreads by increasing exposure to AAA rated short maturity bonds. Thereafter, many purchases were new issues given the decent supply pipeline. New issues particpated in included: Credit Mutuel, Citigroup, Deustche Bahn, Greene King, Ford, APT Pipelines, Abertis, RBS, Barclays, BP, Orsted, FIS, Total and Berkshire Hathaway. Secondary market purchases included bonds from United Utilities, Tritax Big Box, Heathrow and Student Finance. Purchases were funded by the sale of shorter-dated bank bonds, with several other positions were top-sliced. Subordinated insurance holdings were pared after a strong run. There was little change to the Fund's duration positioning.

Tighter financial conditions over the second half of 2018 as the US raised interest rates, government bond yields rose and margins (spreads) for corporate borrowing increased, accompanied by US balance sheet reduction, the wind down of ECB quantitative easing and trade tariffs (and slower Chinese growth) prompted fears that growth would slow too much, or even result in recession. With such a sharp turnaround in government bond yields from the highs of late 2018, markets have done much of the work to ease financial conditions – i.e. long-term borrowing costs and corporate spreads are lower, because of expectations that central banks will cut rates, thereby improving economic prospects. Recent softer data has supported the case for lower rates, but we will need to see action soon from the Fed and probably the ECB in order to justify the enormous rally in government bonds, which has underpinned solid risk markets. Market pricing is more aggressive (i.e. more rate cuts) than the Fed itself is expecting, so there is a risk that markets are disappointed should US-China trade talks find a satisfactory conclusion and/or economic figures improve. That said, with Donald Trump as US president, there will always be a concern about what his next target may be, so protectionism will likely continue to overhang global trade prospects.

AXA Sterling Strategic Bond Fund

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For the year ended 30 June 2019

Slower growth is less supportive for company profits, which if it were to persist could pressure credit ratings, a potential concern as the market has trended towards weaker investment grade (i.e. BBB) ratings in recent years. That said, companies that have specifically increased leverage for M&A purposes, do appear committed to deleveraging in order to maintain ratings. While spreads have fallen from their widest (i.e. cheapest) levels in early 2019, they are still considerably wider than their most expensive levels from Q1 2018. While government bonds yields remain so low, there will always be demand from investors seeking higher yields, with investment grade corporate bonds the natural first step on the increased risk spectrum. This technical is supportive of spreads.

Brexit will have a significant impact on the UK economy with interest rate and gilt yield implications. There does not appear to be the numbers in this parliament to approve any deal given party differences, with the opposition Labour party's preferring a softer Brexit option with a permanent customs union. The incoming Conservative leader and new prime minister will likely get little leeway from the EU, given their insistence that the WA cannot be reopened. There is also little appetite to leave with no deal, given the dire economic projections and parliament seems determined to ensure it does not happen. So, what will happen? Should the impasse continue (and there is no reason to believe it won't), the new PM may be tempted to go for a general election in the hope of getting a mandate to deliver Brexit (i.e. get a majority in parliament that will support a deal). Indications are, however, that since the 2016 Brexit vote, the change in demographics will have naturally shifted the overall balance on favour of 'remain' voters. Fought on Brexit grounds, would a general election essentially be a second referendum? Labour would be tempted to back a 'remain' outcome to give it a chance of gaining power, but would alienate many of its traditional voters who want to leave the EU. Perhaps we get a coalition government of leave or remain supporting parties, which would increase the chance of a 'no-deal' Brexit, but more likely no Brexit. It is all still very much up in the air – why would any company choose to invest in the UK given this uncertainty?

All performance data source: AXA Investment Managers, ICE BofAML and Bloomberg.
Past performance is not a guide to future performance

Major Purchases

- Kreditanstalt fuer Wiederaufbau 1.125% 07/12/21
- Heathrow Funding 7.125% 14/02/24
- Bank of Scotland 4.875% 20/12/24
- United Utilities Water Finance 2% 14/02/25
- Tritax Big Box REIT 2.625% 14/12/2026

Major Sales

- UK Treasury 1.25% 22/07/27
- UK Treasury 1.75% 07/09/22
- UK Treasury 1.75% 22/07/19
- UK Treasury 4.75% 07/12/30
- UK Treasury 4.5% 07/09/34

Phil Roantree
30 June 2019
AXA Investment Managers UK Limited

AXA Sterling Strategic Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
GOVERNMENT BONDS 63.42% (30/06/18: 66.99%)			
United Kingdom 63.42% (30/06/18: 66.99%)			
UK Treasury 1.25% 22/07/27	8,283,000	8,600	5.29
UK Treasury 1.5% 22/01/21	1,017,000	1,031	0.63
UK Treasury 1.5% 22/07/26	2,454,000	2,590	1.59
UK Treasury 1.5% 22/07/47	3,475,000	3,488	2.14
UK Treasury 1.75% 22/07/19	1,500,000	1,501	0.92
UK Treasury 1.75% 07/09/22	4,400,000	4,562	2.81
UK Treasury 2% 07/09/25	2,821,000	3,052	1.88
UK Treasury 2.25% 07/09/23	4,809,000	5,135	3.16
UK Treasury 2.5% 22/07/65	3,300,000	4,557	2.80
UK Treasury 2.75% 07/09/24	1,118,000	1,238	0.76
UK Treasury 3.25% 22/01/44	1,549,000	2,114	1.30
UK Treasury 3.5% 22/01/45	2,777,000	3,967	2.44
UK Treasury 3.5% 22/07/68	2,861,000	5,011	3.08
UK Treasury 3.75% 22/07/52	2,672,000	4,291	2.64
UK Treasury 4% 22/01/60	3,100,000	5,601	3.44
UK Treasury 4.25% 07/12/27	5,690,000	7,324	4.50
UK Treasury 4.25% 07/06/32	1,328,000	1,835	1.13
UK Treasury 4.25% 07/03/36	3,524,199	5,102	3.14
UK Treasury 4.25% 07/09/39	2,301,001	3,463	2.13
UK Treasury 4.25% 07/12/40	2,053,000	3,130	1.93
UK Treasury 4.25% 07/12/46	1,908,000	3,096	1.90
UK Treasury 4.25% 07/12/55	2,010,000	3,629	2.23
UK Treasury 4.5% 07/09/34	3,885,677	5,662	3.48
UK Treasury 4.5% 07/12/42	2,225,175	3,578	2.20
UK Treasury 4.75% 07/12/30	4,392,000	6,201	3.81
UK Treasury 4.75% 07/12/38	2,150,000	3,402	2.09
TOTAL GOVERNMENT BONDS		**103,160**	**63.42**
CORPORATE BONDS 34.75% (30/06/18: 31.69%)			
Australia 1.06% (30/06/18: 1.38%)			
APT Pipelines 4.25% 26/11/24	500,000	557	0.34
BHP Billiton Finance 6.5% 22/10/77	321,000	364	0.22
Scentre Trust 3.875% 16/07/26	375,000	412	0.25
Vicinity Centres Trust 3.375% 07/04/26	375,000	397	0.25
Belgium 0.25% (30/06/18: 0.28%)			
Anheuser-Busch InBev 4% 24/09/25	350,000	395	0.25
Canada 0.49% (30/06/18: 0.93%)			
Bank of Nova Scotia 0.75% 14/09/21	250,000	248	0.15
Royal Bank of Canada 1.125% 22/12/21	550,000	550	0.34
Cayman Islands 0.00% (30/06/18: 0.00%*)			
Denmark 0.10% (30/06/18: 0.00%)			
Orsted 2.125% 17/05/27	152,000	157	0.10
France 3.47% (30/06/18: 3.64%)			
Banque Federative du Credit Mutuel 2.25% 18/12/23	500,000	515	0.32
BNP Paribas 5.75% 24/01/22	500,000	549	0.34
BPCE 5.25% 16/04/29	700,000	833	0.51
CNP Assurances 7.375% 30/09/41	300,000	333	0.20
Electricite de France 5.5% 17/10/41	500,000	717	0.44
Electricite de France 6% Perpetual	600,000	643	0.39

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	Holding	Market Value £'000	% of Total Net Assets
Engie 7% 30/10/28	400,000	578	0.36
Orange 5.75% Perpetual	600,000	663	0.41
SNCF Reseau 5.25% 31/01/35	350,000	505	0.31
Total Capital International 1.66% 22/07/26	300,000	303	0.19
Germany 1.01% (30/06/18: 0.39%)			
Deutsche Bahn Finance 1.875% 13/02/26	244,000	250	0.15
Deutsche Bahn Finance 3.125% 24/07/26	350,000	388	0.24
Kreditanstalt fuer Wiederaufbau 1.125% 07/12/21	1,000,000	1,006	0.62
Ireland 0.48% (30/06/18: 0.54%)			
GE Capital UK Funding Unlimited 8% 14/01/39	520,000	785	0.48
Italy 0.32% (30/06/18: 0.60%)			
FCA Bank Ireland 1.625% 29/09/21	513,000	509	0.32
Jersey 1.22% (30/06/18: 0.82%)			
AA Bond 4.875% 31/07/24	298,000	293	0.18
CPUK Finance 3.69% 28/08/28	500,000	531	0.33
Glencore Finance Europe 6% 03/04/22	500,000	554	0.34
Heathrow Funding 7.125% 14/02/24	500,000	605	0.37
Luxembourg 0.17% (30/06/18: 0.21%)			
Gazprom Gaz Capital 5.338% 25/09/20	270,000	281	0.17
Netherlands 1.48% (30/06/18: 1.67%)			
Daimler International Finance 2% 04/09/23	400,000	406	0.25
Deutsche Telekom International Finance 1.25% 06/10/23	300,000	298	0.18
E.ON International Finance 5.875% 30/10/37	500,000	713	0.44
Highbury Finance 7.017% 20/03/23	466,927	533	0.33
Koninklijke KPN 5.75% 17/09/29	391,000	451	0.28
Spain 0.53% (30/06/18: 0.31%)			
Abertis Infraestructuras 3.375% 27/11/26	200,000	205	0.12
Banco Santander 2.75% 12/09/23	200,000	207	0.13
Telefonica Emisiones 5.289% 09/12/22	400,000	450	0.28
Supranational 1.06% (30/06/18: 1.06%)			
European Investment Bank 4.5% 07/03/44	550,000	858	0.53
International Bank for Reconstruction & Development 4.875% 07/12/28	650,000	865	0.53
Sweden 0.46% (30/06/18: 0.41%)			
Svenska Handelsbanken 1.625% 18/06/22	375,000	379	0.23
Swedbank 1.625% 28/12/22	375,000	376	0.23
Switzerland 0.11% (30/06/18: 0.35%)			
Credit Suisse 2.125% 12/09/25	182,000	181	0.11
United Arab Emirates 0.27% (30/06/18: 0.00%)			
DP World 4.25% 25/09/30	400,000	430	0.27

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	Holding	Market Value £'000	% of Total Net Assets
United Kingdom 17.92% (30/06/18: 15.23%*)			
ABP Finance 6.25% 14/12/26	500,000	612	0.38
Admiral 5.5% 25/07/24	500,000	553	0.34
Anglian Water Services Financing 4.5% 22/02/26	600,000	657	0.40
Bank of Scotland 4.875% 20/12/24	500,000	592	0.36
Barclays 3% 08/05/26	250,000	252	0.15
Barclays Bank 9.5% 07/08/21	300,000	346	0.21
BL Superstores Finance 5.27% 04/10/30	131,697	145	0.09
BP Capital Markets 1.827% 08/09/2025	156,000	158	0.10
British Telecommunications 3.125% 21/11/31	250,000	262	0.16
Cadent Finance 2.125% 22/09/28	630,000	625	0.38
Centrica 5.25% 10/04/75	800,000	816	0.50
Close Brothers 4.25% 24/01/27	349,000	365	0.22
Compass 3.85% 26/06/26	650,000	753	0.46
Connect Plus M25 Issuer 2.607% 31/03/39	254,859	274	0.17
Co-Operative Bank 4.75% 11/11/21	45,000	48	0.03
Eastern Power Networks 4.75% 30/09/21	378,000	407	0.25
Firstgroup 8.75% 08/04/21	600,000	665	0.41
Greene King Finance 3.593% 15/03/35	467,000	483	0.30
Hammerson 3.5% 27/10/25	250,000	256	0.16
HSBC Bank 5.375% 22/08/33	573,000	714	0.44
Intu Metrocentre Finance 4.125% 06/12/23	500,000	506	0.31
Intu SGS Finance 4.25% 17/09/30	400,000	398	0.24
Investec Bank 4.25% 27/07/28	400,000	404	0.25
Land Securities Capital Markets 2.375% 29/03/27	141,000	146	0.09
LCR Finance 4.5% 07/12/28	550,000	711	0.44
Legal & General 5.375% 27/10/45	563,000	623	0.38
Lloyds Bank 1.75% 31/03/22	500,000	508	0.31
Lloyds Bank 7.625% 22/04/25	884,000	1,130	0.70
Marston's Issuer 5.641% 15/07/35	884,000	715	0.44
Mitchells & Butlers Finance 5.965% 15/12/23	516,242	553	0.34
NIE Finance 6.375% 02/06/26	665,000	852	0.52
Northern Gas Networks Finance 5.625% 23/03/40	500,000	729	0.45
Northumbrian Water Finance 1.625% 11/10/26	425,000	414	0.25
Places For People Treasury 2.875% 17/08/26	719,000	725	0.45
Provident Financial 7% 04/06/23	248,000	249	0.15
Prudential 5.625% 20/10/51	400,000	440	0.27
Quadgas Finance 3.375% 17/09/29	250,000	254	0.16
RL Finance Bonds No. 2 6.125% 30/11/43	500,000	561	0.35
Royal Bank of Scotland 3.125% 28/03/27	206,000	209	0.13
Santander UK 2.92% 08/05/26	500,000	509	0.31
Scottish Widows 5.5% 16/06/23	300,000	334	0.21
Scottish Widows 7% 16/06/43	300,000	394	0.24
Severn Trent Utilities Finance 1.625% 04/12/22	297,000	300	0.19
Southern Gas Networks 3.1% 15/09/36	273,000	294	0.18
SSE 3.875% Perpetual	500,000	506	0.31
Stagecoach 4% 29/09/25	426,000	447	0.28
Standard Chartered 5.125% 06/06/34	400,000	455	0.28
Student Finance 2.6663% 30/09/24	618,000	610	0.37
Telereal Securitisation 4.0902 10/12/33	500,000	518	0.32
Telereal Securitisation 5.5653% 10/12/31	392,490	466	0.29
Tesco Property Finance 3 5.744% 13/04/40	629,577	821	0.51

AXA Sterling Strategic Bond Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Thames Water Utilities Finance 4% 19/06/25	500,000	551	0.34
Tritax Big Box REIT 2.625% 14/12/2026	500,000	505	0.31
United Utilities Water Finance 2% 14/02/25	500,000	509	0.31
Vodafone 3% 12/08/56	250,000	221	0.14
Western Power Distribution South West 5.75% 23/03/40	500,000	731	0.45
Wheatley Capital 4.375% 28/11/44	550,000	666	0.41
Wm Morrison Supermarkets 4.75% 04/07/29	600,000	717	0.44
Yorkshire Building Society 3.375% 13/09/28	500,000	478	0.29
United States 4.35% (30/06/18: 3.87%)			
American Honda Finance 1.3% 21/03/22	473,000	473	0.29
AT&T 5.2% 18/11/33	800,000	995	0.61
BAT Capital 2.125% 15/08/25	500,000	493	0.30
Berkshire Hathaway Finance 2.375% 19/06/39	500,000	508	0.31
Citigroup 7.375% 01/09/39	400,000	689	0.42
Digital Stout 3.75% 17/10/30	450,000	480	0.30
Digital Stout 4.75% 13/10/23	200,000	222	0.14
Discovery Communications 2.5% 20/09/24	185,000	187	0.10
Fidelity National Information Services 2.602% 21/05/25	100,000	103	0.06
Fidelity National Information Services 3.36% 21/05/31	250,000	264	0.16
Ford Motor Credit 4.535% 06/03/25	160,000	168	0.10
Goldman Sachs 3.125% 25/07/29	250,000	264	0.16
Goldman Sachs 5.5% 12/10/21	300,000	326	0.20
Tennessee Valley Authority 5.625% 07/06/32	600,000	859	0.53
Toyota Motor Credit 1% 27/09/22	500,000	498	0.31
Washington Mutual Bank 5.5% 10/06/19^	550,000	-	-
Wells Fargo 2.125% 22/04/22	575,000	585	0.36
TOTAL CORPORATE BONDS		**56,529**	**34.75**
FUTURES (0.06%) (30/06/18: (0.18%))			
United Kingdom (0.06%) (30/06/18: (0.18%))			
Long Gilt Futures September 2019	(97)	(97)	(0.06)
TOTAL FUTURES		**(97)**	**(0.06)**
Portfolio of investments		159,592	98.11
Net other assets		3,081	1.89
Total net assets		**162,673**	**100.00**

^ These stocks have either been suspended, delisted or are in liquidation.

* Since the previous report country classifications have been updated. Comparative figures have been updated where appropriate.

All bonds are denominated in Sterling (unless otherwise indicated).

At 30 June 2019, there were no investments in the fund which were valued using a quote from a single broker (30/06/18: £nil).

AXA Sterling Strategic Bond Fund

Comparative Tables

As at 30 June 2019

	H Net Accumulation			H Gross Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	144.29	141.43	138.87	155.81	152.76	149.78
Return before operating charges ^	(3.28)	2.90	2.93	8.55	3.10	3.01
Operating charges ^	(0.01)	0.04	(0.03)	(0.05)	(0.05)	(0.03)
Return after operating charges ^	(3.29)	2.86	2.90	8.50	3.05	2.98
Transfer to gross share class	(141.00)	-	-	-	-	-
Distributions	(0.78)	(3.03)	(3.27)	(3.42)	(3.23)	(3.44)
Retained distributions on accumulation shares	0.78	3.03	2.93	3.42	3.23	3.44
Closing net asset value per share †	-	144.29	141.43	164.31	155.81	152.76
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-2.28%	2.02%	2.09%	5.46%	2.00%	1.99%
Other information						
Closing net asset value (£) †	-	7,215	7,071	8,215	7,791	7,638
Closing number of shares	-	5,000	5,000	5,000	5,000	5,000
Operating charges ^	-	0.03%	0.02%	0.03%	0.03%	0.02%
Direct transaction costs *	-	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	145.80	145.60	147.90	165.50	157.30	159.60
Lowest share price #	140.50	139.60	136.10	151.70	150.80	147.00

	B Net Income			B Net Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	106.68	106.80	107.07	111.33	109.56	107.97
Return before operating charges ^	(2.48)	2.18	2.25	(2.59)	2.24	2.26
Operating charges ^	(0.13)	(0.46)	(0.46)	(0.14)	(0.47)	(0.46)
Return after operating charges ^	(2.61)	1.72	1.79	(2.73)	1.77	1.80
Transfer to gross share class	(103.60)	-	-	(108.60)	-	-
Distributions	(0.47)	(1.84)	(2.06)	(0.49)	(1.90)	(2.09)
Retained distributions on accumulation shares	-	-	-	0.49	1.90	1.88
Closing net asset value per share †	-	106.68	106.80	-	111.33	109.56
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-2.45%	1.61%	1.68%	-2.45%	1.62%	1.67%
Other information						
Closing net asset value (£) †	-	309,730	311,352	-	18,112,131	20,035,417
Closing number of shares	-	290,340	291,525	-	16,268,780	18,287,069
Operating charges ^	-	0.43%	0.42%	-	0.43%	0.42%
Direct transaction costs *	-	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	107.70	109.90	114.00	112.40	112.70	114.90
Lowest share price #	103.30	104.30	104.40	108.30	107.90	105.60

AXA Sterling Strategic Bond Fund

Comparative Tables

As at 30 June 2019

	B Gross Income			B Gross Accumulation		
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	106.72	106.84	107.10	111.77	109.99	108.19
Return before operating charges ^	5.82	2.18	2.26	6.17	2.26	2.26
Operating charges ^	(0.46)	(0.46)	(0.46)	(0.49)	(0.48)	(0.46)
Return after operating charges ^	5.36	1.72	1.80	5.68	1.78	1.80
Distributions	(1.93)	(1.84)	(2.06)	(2.04)	(1.91)	(2.10)
Retained distributions on accumulation shares	-	-	-	2.04	1.91	2.10
Closing net asset value per share †	110.15	106.72	106.84	117.45	111.77	109.99
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	5.02%	1.61%	1.69%	5.08%	1.62%	1.66%
Other information						
Closing net asset value (£) †	575,592	311,245	318,850	47,962,875	34,223,614	38,118,846
Closing number of shares	522,547	291,647	298,431	40,837,214	30,619,867	34,655,832
Operating charges ^	0.43%	0.43%	0.42%	0.43%	0.43%	0.42%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	111.40	109.90	114.10	118.30	113.10	115.20
Lowest share price #	103.30	104.30	104.50	108.70	108.30	106.00

	R Net Income			R Net Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	95.28	95.39	95.62	126.93	125.98	125.11
Return before operating charges ^	(2.19)	1.94	2.02	(2.86)	2.56	2.62
Operating charges ^	(0.35)	(1.22)	(1.23)	(0.47)	(1.61)	(1.61)
Return after operating charges ^	(2.54)	0.72	0.79	(3.33)	0.95	1.01
Transfer to gross share class	(92.53)	-	-	(123.60)	-	-
Distributions	(0.21)	(0.83)	(1.02)	(0.29)	(1.10)	(1.34)
Retained distributions on accumulation shares	-	-	-	0.29	1.10	1.20
Closing net asset value per share †	-	95.28	95.39	-	126.93	125.98
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-2.67%	0.75%	0.83%	-2.62%	0.75%	0.81%
Other information						
Closing net asset value (£) †	-	57,255	60,182	-	1,742,843	7,877,425
Closing number of shares	-	60,095	63,094	-	1,373,044	6,253,025
Operating charges ^	-	1.28%	1.27%	-	1.28%	1.27%
Direct transaction costs *	-	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	96.14	98.00	101.60	128.10	129.40	133.00
Lowest share price #	92.23	93.05	93.15	123.20	123.40	122.00

AXA Sterling Strategic Bond Fund

Comparative Tables

As at 30 June 2019

	R Gross Income			R Gross Accumulation		
	30/06/2019	30/06/2018	30/06/2017	30/06/2019	30/06/2018	30/06/2017
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	95.42	95.53	95.77	135.44	134.42	133.34
Return before operating charges ^	5.21	1.93	2.01	7.43	2.74	2.80
Operating charges ^	(1.22)	(1.22)	(1.23)	(1.75)	(1.72)	(1.72)
Return after operating charges ^	3.99	0.71	0.78	5.68	1.02	1.08
Distributions	(0.92)	(0.82)	(1.02)	(1.30)	(1.18)	(1.43)
Retained distributions on accumulation shares	-	-	-	1.30	1.18	1.43
Closing net asset value per share †	98.49	95.42	95.53	141.12	135.44	134.42
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	4.18%	0.74%	0.82%	4.19%	0.76%	0.81%
Other information						
Closing net asset value (£) †	63,420	4,875	4,881	2,293,724	717,500	761,180
Closing number of shares	64,395	5,109	5,109	1,625,350	529,753	566,265
Operating charges ^	1.28%	1.28%	1.27%	1.28%	1.28%	1.27%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	99.43	98.15	101.80	142.10	138.10	141.80
Lowest share price #	92.38	93.19	93.28	131.40	131.70	130.20

	Z Net Income			Z Net Accumulation		
	30/06/2019 +	30/06/2018	30/06/2017	30/06/2019 +	30/06/2018	30/06/2017
Change in net assets per share	(p)	(p)	(p)	(p)	(p)	(p)
Opening net asset value per share †	108.07	108.19	108.64	148.83	146.61	144.61
Return before operating charges ^	(2.46)	2.20	2.10	(3.40)	3.00	3.03
Operating charges ^	(0.16)	(0.57)	(0.57)	(0.23)	(0.78)	(0.76)
Return after operating charges ^	(2.62)	1.63	1.53	(3.63)	2.22	2.27
Transfer to gross share class	(105.00)	-	-	(145.20)	-	-
Distributions	(0.45)	(1.75)	(1.98)	(0.61)	(2.39)	(2.65)
Retained distributions on accumulation shares	-	-	-	0.61	2.39	2.38
Closing net asset value per share †	-	108.07	108.19	-	148.83	146.61
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	-2.42%	1.51%	1.41%	-2.44%	1.51%	1.57%
Other information						
Closing net asset value (£) †	-	238,434	782,639	-	11,124,501	16,584,351
Closing number of shares	-	220,637	723,388	-	7,474,661	11,311,944
Operating charges ^	-	0.53%	0.52%	-	0.53%	0.52%
Direct transaction costs *	-	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	109.10	111.30	115.60	150.20	150.80	153.90
Lowest share price #	104.60	105.60	105.70	144.70	144.30	141.40

AXA Sterling Strategic Bond Fund

Comparative Tables

As at 30 June 2019

	Z Gross Income			Z Gross Accumulation		
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	108.25	108.37	108.65	164.19	161.74	159.26
Return before operating charges ^	5.91	2.21	2.27	9.05	3.31	3.32
Operating charges ^	(0.59)	(0.57)	(0.57)	(0.88)	(0.86)	(0.84)
Return after operating charges ^	5.32	1.64	1.70	8.17	2.45	2.48
Distributions	(1.84)	(1.76)	(1.98)	(2.83)	(2.64)	(2.93)
Retained distributions on accumulation shares	-	-	-	2.83	2.64	2.93
Closing net asset value per share †	111.73	108.25	108.37	172.36	164.19	161.74
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	4.91%	1.51%	1.57%	4.98%	1.51%	1.56%
Other information						
Closing net asset value (£) †	138,889	4,966	4,967	111,630,235	114,737,185	120,067,749
Closing number of shares	124,310	4,587	4,583	64,765,230	69,880,518	74,234,451
Operating charges ^	0.53%	0.53%	0.52%	0.53%	0.53%	0.52%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	113.00	111.50	115.70	173.60	166.40	169.60
Lowest share price #	104.80	105.80	105.90	159.60	159.20	156.00

+ Net share classes converted into gross share classes on 12 October 2018.

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the sub-fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the Average Net Asset value for the accounting year.

AXA Sterling Strategic Bond Fund

Statement of Total Return

For the year ended 30 June 2019

	Note	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Income:					
Net capital gains/(losses)	2		4,915		(572)
Revenue	3	3,722		4,248	
Expenses	4	(852)		(1,032)	
Interest payable and similar charges		-		-	
Net revenue before taxation		2,870		3,216	
Taxation	5	-		-	
Net revenue after taxation			2,870		3,216
Total return before distributions			7,785		2,644
Distributions	6		(2,870)		(3,216)
Change in net assets attributable to Shareholders from investment activities			**4,915**		**(572)**

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2019

	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Opening net assets attributable to Shareholders		181,599		204,943
Amounts receivable on issue of shares	5,282		15,534	
Amounts payable on cancellation of shares	(31,927)		(41,456)	
		(26,645)		(25,922)
Change in net assets attributable to Shareholders from investment activities (see above)		4,915		(572)
Retained distributions on accumulation shares		2,804		3,150
Closing net assets attributable to Shareholders		**162,673**		**181,599**

AXA Sterling Strategic Bond Fund

Balance Sheet

As at

	Note	30/06/19 £'000	30/06/18 £'000
Assets:			
Fixed assets:			
Investments		159,689	179,218
Current assets:			
Debtors	7	1,450	2,331
Cash and bank balances	8	2,092	842
Total assets		**163,231**	**182,391**
Liabilities:			
Investment liabilities		(97)	(334)
Creditors:			
Bank overdrafts		-	(73)
Distribution payable		(3)	(4)
Other creditors	9	(458)	(381)
Total liabilities		**(558)**	**(792)**
Net assets attributable to Shareholders		**162,673**	**181,599**

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 207 - 209.

2. Net capital gains/(losses)

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
The net capital gains/(losses) comprise:		
Non-derivative securities	5,595	(315)
Brokers commission on futures	(2)	(11)
Currency losses	-	(22)
Derivative contracts	(677)	(548)
Forward currency contracts	-	251
Transaction charges	(1)	(1)
Class Actions	-	74
Net capital gains/(losses)	**4,915**	**(572)**

3. Revenue

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Bank interest	3	1
Interest on debt securities	3,719	4,247
Total revenue	**3,722**	**4,248**

4. Expenses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual Management Charge	800	981
Registration fees	1	1
	801	982
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	28	32
Safe custody fees	9	9
	37	41
Other expenses		
Audit fees	8	8
Printing fees*	6	1
	14	9
Total expenses	**852**	**1,032**

*Prior year administration charges have been reclassified to printing fees.

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2018: 20%) is applied to the net revenue before taxation. The differences are explained below:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Net revenue before taxation	2,870	3,216
Net revenue for the year multiplied by the standard rate of corporation tax	574	643
Effects of:		
Tax deductible interest distributions	(574)	(643)
Current tax charge for the year	**-**	**-**

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (2018: £nil) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
First interim	719	848
Second interim	731	773
Third interim	680	784
Final	689	764
Add: Revenue paid on cancellation of shares	88	88
Deduct: Revenue received on creation of shares	(37)	(41)
Net distribution for the year	**2,870**	**3,216**

7. Debtors

	30/06/19 £'000	30/06/18 £'000
Amounts receivable for creation of shares	-	43
Sales awaiting settlement	-	676
Accrued revenue	1,450	1,612
Total debtors	**1,450**	**2,331**

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

8. Cash and bank balances

	30/06/19 £'000	30/06/18 £'000
Cash and bank balances	1,807	-
Amount held at futures clearing houses and brokers	285	842
Total cash and bank balances	**2,092**	**842**

9. Other creditors

	30/06/19 £'000	30/06/18 £'000
Amounts payable for cancellation of shares	369	291
Accrued Annual Management Charge	60	70
Accrued other expenses	29	20
Total other creditors	**458**	**381**

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no Shareholdings in the Company at the year end.

As at 30 June 2019 material shareholders have holdings totalling 94.77% (30/06/2018: 93.79%) of the Funds' shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's Annual Management Charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/18	Issued	Cancelled	Converted	30/06/19
H Net Accumulation +	Nil	5,000	-	(5,000)	-	-
H Gross Accumulation	Nil	5,000	-	-	-	5,000
B Net Income +	0.40	290,340	363	(16,412)	(274,291)	-
B Net Accumulation +	0.40	16,268,780	1,074	(705,687)	(15,564,167)	-
B Gross Income	0.40	291,647	1,094	(44,221)	274,027	522,547
B Gross Accumulation	0.40	30,619,867	53,601	(5,329,090)	15,492,836	40,837,214
R Net Income +	1.25	60,095	2,066	-	(62,161)	-
R Net Accumulation +	1.25	1,373,044	122,158	(118,429)	(1,376,773)	-
R Gross Income	1.25	5,109	16,947	(19,721)	62,060	64,395
R Gross Accumulation	1.25	529,753	127,066	(281,775)	1,250,306	1,625,350
Z Net Income +	0.50	220,637	6,042	(54,918)	(171,761)	-
Z Net Accumulation +	0.50	7,474,661	147,820	(802,904)	(6,819,577)	-
Z Gross Income	0.50	4,587	25,814	(77,525)	171,434	124,310
Z Gross Accumulation	0.50	69,880,518	2,739,625	(14,069,157)	6,214,244	64,765,230

+ Net share classes converted into gross share classes on 12 October 2018.

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2018: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2018).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £15,968,918 (2018: £17,921,732). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The functional currency of the Fund is Sterling. All assets and liabilities of the Fund are denominated in Pound sterling. There was no direct foreign currency exposure within the Fund at the balance sheet date.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	2,092	159,689	1,450	163,231
Total	**2,092**	**159,689**	**1,450**	**163,231**
30/06/18				
Pound sterling	842	179,218	2,331	182,391
Total	**842**	**179,218**	**2,331**	**182,391**

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	-	-	(558)	(558)
Total	**-**	**-**	**(558)**	**(558)**
30/06/18				
Pound sterling	-	-	(792)	(792)
Total	**-**	**-**	**(792)**	**(792)**

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £16,943,000 (2018: £18,029,000) A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each sub-fund.

Transactions in securities may expose the Fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/19 Market Value £'000	%	30/06/18 Market Value £'000	%
Investment grade	158,628	97.52	176,491	97.17
Speculative grade	1,061	0.65	2,727	1.51
Unrated	-	-	-	-
Total value of bonds	**159,689**	**98.17**	**179,218**	**98.68**

Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Financial derivative instrument risk exposure

The exposure obtained through financial derivative instruments and identity of counterparties as at 30 June 2019 was as follows:

	30/06/19 Exposure £'000	30/06/18 Exposure £'000
(a) Futures		
Royal Bank of Scotland	(97)	(334)
Total value of derivatives	**(97)**	**(334)**

14. Portfolio transaction costs

30/06/2019	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	12,272	-	-	-	-	12,272
Futures	-	1	-	-	-	133,341
Total	**12,272**	**1**		**-**		**145,613**

30/06/2019	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Bonds	36,001	-	-	-	-	36,001
Futures	-	-	-	-	-	117,261
Total	**36,001**	**-**		**-**		**153,262**

30/06/2018	Net purchase cost £'000	Commissions paid £'000	%	Taxes £'000	%	Total purchase cost £'000
Analysis of purchases						
Bonds	46,455	-	-	-	-	46,455
Futures	-	3	-	-	-	3
Total	**46,455**	**3**		**-**		**46,458**

30/06/2018	Net sale proceeds £'000	Commissions paid £'000	%	Taxes £'000	%	Total sale proceeds £'000
Analysis of sales						
Bonds	65,875	-	-	-	-	65,875
Futures	-	(4)	-	-	-	(4)
Total	**65,875**	**(4)**		**-**		**65,871**

Transaction costs as percentage of average net asset value	01/07/18 to 30/06/19 %	01/07/17 to 30/06/18 %
Commissions	0.00%	0.00%
Taxes	0.00%	0.00%

At the balance sheet date the average portfolio dealing spread was 0.27% (2018: 0.27%).

AXA Sterling Strategic Bond Fund

Notes to the Financial Statements

For the year ended 30 June 2019

15. Post balance sheet events

There are no post balance sheet events which require adjustments or disclosure.

16. Fair value disclosure

	30/06/19		30/06/18	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	**£'000**	**£'000**	**£'000**	**£'000**
Level 1 ^	104,524	(97)	122,436	(334)
Level 2 ^^	55,165	-	56,782	-
Level 3 ^^^	-	-	-	-
	159,689	**(97)**	**179,218**	**(334)**

^ Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^^ Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^^^ Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2019

First Distribution in pence per share

Group 1 Shares purchased prior to 1 July 2018

Group 2 Shares purchased on or after 1 July 2018 to 30 September 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 30/11/18 (p)	Distribution paid 30/11/17 (p)
Share Class H Net Accumulation				
Group 1	0.781	-	0.781	0.757
Group 2	0.781	-	0.781	0.757
Share Class H Gross Accumulation				
Group 1	0.825	-	0.825	0.828
Group 2	0.825	-	0.825	0.828
Share Class B Net Income				
Group 1	0.467	-	0.467	0.461
Group 2	0.467	-	0.467	0.461
Share Class B Net Accumulation				
Group 1	0.487	-	0.487	0.473
Group 2	0.062	0.425	0.487	0.473
Share Class B Gross Income				
Group 1	0.467	-	0.467	0.462
Group 2	0.467	-	0.467	0.462
Share Class B Gross Accumulation				
Group 1	0.489	-	0.489	0.475
Group 2	0.199	0.290	0.489	0.475
Share Class R Net Income				
Group 1	0.214	-	0.214	0.207
Group 2	0.110	0.104	0.214	0.207
Share Class R Net Accumulation				
Group 1	0.286	-	0.286	0.274
Group 2	0.192	0.094	0.286	0.274
Share Class R Gross Income				
Group 1	0.212	-	0.212	0.204
Group 2	0.212	-	0.212	0.204
Share Class R Gross Accumulation				
Group 1	0.305	-	0.305	0.293
Group 2	0.103	0.202	0.305	0.293
Share Class Z Net Income				
Group 1	0.449	-	0.449	0.440
Group 2	0.348	0.101	0.449	0.440
Share Class Z Net Accumulation				
Group 1	0.614	-	0.614	0.596
Group 2	0.278	0.336	0.614	0.596

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2019

Share Class Z Gross Income				
Group 1	0.445	-	0.445	0.439
Group 2	0.445	-	0.445	0.439
Share Class Z Gross Accumulation				
Group 1	0.678	-	0.678	0.658
Group 2	0.392	0.286	0.678	0.658

Second Distribution in pence per share

Group 1 Shares purchased prior to 1 October 2018

Group 2 Shares purchased on or after 1 October 2018 to 31 December 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 28/02/19 (p)	Distribution paid 28/02/18 (p)
Share Class H Net Accumulation +				
Group 1	-	-	-	0.724
Group 2	-	-	-	0.724
Share Class H Gross Accumulation				
Group 1	0.879	-	0.879	0.780
Group 2	0.879	-	0.879	0.780
Share Class B Net Income +				
Group 1	-	-	-	0.437
Group 2	-	-	-	0.437
Share Class B Net Accumulation +				
Group 1	-	-	-	0.450
Group 2	-	-	-	0.450
Share Class B Gross Income				
Group 1	0.497	-	0.497	0.437
Group 2	0.067	0.430	0.497	0.437
Share Class B Gross Accumulation				
Group 1	0.523	-	0.523	0.452
Group 2	0.277	0.246	0.523	0.452
Share Class R Net Income +				
Group 1	-	-	-	0.188
Group 2	-	-	-	0.188
Share Class R Net Accumulation +				
Group 1	-	-	-	0.249
Group 2	-	-	-	0.249
Share Class R Gross Income				
Group 1	0.241	-	0.241	0.182
Group 2	0.028	0.213	0.241	0.182
Share Class R Gross Accumulation				
Group 1	0.339	-	0.339	0.265
Group 2	0.042	0.297	0.339	0.265

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2019

Share Class Z Net Income +				
Group 1	-	-	-	0.416
Group 2	-	-	-	0.416
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.566
Group 2	-	-	-	0.566
Share Class Z Gross Income				
Group 1	0.469	-	0.469	0.411
Group 2	0.363	0.106	0.469	0.411
Share Class Z Gross Accumulation				
Group 1	0.726	-	0.726	0.624
Group 2	0.378	0.348	0.726	0.624

Third Distribution in pence per share

Group 1 Shares purchased prior to 1 January 2019

Group 2 Shares purchased on or after 1 January 2019 to 31 March 2019

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/05/19 (p)	Distribution paid 31/05/18 (p)
Share Class H Net Accumulation +				
Group 1	-	-	-	0.768
Group 2	-	-	-	0.768
Share Class H Gross Accumulation				
Group 1	0.828	-	0.828	0.812
Group 2	0.828	-	0.828	0.812
Share Class B Net Income +				
Group 1	-	-	-	0.468
Group 2	-	-	-	0.468
Share Class B Net Accumulation +				
Group 1	-	-	-	0.484
Group 2	-	-	-	0.484
Share Class B Gross Income				
Group 1	0.477	-	0.477	0.468
Group 2	0.477	-	0.477	0.468
Share Class B Gross Accumulation				
Group 1	0.504	-	0.504	0.486
Group 2	0.128	0.376	0.504	0.486
Share Class R Net Income +				
Group 1	-	-	-	0.218
Group 2	-	-	-	0.218
Share Class R Net Accumulation +				
Group 1	-	-	-	0.289
Group 2	-	-	-	0.289

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2019

Share Class R Gross Income				
Group 1	0.230	-	0.230	0.218
Group 2	0.230	-	0.230	0.218
Share Class R Gross Accumulation				
Group 1	0.328	-	0.328	0.309
Group 2	0.188	0.140	0.328	0.309
Share Class Z Net Income +				
Group 1	-	-	-	0.447
Group 2	-	-	-	0.447
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.611
Group 2	-	-	-	0.611
Share Class Z Gross Income				
Group 1	0.458	-	0.458	0.451
Group 2	0.131	0.327	0.458	0.451
Share Class Z Gross Accumulation				
Group 1	0.700	-	0.700	0.674
Group 2	0.177	0.523	0.700	0.674

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 April 2019

Group 2 Shares purchased on or after 1 April 2019 to 30 June 2019

	Gross revenue (p)	Equalisation (p)	Distribution payable 31/08/19 (p)	Distribution paid 31/08/18 (p)
Share Class H Net Accumulation +				
Group 1	-	-	-	0.781
Group 2	-	-	-	0.781
Share Class H Gross Accumulation				
Group 1	0.883	-	0.883	0.813
Group 2	0.883	-	0.883	0.813
Share Class B Net Income +				
Group 1	-	-	-	0.473
Group 2	-	-	-	0.473
Share Class B Net Accumulation +				
Group 1	-	-	-	0.491
Group 2	-	-	-	0.491
Share Class B Gross Income				
Group 1	0.490	-	0.490	0.473
Group 2	0.490	-	0.490	0.473
Share Class B Gross Accumulation				
Group 1	0.521	-	0.521	0.493
Group 2	0.279	0.242	0.521	0.493

AXA Sterling Strategic Bond Fund

Distribution Table

As at 30 June 2019

Share Class R Net Income +				
Group 1	-	-	-	0.217
Group 2	-	-	-	0.217
Share Class R Net Accumulation +				
Group 1	-	-	-	0.290
Group 2	-	-	-	0.290
Share Class R Gross Income				
Group 1	0.232	-	0.232	0.217
Group 2	0.071	0.161	0.232	0.217
Share Class R Gross Accumulation				
Group 1	0.331	-	0.331	0.309
Group 2	0.200	0.131	0.331	0.309
Share Class Z Net Income +				
Group 1	-	-	-	0.448
Group 2	-	-	-	0.448
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.619
Group 2	-	-	-	0.619
Share Class Z Gross Income				
Group 1	0.470	-	0.470	0.454
Group 2	0.119	0.351	0.470	0.454
Share Class Z Gross Accumulation				
Group 1	0.722	-	0.722	0.683
Group 2	0.180	0.542	0.722	0.683

+ Net share classes converted into gross share classes on 12 October 2018.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2019

Investment Objective

The aim of the Fund is to provide high income.

Investment Policy

The Fund invests primarily in a diversified portfolio of high yield bonds issued by US companies where the period for full repayment of the bond by the company is expected to be less than 3 years. The Fund manager seeks to reduce the effect of credit risk through diversification and its analysis and selection of investments.

The Fund aims to reduce the risk of movements in exchange rates between US dollars and sterling through the use of derivatives (financial instruments which derive their value from the value of other assets). The Fund may also use derivatives in an attempt to reduce the overall risks of its investments, reduce the costs of investing or generate additional capital or income (known as Efficient Portfolio Management - EPM).

Risk and Reward Profile

As at 30 June 2019

By investing in the Fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which will generate an income but had less potential for capital return than is the case with Funds which invest primarily in equities. You are willing to accept that your investment will fall and rise in value and that you could get back less than you invest. You are aware that investing in the Fund which has a US remit can increase risk because of currency movements in return for greater potential reward. You are also aware that investing in sub investment grade bonds may increase the potential income but also increases risk to your investment. Typically you would be investing for a period of at least five years.

Lower Risk **Higher Risk**

Potentially lower reward Potentially higher reward

1	2	**3**	4	5	6	7

The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some levels of variation, which may result in gains or losses.

Additional risks

● Credit risk - all bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market. Generally, an increased level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings). See further below under "High yield bonds risk".

Internal investment guidelines are set, if necessary, to ensure credit risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include credit quality indicators, measures of sensitivity to credit spread moves and diversification measures.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2019

● High yield bonds risk - high yield bonds (also known as sub-investment grade bonds) are fixed interest securities issued by companies or governments with lower credit ratings (Ba1 and below (Moody's) or BB+ and below (Standard & Poor's and Fitch Ratings)). They are potentially more risky than investment grade bonds which have higher ratings. The issuers of high yield bonds will be at greater risk of default or ratings downgrades. The capital value of the Fund's investment in high yield bonds and the level of income it receives may fall as a result of such issuers ceasing to trade. The Fund will endeavour to mitigate the risks associated with high yield bonds, by diversifying their holdings by issuer, industry and credit quality.

This is an inherent risk for Funds invested within high yield bonds. Internal investment guidelines (which may include measures of credit quality, measures of sensitivity to credit spread moves and diversification measures), scenario testing as well as other regular monitoring seek to ensure the level of risk is aligned with each individual Fund's investment objectives and investment policy.

● Interest rate risk - interest rate risk is the risk that the market value of bonds held by the Fund could fall as a result of higher market rates (yields). Yields can change as a result of, among other things, the economic and inflation outlook which also affects supply and demand as well as future interest rate expectations, without necessarily a change in official central bank short term interest rates. Higher yields result in a decline in the value of bonds. Conversely, lower yields tend to increase the value of bonds. Duration (a measure based on the coupon and maturity payments schedule of a bond) is an important concept in understanding how the price of that bond might change for a 1% move in its redemption yield. A bond with a longer duration is more sensitive to a change in yields and, generally speaking, will experience more volatility in its market value than bonds with shorter durations.

Internal investment guidelines are set if necessary to ensure interest rate risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy. These guidelines could include measures of sensitivity to changes of interest rates.

● Prepayment and extension risk - prepayment risk is the risk associated with the early unscheduled return of capital (i.e., repayment of the debt) by the issuer on a bond. Prepayment generally occurs in a declining interest rate environment. When capital is returned early, no future interest payments will be paid on that part of the capital. If the bond was purchased at a premium (i.e., at a price greater than the value of the capital), the return on the bond will be less than what was estimated at the time of purchase.

The opposite of prepayment risk is extension risk which is the risk of a bond's expected maturity lengthening in duration due to a slowdown in prepayments of capital. Extension risk is mainly the result of rising interest rates. If the bond was purchased in anticipation of an early repayment of capital, an extension of the maturity could impact the price of the bond.

The portfolio tends to hold a mixture of callable and non-callable positions.

Other risks which could have an impact in extreme market conditions include:

● Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The ACD may be forced to buy or sell such investments as a consequence of Shareholders buying or selling Shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

● Counterparty risk - at any one time, the Fund may be exposed to the creditworthiness and stability of the counterparties to transactions entered into by the Fund (including derivative and stock lending and repo/reverse repo transactions). The Fund will be subject to the risk of the inability of its counterparties to perform its obligations under such transactions (default), whether due to insolvency, bankruptcy or other causes. In the event of the insolvency of a counterparty, the Fund might not be able to recover cash or assets of equivalent value, to that invested, in full. The Fund may receive assets or cash from the counterparty (collateral) to protect against any such adverse effect. Where relevant, a counterparty will forfeit its collateral if it defaults on the transaction with the Fund. However, if the collateral is in the form of securities, there is a risk that when it is sold, it will realise insufficient cash to settle the counterparty's debt to the Fund under a transaction or to purchase replacement securities that were lent to the counterparty under a stock lending arrangement. In relation to stock lending arrangements, there is also the risk that while cash is recovered in the event of a default, the actual stock cannot be repurchased. Furthermore, to the extent that collateral is not present to cover part or all of the debt, a counterparty default may result in losses for the affected Fund. To assist in managing these types of risks, the ACD sets criteria around the types of eligible collateral the Fund may accept. Please see the paragraph entitled "Treatment of Collateral" in the "Investment and borrowing powers applicable to the Funds" section in Appendix II of the Prospectus for more information.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2019

Transactions in securities that the Fund may enter into expose it to the risk that the counterparty will not deliver the investment for a purchase or cash for a sale after the Fund has contracted to fulfil its responsibilities. This is minimised by the practice in the majority of markets of delivery versus payment and short settlement periods.

● Currency risk (Note that the Fund aims to reduce the risk of movements in exchange rates by hedging the foreign currency exposure of the Fund back to pounds sterling.) - assets of the Fund (including cash), and any income paid on those assets, may be denominated in a currency other than the base currency of the Fund. Changes in the exchange rate between the base currency and the currency of an asset may cause the value of the asset/income (expressed in the base currency) to fall as well as rise even if there is no change of the value of such assets in its local currency. This may also cause additional volatility in the Fund's Price. It may not be possible or practicable to hedge against such exchange rate risk.

The ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of the Fund through the use of currency exchange transactions. The Fund may enter into currency exchange transactions either on a spot basis (i.e., exchanging at the current price) or through forward currency transactions (i.e., agreeing to purchase the currency at an agreed price at a future date). Neither spot transactions nor forward currency transactions will completely eliminate fluctuations in the prices of the Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. Forward currency transactions may also have the effect of reducing or enhancing the Fund's performance due to the difference between the exchange rate available on such transactions compared to the current (spot) exchange rate. Under normal market conditions this difference in exchange rates is mainly caused by the different short term interest rates applicable to the currency of the assets and the base currency of the Fund. Where the interest rate applying to the foreign currency is higher than that of the Fund's base currency, this can reduce the Fund's performance and vice-versa. This impact on performance is usually far less pronounced than the effect of fluctuations of exchange rates that the use of such transactions is intended to reduce, but the impact can be significant over time, particularly where there is a wide gap between the interest rates applicable to the two currencies. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. Therefore, the successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. Furthermore, it may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the Fund from the anticipated decline in value of its assets as a result of such fluctuations.

Internal investment guidelines are set, if necessary, to ensure currency risk is maintained within a range deemed suitable based on the individual Fund's investment objectives and investment policy.

Investment Review

The High Yield market posted a positive return of +7.58% in the 12 months ending 30 June 2019, as measured by the ICE BofAML U.S. High Yield Index. Returns were mainly driven by a dovish policy pivot by the US Federal Reserve, better than expected earnings and improved equity prices. Flows into the high yield market were negative for the period, with -$10.5 billion of outflows. The bulk of the outflows came in the first six months of the period (-$22.5 billion) and were partially offset in the last six months of the period (+$12.0 billion). The high yield new issue market priced $201.2 billion of new issues during the 12 months ending 30 June 2019, a -27.8% decrease from the $278.7 billion priced during the same period last year. The period saw $18.5 billion of high yield default volume, lower than the $25.8 billion of high yield default volume in the same period last year. The par weighted high yield default rate ended the period at 1.46%, down from 1.98% in June 2018.

During the 12 months ending 30 June 2019, U.S. High Yield underperformed US Corporates (+10.56%) and US Equities (S&P 500 +10.41%) but outperformed US Treasuries (+7.30%). Within U.S. High Yield, double-B rated credits (+9.99%) outperformed lower quality single-B rated credits (+7.05%) and CCC-and-lower rated credits (+0.13%). From a sector perspective, 17 out of 18 sectors posted positive total returns over the period. Banking (+11.68%), Media (+11.51%) and Utilities (+10.74%) were the best-performing sectors. On a relative basis, Energy (-0.72%), Transportation (+5.97%) and Automotive (+6.18%) were the worst-performing sectors. During the period, the High Yield Index's Option Adjusted Spread widened from 371 basis points (bps) to 401bps. The yield to worst of the High Yield Index decreased from 6.53% at the beginning of the period to 6.06% at the end of the period. The High Yield Index's average price was $98.91 at 30 June 2019, up from the $97.84 average price at the start of the period.

AXA US Short Duration High Yield Fund

Investment Manager's Report

For the year ended 30 June 2019

For the 12-month period ending 30 June 2019, the AXA US Short Duration High Yield Fund performed very well in a volatile year, capturing roughly 85% of the overall market's 7.58% return (gross USD performance). Performance benefited from our up-in-quality positioning and our positioning and security selection within the energy sector, offset by the shorter duration nature of our holdings and our security selection within the media sector. During the fiscal year, the yield-to-worst of the Fund (exclusive of cash) tightened by 95bps to 4.02%, while the overall market yield tightened by 47bps to 6.06%. The Option Adjusted Spread of the Fund tightened by 31bps to 202 bps. The overall Fund duration (using a calculation of modified duration-to-worst) decreased from 2.0 to 1.1, while the market duration decreased from 4.2 to 3.4.

Position count decreased slightly to 209 positions, but the portfolio remains well diversified. We believe that diversification of portfolio holdings is important for the Fund and helps to manage credit risk. Our top holding at the fiscal year-end, a 1.2% position, was Prestige Brands, Inc. As of 30 June 2019, approximately 51% of the portfolio was invested in securities in excess of three years, but which we expect to be redeemed early. This is down roughly 16% from the previous year as a large number of bonds rolled into the three-year maturity window, however we still believe that the yield-to-call bonds are a better source of relative value. Market technicals were mixed during the fiscal year as flows were negative, offset by lower volume of new issuance. New issuance remains predominately focused on refinancings, and we expect companies to continue to opportunistically refinance debt maturing in excess of three years. Coupled with still healthy corporate fundamentals and a benign default rate, the backdrop for the Short Duration Fund remains supportive.

All performance data source: AXA Investment Managers and Bloomberg.
Past performance is not a guide for future performance.

Major Purchases

- Bombardier 8.75% 01/12/21
- JBS USA LUX 7.25% 01/06/21
- Sprint 7.25% 15/09/21
- DAE Funding 5.25% 15/11/21
- DAE Funding 5.25% 15/11/21

Major Sales

- First Data 7% 01/12/23
- Spectrum Brands 7.75% 15/01/22
- LifePoint Health 5.5% 01/12/21
- TransDigm 5.5% 15/10/20
- JBS Investments 7.75% 28/10/20

Carl Whitbeck
30 June 2019
AXA Investment Managers UK Limited

AXA US Short Duration High Yield Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
CORPORATE BONDS 98.29% (30/06/18: 101.09%)			
Austria 0.38% (30/06/18: 1.02%)			
JBS Investments 6.25% 05/02/23	3,455,000	2,779	0.38
Bermuda 0.54% (30/06/18: 2.00%)			
Aircastle 5.125% 15/03/21	385,000	315	0.04
Aircastle 7.625% 15/04/20	130,000	106	0.01
NCL 4.75% 15/12/21	4,462,000	3,574	0.49
Canada 4.64% (30/06/18: 2.88%)			
Bausch Health 6.5% 15/03/22	3,099,000	2,531	0.34
Bausch Health 7% 15/03/24	2,655,000	2,223	0.30
Bombardier 5.75% 15/03/22	3,550,000	2,844	0.39
Bombardier 8.75% 01/12/21	10,085,000	8,644	1.17
Brookfield Residential Properties 6.125% 01/07/22	1,215,000	974	0.13
Brookfield Residential Properties 6.5% 15/12/20	2,140,000	1,688	0.23
Masonite International 5.625% 15/03/23	5,178,000	4,188	0.57
New Red Finance 4.625% 15/01/22	6,840,000	5,405	0.73
NOVA Chemicals 5.25% 01/08/23	6,041,000	4,827	0.66
Videotron 5% 15/07/22	1,105,000	913	0.12
Cayman Islands 2.71% (30/06/18: 2.74%)			
Avolon 5.25% 15/05/24	3,871,000	3,243	0.44
Nexteer Automotive 5.875% 15/11/21	4,756,000	3,814	0.52
Park Aerospace 3.625% 15/03/21	8,885,000	7,064	0.96
Park Aerospace 5.25% 15/08/22	5,414,000	4,505	0.61
Sable International Finance 6.875% 01/08/22	1,565,000	1,277	0.18
Finland 0.06% (30/06/18: 0.05%)			
Nokia 3.375% 12/06/22	529,000	422	0.06
France 0.00% (30/06/18: 0.53%)			
Germany 0.00% (30/06/18: 0.80%)			
Ireland 0.45% (30/06/18: 1.35%)			
Ardagh Packaging Finance 4.25% 15/09/22	4,150,000	3,300	0.45
Luxembourg 1.09% (30/06/18: 0.90%)			
Altice Luxembourg 7.75% 15/05/22	3,817,000	3,054	0.42
Nielsen Luxembourg 5.5% 01/10/21	6,190,000	4,897	0.67
Netherlands 0.32% (30/06/18: 0.95%)			
Fiat Chrysler Automobiles 4.5% 15/04/20	1,110,000	884	0.12
NXP 4.125% 01/06/21	1,859,000	1,495	0.20
Norway 0.27% (30/06/18: 0.00%)			
Aker 4.75% 15/06/24	2,485,000	2,012	0.27
United Kingdom 1.40% (30/06/18: 1.17%)			
International Game Technology 6.25% 15/02/22	7,540,000	6,240	0.85
Jaguar Land Rover Automotive 4.25% 15/11/19	3,177,000	2,485	0.34
Virgin Media Finance 6% 15/10/24	1,840,000	1,505	0.21
United States 86.43% (30/06/18: 86.70%)			
ADT Security 5.25% 15/03/20	870,000	696	0.09
ADT Security 6.25% 15/10/21	7,720,000	6,473	0.88

AXA US Short Duration High Yield Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
AECOM 5.875% 15/10/24	985,000	838	0.11
AECOM Global II 5% 01/04/22	4,645,000	3,762	0.51
AES 4% 15/03/21	2,667,000	2,141	0.29
Alliance Data Systems 5.375% 01/08/22	5,476,000	4,372	0.59
Alliance Data Systems 5.875% 01/11/21	10,108,000	8,199	1.11
Ally Financial 4.125% 30/03/20	1,222,000	969	0.13
American Builders & Contractors Supply 5.75% 15/12/23	6,097,000	4,974	0.68
Antero Resources 5.375% 01/11/21	8,481,000	6,620	0.90
Aramark Services 5.125% 15/01/24	2,430,000	1,968	0.27
Ascent Resources Utica 10% 01/04/22	2,891,000	2,404	0.33
Ashland 4.75% 15/08/22	4,140,000	3,414	0.46
Avanos Medical 6.25% 15/10/22	3,186,000	2,552	0.35
B&G Foods 4.625% 01/06/21	3,410,000	2,688	0.37
Ball 4.375% 15/12/20	169,000	136	0.02
Beacon Roofing Supply 6.375% 01/10/23	4,900,000	4,007	0.54
Berry Global 5.125% 15/07/23	1,375,000	1,107	0.15
Berry Global 5.5% 15/05/22	6,870,000	5,489	0.75
Berry Global 6% 15/10/22	5,990,000	4,816	0.65
Blue Cube Spinco 9.75% 15/10/23	4,115,000	3,580	0.49
Blue Racer Midstream 6.125% 15/11/22	7,709,000	6,160	0.84
Boyd Gaming 6.875% 15/05/23	6,543,000	5,325	0.72
CCO 5.125% 15/02/23	3,905,000	3,132	0.43
CCO 5.125% 01/05/23	295,000	237	0.03
CCO 5.25% 15/03/21	2,600,000	2,058	0.28
CCO 5.25% 30/09/22	4,125,000	3,300	0.45
CCO 5.75% 01/09/23	7,545,000	6,079	0.83
CDW 5% 01/09/23	475,000	381	0.05
Centene 5.625% 15/02/21	4,082,000	3,278	0.45
Centene 6.125% 15/02/24	3,084,000	2,546	0.35
Central Garden & Pet 6.125% 15/11/23	8,586,000	7,021	0.95
CenturyLink 5.625% 01/04/20	4,655,000	3,710	0.50
Cinemark USA 5.125% 15/12/22	10,671,000	8,537	1.16
CIT 4.125% 09/03/21	2,115,000	1,698	0.23
CNH Industrial Capital 4.375% 06/11/20	305,000	245	0.03
Cogent Communications 5.375% 01/03/22	6,641,000	5,418	0.74
CommScope 5% 15/06/21	10,514,000	8,292	1.13
CommScope 5.5% 01/03/24	6,706,000	5,418	0.74
Continental Resources 5% 15/09/22	4,424,000	3,517	0.48
Crestwood Midstream Partners 6.25% 01/04/23	6,118,000	4,931	0.67
CSC 5.125% 15/12/21	9,548,000	7,502	1.02
CSC 5.375% 15/07/23	2,870,000	2,319	0.32
DAE Funding 4% 01/08/20	8,083,000	6,371	0.87
DAE Funding 4.5% 01/08/22	6,911,000	5,529	0.75
DAE Funding 5.25% 15/11/21	5,995,000	4,902	0.67
DAE Funding 5.75% 15/11/23	2,505,000	2,076	0.28
DaVita 5.75% 15/08/22	10,180,000	8,124	1.10
Dell International 4.42% 15/06/21	1,081,000	877	0.12
Dell International 5.875% 15/06/21	9,856,000	7,885	1.07
Dell International 7.125% 15/06/24	5,820,000	4,842	0.66
DISH DBS 5.125% 01/05/20	5,025,000	3,995	0.54
DISH DBS 6.75% 01/06/21	6,040,000	4,993	0.68
DISH DBS 7.875% 01/09/19	818,000	649	0.09
Eagle 7.75% 15/05/22	3,270,000	2,609	0.35
Edgewell Personal Care 4.7% 19/05/21	875,000	697	0.09
Edgewell Personal Care 4.7% 24/05/22	5,856,000	4,639	0.63
Eldorado Resorts 7% 01/08/23	5,811,000	4,780	0.65
EMC 2.65% 01/06/20	1,162,000	911	0.12

AXA US Short Duration High Yield Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Equinix 5.375% 01/01/22	4,150,000	3,357	0.46
Equinix 5.375% 01/04/23	4,530,000	3,637	0.49
First Data 5.375% 15/08/23	1,785,000	1,432	0.19
First Data 5.75% 15/01/24	3,235,000	2,621	0.36
First Quality Finance 4.625% 15/05/21	9,461,000	7,448	1.01
Ford Motor Credit 5.085% 07/01/21	747,000	607	0.08
Fresenius Medical Care US Finance II 5.625% 31/07/19	191,000	151	0.02
General Motors Financial 4.375% 25/09/21	230,000	187	0.03
Genesis Energy 6.75% 01/08/22	4,626,000	3,683	0.50
GLP Capital 4.375% 15/04/21	1,206,000	967	0.13
GLP Capital 4.875% 01/11/20	2,057,000	1,650	0.22
Group 1 Automotive 5% 01/06/22	395,000	315	0.04
Group 1 Automotive 5.25% 15/12/23	2,635,000	2,126	0.29
Gulfport Energy 6.625% 01/05/23	2,058,000	1,387	0.19
HCA 6.5% 15/02/20	604,000	487	0.07
HCA 7.5% 15/02/22	3,350,000	2,904	0.39
HCA Healthcare 6.25% 15/02/21	4,740,000	3,918	0.53
Hill-Rom 5.75% 01/09/23	2,499,000	2,036	0.28
Hughes Satellite Systems 7.625% 15/06/21	510,000	431	0.06
Icahn Enterprises 6% 01/08/20	3,940,000	3,116	0.42
Icahn Enterprises 6.25% 01/02/22	9,076,000	7,314	0.99
Informatica 7.125% 15/07/23	1,025,000	820	0.11
Iron Mountain 6% 15/08/23	2,675,000	2,172	0.30
Jaguar 6.375% 01/08/23	9,990,000	8,120	1.10
L Brands 6.625% 01/04/21	3,342,000	2,782	0.38
Lamar Media 5% 01/05/23	1,640,000	1,315	0.18
Lamar Media 5.375% 15/01/24	1,585,000	1,280	0.17
Lennar 2.95% 29/11/20	1,015,000	796	0.11
Lennar 4.125% 15/01/22	3,860,000	3,111	0.42
Lennar 4.75% 01/04/21	1,035,000	840	0.11
Lennar 6.625% 01/05/20	172,000	139	0.02
Lennar 8.375% 15/01/21	1,413,000	1,197	0.16
Level 3 Financing 5.375% 15/08/22	8,985,000	7,091	0.96
Level 3 Financing 6.125% 15/01/21	2,743,000	2,173	0.30
Level 3 Parent 5.75% 01/12/22	10,242,000	8,143	1.11
Live Nation Entertainment 5.375% 15/06/22	6,800,000	5,426	0.74
LTF Merger Sub 8.5% 15/06/23	5,955,000	4,793	0.65
MEDNAX 5.25% 01/12/23	2,399,000	1,860	0.25
MGM Resorts International 6.625% 15/12/21	6,720,000	5,727	0.78
MGM Resorts International 6.75% 01/10/20	2,799,000	2,305	0.31
Michaels Stores 5.875% 15/12/20	5,793,000	4,572	0.62
Moog 5.25% 01/12/22	4,901,000	3,939	0.54
Multi-Color 6.125% 01/12/22	5,800,000	4,714	0.64
Murphy Oil 6% 15/08/23	1,070,000	867	0.12
National CineMedia 6% 15/04/22	5,935,000	4,725	0.64
NCR 4.625% 15/02/21	6,899,000	5,451	0.74
NCR 5.875% 15/12/21	6,949,000	5,532	0.75
Netflix 5.375% 01/02/21	2,170,000	1,768	0.24
Netflix 5.5% 15/02/22	4,280,000	3,542	0.48
Newfield Exploration 5.75% 30/01/22	1,431,000	1,208	0.16
Nextar Broadcasting 5.625% 01/08/24	4,890,000	3,979	0.54
Nexstar Broadcasting 5.875% 15/11/22	3,072,000	2,474	0.34
Nexstar Broadcasting 6.125% 15/02/22	6,740,000	5,385	0.73
NGPL PipeCo 4.375% 15/08/22	2,681,000	2,188	0.30
Nielsen Finance 4.5% 01/10/20	3,135,000	2,474	0.34
Nielsen Finance 5% 15/04/22	10,632,000	8,348	1.13
Outfront Media 5.625% 15/02/24	870,000	705	0.10

AXA US Short Duration High Yield Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Owens-Brockway Glass Container 5% 15/01/22	4,225,000	3,413	0.46
Parsley Energy 6.25% 01/06/24	2,321,000	1,903	0.26
Party City 6.125% 15/08/23	3,137,000	2,479	0.34
Penske Automotive 3.75% 15/08/20	3,970,000	3,129	0.43
Penske Automotive 5.75% 01/10/22	3,347,000	2,674	0.36
PQ 6.75% 15/11/22	8,226,000	6,713	0.91
Prestige Brands 5.375% 15/12/21	11,207,000	8,877	1.21
Prime Security Services Borrower 9.25% 15/05/23	6,568,000	5,439	0.74
PulteGroup 4.25% 01/03/21	4,061,000	3,257	0.44
QEP Resources 6.875% 01/03/21	3,550,000	2,875	0.39
IQVIA 4.875% 15/05/23	3,677,000	2,981	0.41
Range Resources 5.75% 01/06/21	6,856,000	5,458	0.74
Realogy 5.25% 01/12/21	10,435,000	7,957	1.08
Reynolds 5.125% 15/07/23	3,611,000	2,899	0.39
Reynolds 5.75% 15/10/20	5,615,979	4,437	0.60
Reynolds 5.80338 % 15/07/21	7,295,000	5,750	0.78
Reynolds 6.875% 15/02/21	1,240,604	980	0.13
SBA Communications 4% 01/10/22	2,523,000	2,013	0.27
SBA Communications 4.875% 15/07/22	4,050,000	3,232	0.44
Scientific Games International 10% 01/12/22	8,644,000	7,145	0.97
Sealed Air 4.875% 01/12/22	1,487,000	1,226	0.17
Sealed Air 5.25% 01/04/23	1,153,000	954	0.13
Sealed Air 6.5% 01/12/20	1,100,000	897	0.12
Service 5.375% 15/05/24	4,505,000	3,651	0.50
Sinclair Television 5.375% 01/04/21	6,405,000	5,055	0.69
Sinclair Television 6.125% 01/10/22	7,225,000	5,787	0.79
Sirius XM Radio 3.875% 01/08/22	7,381,000	5,863	0.80
Sirius XM Radio 4.625% 15/05/23	730,000	583	0.08
Sirius XM Radio 4.625% 15/07/24	3,163,000	2,542	0.35
Sirius XM Radio 6% 15/07/24	455,000	370	0.05
Solera 10.5% 01/03/24	9,505,000	8,119	1.10
Sophia 9% 30/09/23	4,162,000	3,387	0.46
Southern Star Central 5.125% 15/07/22	6,850,000	5,440	0.74
Spectrum Brands 6.625% 15/11/22	1,818,000	1,467	0.20
Sprint 7.25% 15/09/21	7,365,000	6,139	0.83
Sprint Communications 7% 01/03/20	3,397,000	2,744	0.37
Sprint Communications 11.5% 15/11/21	3,900,000	3,573	0.49
Standard Industries 5.5% 15/02/23	4,246,000	3,426	0.47
Steel Dynamics 5.125% 01/10/21	2,980,000	2,372	0.32
Sotera Health 6.5% 15/05/23	5,417,000	4,291	0.58
Summit Materials 6.125% 15/07/23	3,402,000	2,715	0.37
Sunoco 4.875% 15/01/23	5,342,000	4,310	0.59
Symantec 3.95% 15/06/22	1,590,000	1,269	0.17
Syneos Health 7.5% 01/10/24	2,661,000	2,181	0.30
Targa Resources Partners 5.25% 01/05/23	4,559,000	3,643	0.50
Taylor Morrison Communities 6.25% 15/05/22	2,057,000	1,682	0.23
TEGNA 6.375% 15/10/23	2,596,000	2,107	0.29
Tenet Healthcare 6% 01/10/20	3,934,000	3,198	0.44
T-Mobile USA 4% 15/04/22	906,000	731	0.10
T-Mobile USA 6% 01/03/23	4,305,000	3,469	0.47
TransDigm 6% 15/07/22	10,269,000	8,195	1.11
TreeHouse Foods 6% 15/02/24	2,895,000	2,356	0.32
Tribune Media 5.875% 15/07/22	7,880,000	6,288	0.85
Unisys 10.75% 15/04/22	4,237,000	3,686	0.50
Univar USA 6.75% 15/07/23	6,845,000	5,496	0.75
Univision Communications 6.75% 15/09/22	10,893,000	8,720	1.19
Watco 6.375% 01/04/23	6,305,000	5,038	0.68

AXA US Short Duration High Yield Fund

Portfolio Statement
As at 30 June 2019

	Holding	Market Value £'000	% of Total Net Assets
Welbilt 9.5% 15/02/24	5,202,000	4,397	0.60
WESCO Distribution 5.375% 15/12/21	1,550,000	1,231	0.17
WMG Acquisition 5% 01/08/23	995,000	800	0.11
WPX Energy 6% 15/01/22	1,885,000	1,538	0.21
WR Grace & Co-Conn 5.125% 01/10/21	5,310,000	4,342	0.59
Zayo 6% 01/04/23	10,179,000	8,223	1.12
ZF North America Capital 4% 29/04/20	1,093,000	868	0.12
TOTAL CORPORATE BONDS		**723,111**	**98.29**
FORWARD CURRENCY CONTRACTS (1.74%) (30/06/18: (4.48%))			
Sold USD335,780,352 for GBP256,001,000 Settlement 22/07/2019		(8,389)	(1.14)
Sold USD314,451,658 for GBP243,266,202 Settlement 19/08/2019		(4,026)	(0.55)
Sold USD296,600,261 for GBP232,589,000 Settlement 23/09/2019		(338)	(0.05)
TOTAL FORWARD CURRENCY CONTRACTS		**(12,753)**	**(1.74)**
Portfolio of investments		710,358	96.55
Net other assets		25,391	3.45
Total net assets		**735,749**	**100.00**

All bonds are denominated in US dollars (unless otherwise indicated).

At 30 June 2019, there were no investments in the Fund which were valued using a quote from a single broker (30/06/18: £nil).

AXA US Short Duration High Yield Fund

Comparative Tables

As at 30 June 2019

	Z Net Income			Z Net Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	92.48	95.79	95.42	126.31	126.11	121.54
Return before operating charges ^	1.21	0.95	4.77	1.67	1.16	6.06
Operating charges ^	(0.20)	(0.72)	(0.74)	(0.28)	(0.96)	(0.95)
Return after operating charges ^	1.01	0.23	4.03	1.39	0.20	5.11
Transfer to gross share class	(93.49)	-	-	(127.70)	-	-
Distributions	-	(3.54)	(3.66)	-	(4.68)	(4.63)
Retained distributions on accumulation shares	-	-	-	-	4.68	4.09
Closing net asset value per share †	-	92.48	95.79	-	126.31	126.11
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.09%	0.24%	4.22%	1.10%	0.16%	4.21%
Other information						
Closing net asset value (£) †	-	38,647,723	45,882,219	-	56,477,472	23,047,514
Closing number of shares	-	41,791,212	47,899,995	-	44,713,663	18,276,177
Operating charges ^	-	0.76%	0.76%	-	0.76%	0.76%
Direct transaction costs *	-	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	94.06	96.96	98.18	128.40	127.50	126.80
Lowest share price #	93.13	94.23	95.78	127.20	126.10	122.20

	Z Gross Income			Z Gross Accumulation		
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	92.53	95.87	95.43	134.49	134.25	128.82
Return before operating charges ^	4.11	0.92	4.79	6.08	1.27	6.44
Operating charges ^	(0.71)	(0.73)	(0.74)	(1.05)	(1.03)	(1.01)
Return after operating charges ^	3.40	0.19	4.05	5.03	0.24	5.43
Distributions	(3.90)	(3.53)	(3.61)	(5.75)	(5.01)	(4.71)
Retained distributions on accumulation shares	-	-	-	5.75	5.01	4.71
Closing net asset value per share †	92.03	92.53	95.87	139.52	134.49	134.25
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	3.67%	0.20%	4.25%	3.74%	0.18%	4.22%
Other information						
Closing net asset value (£) †	31,008,516	2,421,293	18,950,773	103,283,614	1,662,691	11,622,488
Closing number of shares	33,693,344	2,616,676	19,767,332	74,029,325	1,236,257	8,657,194
Operating charges ^	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	94.35	97.01	98.52	140.20	135.80	134.90
Lowest share price #	90.28	94.28	95.80	133.60	134.30	129.60

AXA US Short Duration High Yield Fund

Comparative Tables

As at 30 June 2019

	ZI Net Income			ZI Net Accumulation		
Change in net assets per share	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 + (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	92.49	95.84	95.48	128.82	128.21	123.23
Return before operating charges ^	1.21	0.91	4.71	1.65	1.20	6.15
Operating charges ^	(0.12)	(0.44)	(0.45)	(0.17)	(0.59)	(0.58)
Return after operating charges ^	1.09	0.47	4.26	1.48	0.61	5.57
Transfer to gross share class	(93.58)	-	-	(130.30)	-	-
Distributions	-	(3.82)	(3.90)	-	(5.18)	(5.08)
Retained distributions on accumulation shares	-	-	-	-	5.18	4.49
Closing net asset value per share †	-	92.49	95.84	-	128.82	128.21
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	1.18%	0.49%	4.46%	1.15%	0.48%	4.51%
Other information						
Closing net asset value (£) †	-	204,311,823	270,119,294	-	161,881,048	87,764,663
Closing number of shares	-	220,895,343	281,829,807	-	125,667,242	68,451,500
Operating charges ^	-	0.46%	0.46%	-	0.46%	0.46%
Direct transaction costs *	-	0.00%	0.00%	-	0.00%	0.00%
Prices						
Highest share price #	94.13	97.02	98.27	131.10	129.80	128.90
Lowest share price #	93.14	94.27	95.84	129.70	128.50	123.90

	ZI Gross Income			ZI Gross Accumulation		
Change in net assets per share	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**	**30/06/2019 (p)**	**30/06/2018 (p)**	**30/06/2017 (p)**
Opening net asset value per share †	92.29	95.65	95.27	137.65	137.02	131.09
Return before operating charges ^	4.08	0.90	4.73	6.22	1.26	6.55
Operating charges ^	(0.43)	(0.44)	(0.45)	(0.65)	(0.63)	(0.62)
Return after operating charges ^	3.65	0.46	4.28	5.57	0.63	5.93
Distributions	(4.16)	(3.82)	(3.90)	(6.28)	(5.52)	(5.42)
Retained distributions on accumulation shares	-	-	-	6.28	5.52	5.42
Closing net asset value per share †	91.78	92.29	95.65	143.22	137.65	137.02
*^ after direct transaction costs of:	-	-	-	-	-	-
Performance						
Return after operating charges	3.95%	0.48%	4.49%	4.05%	0.46%	4.52%
Other information						
Closing net asset value (£) †	339,267,154	248,268,339	313,735,972	262,189,467	129,902,270	142,275,773
Closing number of shares	369,637,424	269,021,155	328,020,677	183,072,454	94,372,933	103,838,425
Operating charges ^	0.46%	0.46%	0.46%	0.46%	0.46%	0.46%
Direct transaction costs *	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest share price #	94.23	96.82	98.39	143.90	138.70	137.70
Lowest share price #	90.04	94.06	95.64	136.90	137.30	131.90

+ Net share classes converted into gross share classes on 12 October 2018.

† Valued at bid-market prices.

High and low price disclosures are based on quoted share prices (Mid Market Price). Therefore the opening and closing NAV prices may fall outside the high / low price threshold.

^ Operating charges include indirect costs incurred in the maintenance and running of the sub-fund, as disclosed in the detailed expenses within the Statement of Total Return.

* Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, within the accounting year.

The figures used within the table have been calculated against the average net asset value for the accounting year.

AXA US Short Duration High Yield Fund

Statement of Total Return

For the year ended 30 June 2019

	Note	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Income:					
Net capital losses	2		(5,431)		(31,790)
Revenue	3	38,703		40,454	
Expenses	4	(3,951)		(4,387)	
Interest payable and similar charges		-		-	
Net revenue before taxation		34,752		36,067	
Taxation	5	-		-	
Net revenue after taxation			34,752		36,067
Total return before distributions			29,321		4,277
Distributions	6		(34,754)		(36,065)
Change in net assets attributable to Shareholders from investment activities			**(5,433)**		**(31,788)**

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 June 2019

	01/07/18 to 30/06/19 £'000	£'000	01/07/17 to 30/06/18 £'000	£'000
Opening net assets attributable to Shareholders		843,573		913,399
Amounts receivable on issue of shares	178,979		206,445	
Amounts payable on cancellation of shares	(295,956)		(257,262)	
		(116,977)		(50,817)
Change in net assets attributable to Shareholders from investment activities (see above)		(5,433)		(31,788)
Retained distributions on accumulation shares		14,586		12,779
Closing net assets attributable to Shareholders		**735,749**		**843,573**

AXA US Short Duration High Yield Fund

Balance Sheet

As at 30 June

	Note	30/06/19 £'000	30/06/18 £'000
Assets:			
Fixed assets:			
Investments		723,111	853,348
Current assets:			
Debtors	7	11,471	14,512
Cash and bank balances	8	26,647	30,367
Total assets		**761,229**	**898,227**
Liabilities:			
Investment liabilities		(12,753)	(38,354)
Creditors:			
Distribution payable		(8,053)	(10,669)
Other creditors	9	(4,674)	(5,631)
Total liabilities		**(25,480)**	**(54,654)**
Net assets attributable to Shareholders		**735,749**	**843,573**

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2019

1. Accounting Basis And Policies

The Fund's Financial Statements have been prepared on the basis detailed on pages 207 - 209.

2. Net capital losses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
The net capital losses comprise:		
Non-derivative securities	40,633	(27,980)
Currency losses	(2,178)	(4,975)
Forward currency contracts	(43,883)	1,169
Transaction charges	(3)	(4)
Net capital losses	**(5,431)**	**(31,790)**

3. Revenue

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Bank interest	210	133
Interest on debt securities	38,493	40,321
Total revenue	**38,703**	**40,454**

4. Expenses

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Payable to the ACD, associates of the ACD, and agents of either of them		
Annual Management Charge	3,859	4,298
Registration fees	4	4
	3,863	4,302
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	32	32
Safe custody fees	42	43
	74	75
Other expenses		
Audit fees	9	9
Printing fees	5	1
	14	10
Total expenses	**3,951**	**4,387**

AXA US Short Duration High Yield Fund

Notes to the Financial Statements
For the year ended 30 June 2019

5. Taxation

(a) Analysis of the tax charge in the year

There is no corporation tax charge in the current year or prior year.

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax for an open ended investment company of 20% (2018: 20%) is applied to the net revenue before taxation. The differences are explained below:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Net revenue before taxation	34,752	36,067
Net revenue for the year multiplied by the standard rate of corporation tax	6,950	7,213
Effects of:		
Tax deductible interest distributions	(6,950)	(7,213)
Current tax charge for the year	**-**	**-**

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance sheet date in the current year or prior year.

(d) Factors that may affect future tax charges

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (2018: £nil) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

6. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprise:

	01/07/18 to 30/06/19 £'000	01/07/17 to 30/06/18 £'000
Interim	16,062	17,729
Final	15,770	18,018
Add: Revenue paid on cancellation of Shares	10,876	2,582
Deduct: Revenue received on creation of Shares	(7,954)	(2,264)
Net distribution for the year	**34,754**	**36,065**
Reconciliation of net revenue after taxation to distributions		
Net revenue after taxation	34,752	36,067
Equalisation on conversion of Shares	2	(2)
Net distribution for the year	**34,754**	**36,065**

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2019

7. Debtors

	30/06/19 £'000	30/06/18 £'000
Amounts receivable for creation of shares	1,691	833
Sales awaiting settlement	-	1,529
Accrued revenue	9,780	12,150
Total debtors	**11,471**	**14,512**

8. Cash and bank balances

	30/06/19 £'000	30/06/18 £'000
Cash and bank balances	26,647	30,367
Total cash and bank balances	**26,647**	**30,367**

9. Other creditors

	30/06/19 £'000	30/06/18 £'000
Amounts payable for cancellation of Shares	1,068	4,579
Purchases awaiting settlement	3,231	665
Annual Management Charge	288	336
Accrued other expenses	87	51
Total other creditors	**4,674**	**5,631**

10. Related party transactions

The ACD is related to the Fund as defined by Financial Reporting Standard 102.33 'Related Party Disclosures'.

Annual management charge paid to the ACD and Registration fees are disclosed in Note 4 and amounts due at the year end are disclosed in Note 9.

Monies received and paid by the ACD through the creation and cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in Notes 7 and 9.

The ACD and its associates (including other authorised investment Funds managed by the ACD) have no Shareholdings in the Company at the year end.

As at 30 June 2019 there are no shareholders with holdings over 25% (30/06/2018: 27.75%) of the Funds' shares. Other than disclosed elsewhere in the financial statements, there were no material transactions between the Fund and related parties during the year.

11. Share classes

The reconciliation of the opening and closing numbers of shares of each class, along with the ACD's Annual Management Charges applicable to each class, is shown below:

	Annual Management Charge rate (%)	30/06/18	Issued	Cancelled	Converted	30/06/19
Z Net Income +	0.75	41,791,212	2,699,242	(3,151,571)	(41,338,883)	-
Z Net Accumulation +	0.75	44,713,663	3,948,706	(697,556)	(47,964,813)	-
Z Gross Income	0.75	2,616,676	17,609,220	(20,969,545)	34,436,993	33,693,344
Z Gross Accumulation	0.75	1,236,257	47,113,821	(17,377,580)	43,056,827	74,029,325
ZI Net Income +	0.45	220,895,343	7,648,122	(18,192,829)	(210,350,636)	-
ZI Net Accumulation +	0.45	125,667,242	31,513,054	(11,598,959)	(145,581,337)	-
ZI Gross Income	0.45	269,021,155	23,529,941	(140,621,812)	217,708,140	369,637,424
ZI Gross Accumulation	0.45	94,372,933	164,833,126	(214,369,188)	138,235,583	183,072,454

+ Net share classes converted into gross share classes on 12 October 2018.

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2019

12. Commitments, contingent liabilities and contingent assets

There are no commitments, contingent liabilities and contingent assets as at the balance sheet date (2018: nil).

13. Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are outlined below.

Market price risk

The Fund invests principally in fixed income securities. The value of the Fund's investment portfolio is not fixed and may go down as well as up. This may be as a result of a specific factor affecting the value of an individual company or may be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to manage these risks by adhering to investment guidelines and to investment and borrowing powers set out in the Prospectus. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as at 30 June 2018).

Market price risk sensitivity

A 10% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £72,311,079 (2018: £85,281,892). A 10% decrease would have an equal and opposite effect.

Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

	Net foreign currency exposure	
Currency	**30/06/19 £'000**	**30/06/18 £'000**
US dollar	5,786	12,721
Total foreign currency exposure	5,786	12,721

As at balance sheet date there was no significant exposure to foreign currency therefore no foreign exchange rate senstivity anaylsis is disclosed.

Interest rate risk

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital, with the exception of index linked bonds which are protected against the effect of inflation.

AXA US Short Duration High Yield Fund

Notes to the Financial Statements

For the year ended 30 June 2019

Interest rate risk profile of financial assets and liabilities

The table below shows the interest rate risk profile at the balance sheet date:

Currency Assets	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	5,911	-	1,691	7,602
US dollar	26,486	717,361	9,780	753,627
Total	**32,397**	**717,361**	**11,471**	**761,229**
30/06/18				
Pound sterling	4,875	-	833	5,708
US dollar	28,728	849,583	14,208	892,519
Total	**33,603**	**849,583**	**15,041**	**898,227**

Currency Liabilities	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30/06/19				
Pound sterling	-	-	(9,496)	(9,496)
US dollar			(15,984)	(15,984)
Total	**-**	**-**	**(25,480)**	**(25,480)**
30/06/18				
Pound sterling			(15,635)	(15,635)
US dollar			(39,019)	(39,019)
Total	**-**	**-**	**(54,654)**	**(54,654)**

Sensitivity analysis

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A 1% increase in interest rates would have the effect of decreasing the return and net assets by £7,520,000 (2018: £16,033,000) A 1% decrease would have an equal and opposite effect.

Credit risk

The Fund runs a very low credit risk in respect of unsettled investment transactions as these are normally settled as cash against delivery.

Fixed interest investments are exposed to credit risk which reflects the ability of the bond issuer to meet its obligations. Generally, the higher the rate of interest, the higher the perceived credit risk of the issuer. The ACD monitors the credit quality and risk of the portfolio as a part of the overall investment process and in accordance with the objective and policy of each sub-fund.

Transactions in securities may expose the Fund to the risk that the counterparty will not settle the transaction or do so on a timely basis.

All transactions in the funds are conducted through counterparties approved by the ACD.

AXA US Short Duration High Yield Fund

Notes to the Financial Statements
For the year ended 30 June 2019

A breakdown of the investment portfolio by credit rating is disclosed on the table below:

Credit Rating	30/06/19 Market Value £'000	%	30/06/18 Market Value £'000	%
Investment grade	51,214	6.95	15,186	1.81
Speculative grade	654,612	89.00	820,911	97.30
Unrated	17,285	2.34	16,722	1.98
Total value of bonds	**723,111**	**98.29**	**852,819**	**101.09**

Counterparty risk
Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties. Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

Financial derivative instrument risk exposure
The exposure obtained through financial derivative instruments and identity of counterparties as at 30 June 2019 was as follows:

(a) Forwards	30/06/19 Exposure £'000	30/06/18 Exposure £'000
Barclays Bank	740,638	287,282
BNP Paribas	-	5,108
JP Morgan	3,971	10,160
Societe Generale	-	639,113
Total value of derivatives	**744,609**	**941,663**

14. Portfolio transaction costs
There were no transactions costs incurred during the year to 30 June 2019.

At the balance sheet date the average portfolio dealing spread was 0.75% (2018: 0.78%).

15. Post balance sheet events
There are no post balance sheet events which require adjustments or disclosure.

16. Fair value disclosure

Valuation technique	30/06/19 Assets £'000	30/06/19 Liabilities £'000	30/06/18 Assets £'000	30/06/18 Liabilities £'000
Level 1 ^	-	-	-	-
Level 2 ^^	723,111	(12,753)	853,348	(38,354)
Level 3 ^^^	-	-	-	-
	723,111	**(12,753)**	**853,348**	**(38,354)**

^ Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

^^ Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

^^^ Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The fair value of the Fund's investments has been determined using the hierarchy above.

AXA US Short Duration High Yield Fund

Distribution Table

As at 30 June 2019

Interim Distribution in pence per share

Group 1 Shares purchased prior to 1 July 2018

Group 2 Shares purchased on or after 1 July 2018 to 31 December 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 28/02/19 (p)	Distribution paid 28/02/18 (p)
Share Class Z Net Income +				
Group 1	-	-	-	1.678
Group 2	-	-	-	1.678
Share Class Z Net Accumulation +				
Group 1	-	-	-	2.193
Group 2	-	-	-	2.193
Share Class Z Gross Income				
Group 1	2.023	-	2.023	1.664
Group 2	0.758	1.265	2.023	1.664
Share Class Z Gross Accumulation				
Group 1	2.941	-	2.941	2.349
Group 2	0.759	2.182	2.941	2.349
Share Class ZI Net Income +				
Group 1	-	-	-	1.808
Group 2	-	-	-	1.808
Share Class ZI Net Accumulation +				
Group 1	-	-	-	2.444
Group 2	-	-	-	2.444
Share Class ZI Gross Income				
Group 1	2.148	-	2.148	1.810
Group 2	0.869	1.279	2.148	1.810
Share Class ZI Gross Accumulation				
Group 1	3.206	-	3.206	2.591
Group 2	1.375	1.831	3.206	2.591

AXA US Short Duration High Yield Fund

Distribution Table

As at 30 June 2019

Final Distribution in pence per share

Group 1 Shares purchased prior to 1 January 2019

Group 2 Shares purchased on or after 1 January 2019 to 30 June 2019

	Gross revenue (p)	Equalisation (p)	Distribution payable 30/08/19 (p)	Distribution paid 31/08/18 (p)
Share Class Z Net Income +				
Group 1	-	-	-	1.864
Group 2	-	-	-	1.864
Share Class Z Net Accumulation +				
Group 1	-	-	-	2.488
Group 2	-	-	-	2.488
Share Class Z Gross Income				
Group 1	1.875	-	1.875	1.866
Group 2	0.897	0.978	1.875	1.866
Share Class Z Gross Accumulation				
Group 1	2.812	-	2.812	2.658
Group 2	1.012	1.800	2.812	2.658
Share Class ZI Net Income +				
Group 1	-	-	-	2.011
Group 2	-	-	-	2.011
Share Class ZI Net Accumulation +				
Group 1	-	-	-	2.738
Group 2	-	-	-	2.738
Share Class ZI Gross Income				
Group 1	2.007	-	2.007	2.007
Group 2	0.821	1.186	2.007	2.007
Share Class ZI Gross Accumulation				
Group 1	3.078	-	3.078	2.928
Group 2	2.449	0.629	3.078	2.928

+ Net share classes converted into gross share classes on 12 October 2018.

Accounting Policies

For the year ended 30 June 2019

1. Accounting Basis and Policies

(a) Basis of accounting

The Financial Statements of the Company comprise the Financial Statements of each of the sub-funds and have been prepared on a historical cost basis, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard 102 ("FRS 102") and the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association ("IMA") in May 2014, and amended in June 2017. The Financial Statements have been prepared on a going concern basis. The Financial Statements are prepared in accordance with the Instrument of Incorporation and the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL").

(b) Recognition of revenue

Revenue on debt securities (including allowance for interest bought and sold) is accounted for on an accruals basis. Where it is considered that a bond has a likelihood of default appropriate provisions are made against any accrued revenue. Revenue from debt securities is accounted for on a basis which takes account of the amortisation of any discount or premium between the purchase price and the expected final maturity price over the remaining life of the security. Accrued interest on purchase and sale contracts is recognised as revenue and transferred to revenue or capital as appropriate.

Interest on bank and other cash deposits is recognised on an accruals basis.

Returns on derivative transactions have been treated as either revenue or capital depending on the motives and circumstances on acquisition.

(c) Treatment of expenses

Expenses of the Funds are charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the Funds. Accrued interest on purchase and sale contracts is recognised as revenue and transferred to revenue or capital as appropriate.

(d) Allocation of revenue and expenses to multiple share classes and funds

Any revenue or expenses not directly attributable to a particular Share Class or fund will normally be allocated pro-rata to the net assets of the relevant share classes and funds.

(e) Taxation

Tax is provided for using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.

Corporation tax is provided for on the income liable to corporation tax less deductible expenses.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(f) Distribution policy

The net revenue after taxation, as disclosed in the Financial Statements, after adjustment for items of a capital nature, is distributable to Shareholders as dividend distributions. Any revenue deficit is deducted from capital.

In addition, the portfolio transaction charges will be charged wholly to the capital of all Funds. Accordingly, the imposition of such charges may constrain the capital growth of every Fund.

Where the revenue from investments exceeds the expenses of a Fund, Transfers are made to Capital on behalf of all holders of Accumulation shares in all Funds. Tax vouchers will be issued to Shareholders.

Funds which predominantly hold Index-Linked securities will disregard the amounts recognised in respect of indexation when determining the amount available for distribution.

Accounting Policies

For the year ended 30 June 2019

(g) Basis of valuation of investments

All investments are valued at bid prices excluding any accrued interest, in the case of fixed interest securities, at 4:30pm (UK time) on 30 June 2019, being the last business day of the accounting period (with the exception of Global High Income Fund, US Short Duration High Yield Fund & Global Short Duration. Fund which value at midday (UK time)).

The value of derivative contracts is calculated with reference to the price/value of the underlying asset(s) and other relevant factors such as interest rates and volatility.

(h) Exchange rates

Transactions in foreign currencies are recorded in Sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into Sterling at the closing mid market exchange rates ruling on that date.

(i) Dilution adjustment

The ACD may require a dilution adjustment on the sale and redemption of Shares if, in its opinion, the existing Shareholders (for sales) or remaining Shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution adjustment may be charged in the following circumstances: where the scheme property is in continual decline; on a Fund experiencing large levels of net sales relative to its size; on ‘large deals’; in any case where the ACD is of the opinion that the interests of remaining Shareholders require the imposition of a dilution adjustment.

(j) Equalisation

Equalisation applies only to Shares purchased during the distribution period (Group 2 Shares). It represents the accrued revenue included in the purchase price of the Shares.

After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the Shares for Capital Gains tax purposes.

2. Derivatives and other financial instruments

In pursuing the investment objectives a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for hedging purposes.

The main risks from the Company's holdings of financial instruments are discussed below, the ACD's policy for managing these risks are shown in the individual sub-funds Investment Manager's Report.

(a) Foreign currency risk

A significant portion of the Company’s assets may be denominated in a currency other than the base currency of the Company or Class. There is the risk that the value of such assets and/or the value of any distributions from such assets may decrease if the underlying currency in which assets are traded falls relative to the base currency in which Shares of the relevant Fund are valued and priced. Foreign currency risk is analysed within the financial statements of each individual sub-fund.

(b) Interest rate risk profile of financial assets and liabilities

The interest rate risk is the risk that the value of the Company's investments will fluctuate due to changes in the interest rate. Cashflows from floating rate securities, bank balances, or bank overdrafts will be affected by the changes in interest rates. These cashflows are considered to be of secondary importance and are not actively managed.

The Company did not have any long term financial liabilities at the balance sheet date.

Interest rate risk is analysed within the financial statements of each individual sub-fund.

(c) Credit risk

All bonds have a potential credit risk, in that the issuer could default on its obligations to pay income and/or capital. An issuer default would likely result in a large drop in the value of that bond. The value of a bond will also be affected by the perceived credit risk of the issuer, including changes to credit ratings and the general level of aversion to credit risk in the market.

Accounting Policies

For the year ended 30 June 2019

Generally, a higher level of perceived credit risk leads to a fall in the value of the bond, and vice versa. Credit risk can be measured by ratings assigned to issuers of bonds by third party credit rating agencies. The largest credit rating agencies are Moody's, Standard & Poor's and Fitch Ratings. Each credit rating agency uses different designations. The highest designation (Aaa (Moody's), AAA (Standard & Poor's and Fitch Ratings)) are intended to represent a lower probability of default of the issuer. The credit rating agencies designate "investment grade" bonds as Baa3 or above (Moody's) or BBB- or above (Standard & Poor's or Fitch Ratings).

(d) Liquidity risk

Subject to the Regulations, the Company may invest up to and including 10% of the Scheme Property of the Company in transferable securities which are not approved securities (essentially transferable securities which are admitted to official listing in an EEA state or traded on or under the rules of an eligible securities market). Such securities and instruments are generally not publicly traded, may be unregistered for securities law purposes and may only be able to be resold in privately negotiated transactions with a limited number of purchasers. The difficulties and delays associated with such transactions could result in the Company's inability to realise a favourable price upon disposal of such securities, and at times might make disposition of such securities and instruments impossible. To the extent the Company invests in securities and instruments the terms of which are privately negotiated, the terms of such securities and instruments may contain restrictions regarding resale and transfer.

In addition, certain listed securities and instruments, particularly securities and instruments of smaller capitalised or less seasoned issuers, may from time to time lack an active secondary market and may be subject to more abrupt or erratic price movements than securities of larger, more established companies or stock market averages in general. In the absence of an active secondary market the Company's ability to purchase or sell such securities at a fair price may be impaired or delayed.

Under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, corporate and emerging market bonds may be affected by the demand in the market for such bonds carrying credit risk, particularly in times of significant market stress. As a result, it may not be possible to buy or sell such investments at a preferred time, close to the last market price quoted or in the volume desired. The ACD may be forced to buy or sell such investments as a consequence of Shareholders buying or selling Shares in the Fund. Depending on market conditions at the time, this could lead to a significant drop in the Fund's value.

Analysis does not suggest that liquidity risk is currently a concern to any of the sub-Funds and therefore no numerical analysis is presented. Regular monitoring is conducted to ensure a high degree of confidence that Fund liquidity will meet the Fund's expected liquidity requirements.

(e) Market price risk

The Company invests principally in fixed income securities. The value of these instruments fluctuate which may be the result of a specific factor affecting the value or caused by general market factors which can affect the entire portfolio. The main risks affecting the value of the portfolio are the credit, interest rates and currency risk. The Investment Manager monitors and seeks to minimize these risks as a part of the overall investment process and in accordance with investment guidelines and to investment and borrowing powers set out in the Prospectus. For example, the Investment Manager will focus on credit analysis to create a portfolio that seeks diversification so that it improves resilience against default. In addition, the Fund complies with the Collective Investment Schemes sourcebook ("COLL"), which include rules relating to investment holdings that are designed to place limits on the Fund's investment concentration (same as prior year).

(f) Counterparty risk

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties.

Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

(g) Inflation risk

Inflation Linked Bond Risk: unlike other bonds, an inflation protected security (such as index linked gilts) reduces the negative effect of inflation on its real value. The market value of such securities will be affected both by the market's perception of future movements in interest rates and the future rate of inflation. Therefore the market value of such securities (and the value of the Fund) may not move in line with inflation rates in the short to medium term.

(h) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Statement of the Authorised Corporate Director's ("ACD") Responsibilities

The Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes sourcebook ("COLL") require the ACD to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of its net revenue and the net capital gains/(losses) on the property of the Company for the period. In preparing the financial statements the ACD is required to:

- Select suitable accounting policies and then apply them consistently;
- Conform with the disclosure requirements of the Statement of Recommended Practice - Financial statements of UK Authorised Funds issued by the Investment Management Association ("IMA SORP 2014") in May 2014, and amended in June 2017;
- Follow generally accepted accounting principles and applicable accounting standards;
- Keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for the management of each portfolio in accordance with the Instrument of Incorporation, Prospectus and COLL.

The ACD is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the AXA Investment Managers UK Limited website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors approval

In accordance with the requirements of the Financial Conduct Authority Sourcebook, the contents of this report have been approved on behalf of AXA Investment Managers UK Limited by:

John Stainsby
Director

Josephine Tubbs
Authorised Signatory

24th October 2019

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to Shareholders of the AXA Fixed Interest Investment ICVC ("the Company") for the Period Ended 30th June 2019

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

• the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
• the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
• the value of shares of the Company are calculated in accordance with the Regulations;
• any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
• the Company's income is applied in accordance with the Regulations; and
• the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

HSBC Bank PLC

24th October 2019

Independent Auditors' Report to the members of AXA Fixed Interest Investment ICVC

Report on the financial statements

Our opinion

In our opinion, AXA Fixed Interest Investment ICVC's financial statements:

• give a true and fair view of the financial position of the Company and each of the sub-funds as at 30 June 2019 and of the net revenue and net expenses and the net capital gains/(losses) on the scheme property of the Company and each of the sub-funds for the year then ended; and

• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

AXA Fixed Interest Investment ICVC (the 'company') is an Open Ended Investment Company ('OEIC') with eight sub-funds.The financial statements of the company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Final Long Report (the 'Annual Report'), which comprises: the statement of total return, the statement of change in net assets attributable to shareholders for the year then ended and balance sheets as at 30 June 2019; the notes to the financial statements; the distribution tables and the accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

• the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

• the Authorised Corporate Director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's or any of the sub funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's or any of the sub funds' ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is difficult to evaluate all of the potential implications on the company's or any of the sub fund's business and the wider economy.

Independent Auditors' Report to the members of AXA Fixed Interest Investment ICVC

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our Auditors' Report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Authorised Corporate Director's Responsibilities Statement set out on page 210, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the company or individual sub-fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report to the members of AXA Fixed Interest Investment ICVC

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

• proper accounting records have not been kept; or

• the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

24th October 2019

Further Information

Classes of Shares
The Company can issue different classes of shares in respect of any Fund. Holders of Income shares are entitled to be paid the revenue attributable to such shares, in respect of each annual or accounting period. Holders of Accumulation shares are not entitled to be paid the revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

Valuation Point
All investments are valued at their fair value price as at 4:30pm on 30 June 2019 being the last business day of the accounting period (with the exception of Global High Income Fund, US Short Duration High Yield Fund & Global Short Duration Fund which are valued at midday). The fair value for non-derivative securities is bid price. Other investments have been stated at the Manager's valuation and this has been indicated in the portfolio statements.

Significant Information

Remuneration policy of the ACD
The ACD has approved and adopted AXA IM's Global Remuneration Policy, in accordance with the Regulations, which is consistent with, and promotes, sound and effective risk management; does not encourage risk-taking which is inconsistent with the risk profiles of the Funds or the Instrument of Incorporation, and does not impair compliance of the ACD's duty to act in the best interests of each of the Fund's.

AXA IM's Global Remuneration Policy, which has been approved by the AXA IM Remuneration Committee, sets out the principles relating to remuneration within all entities of AXA IM (including the ACD) and takes into account AXA IM's business strategy, objectives, and risk tolerance, as well as the long-term interests of AXA IM's shareholders, employees and clients (including the Funds). The AXA IM Remuneration Committee is responsible for determining and reviewing the AXA IM remuneration guidelines, including the AXA IM Global Remuneration Policy, as well as reviewing the annual remuneration of senior executives of the AXA IM Group and senior officers in control functions.

AXA IM provides both fixed and variable remuneration. An employee's fixed remuneration is structured to reward organisational responsibility, professional experience and the individual's capability to perform the duties of the role. Variable remuneration is based on performance and may be awarded annually on both a non-deferred and, for certain employees, a deferred basis. Non-deferred variable remuneration may be awarded in cash or, where appropriate and subject to local laws and regulation, in instruments linked to the performance of AXA IM funds. Deferred remuneration is awarded through various instruments structured to reward medium and long-term value creation for clients and AXA IM and long-term value creation for the AXA Group. AXA IM ensures appropriate balances between fixed and variable remuneration and deferred and non-deferred remuneration.

Details of the up to date Global Remuneration Policy are published online at https://www.axa-im.com/remuneration. This includes the description of how remuneration and benefits are awarded for employees, and further information on the AXA IM remuneration committee. A paper copy of the up to date Global Remuneration Policy is also available from the ACD free of charge upon request.

Under the UCITS V Directive (2014/91/EU), the Manager is required to disclose information relating to the remuneration paid to its staff for the financial year. The tables below provide an overview:

Total amount of remuneration paid and / or allocated to all staff for the year ended December 31, 2018[1]	
Fixed Pay [2] (£'000)	209,690
Variable Pay [3] (£'000)	246,102
Number of employees [4]	2,547

[1] Excluding social charges
[2] Fixed Pay amount is based on post compensation review 2017 data
[3] Variable compensation, includes:
- the amounts awarded for the performance of the previous year and fully paid over the financial year under review ,
- deferred variable remuneration,
- and long-term incentives set up by the AXA Group.

[4] Number of employees includes Permanent and Temporary contracts excluding internships

Further Information

Remuneration to Identified Employee:

Aggregate amount of compensation paid and / or allocated to risk takers and senior management whose activities have a significant impact on the risk profile of investment vehicles			
	Risk Takers	**Senior Management**	**Total**
Fixed Pay and Variable Remuneration (£'000)	130,033	77,237	207,270
Number of employees	255	71	326

UK Identified Employee Remuneration:

Aggregate amount of compensation paid and / or allocated to risk takers and senior management in the UK Management Company whose activities have a significant impact on the risk profile of investment vehicles			
	Risk Takers	**Senior Management**	**Total**
Fixed Pay and Variable Remuneration (£'000) **	9,102	5,407	14,509
Number of employees	47	16	63

** Data provided are those of AXA Investment Managers UK Limited as at 31 December 2018 after the application of the firm's weighted assets under management against the total global remuneration data.

Other Information
The Instrument of Incorporation, Prospectus and the most recent and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application. Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

Report
The annual report of the Company will be published within four months of each annual accounting period and the report will be published within two months of each accounting period.

Interim accounts	period ended 31 December
Annual accounts	year ended 30 June

Data Protection
The details you have provided will be held on computer by the Funds' Registrar but will not be used for any purpose except to fulfil its obligations to shareholders.

Effects of Personal Taxation
Investors should be aware that unless their shares are held within an ISA, or switched between Funds in this OEIC, selling shares is treated as a disposal for the purpose of Capital Gains tax.

Risk Warning
An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

The Securities Financing Transactions Regulation
The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the ansparency of the securities financing markets.Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps required on all reports & accounts published after 13 January 2017.During the year to 30 June 2019 and at the balance sheet date, the Company did not use SFTs or total return swaps, as such no disclosure is required.

Further Information

Annual Management Charge

AXA Investment Managers UK Limited, as ACD, will receive an Annual Management Charge out of the property for AXA Global High Income Fund at the rate of 0.45% per annum for Class A Shares, 1.25% per annum for Class R Shares, 0.50% per annum for Class Z Shares; for AXA Sterling Corporate Bond Fund at the rate of 1% per annum for Class R Shares, 0.50% per annum for Class Z Shares, 0.40% per annum for Class B Shares; for AXA Sterling Index-Linked Bond Fund at the rate of 0.25% per annum for Class A Shares, 0.75% per annum for Class R Shares, 0.30% per annum for Class Z Shares; for AXA Sterling Strategic Bond Fund at the rate of 1.25% per annum for Class R Shares, 0.50% per annum for Class Z Shares, 0.40% per annum for Class B Shares; for AXA Sterling Credit Short Duration Bond Fund at the rate of 0.35% per annum for Class A Shares, 0.85% per annum for Class R Shares, 0.40% per annum for Class Z Shares, 0.25% per annum for Class ZI Shares; for AXA US Short Duration High Yield Fund at the rate of 0.75% per annum for Class Z Shares, 0.45% per annum for Class ZI Shares; for AXA Global Short Duration Bond Fund at the rate of 0.40% per annum for Class Z Shares, 0.25% per annum for Class ZI Shares, 0.20% per annum for Class S Shares; for AXA Sterling Buy and Maintain Credit Fund at the rate of 0.13% per annum for Class Z Shares based on the net asset value of the relevant Fund calculated on a mid-market basis. The Annual Management Charge accrues monthly and is payable monthly in arrears. The maximum permitted Annual Management Charge payable to the ACD is 2% per annum for Class A, Class B, Class R, Class S, Class Z and Class ZI Shares.

Preliminary Charge

There is currently no initial charge on Class A Shares, Class B Shares, Class R Shares, Class S Shares, Class Z Shares and Class ZI Shares; for Class H Shares there is initial charge 5%.