Interim Long Report & Financial Statements
For the period ended
30 November 2018

AXA Distribution Investment ICVC

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 Distribution 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 Rosenberg Investment Management LLC
4 Orinda Way
Building E
Orinda
California
USA 94563

AXA Investment Managers Asia (Singapore) Limited
133 Cecil Street
15-02 Keck Seng Tower
Singapore 069535

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 Distribution Investment ICVC

AXA Distribution 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 five 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.

None of the sub-funds included within this report have holdings in any of the Company's other sub-funds.

Important Events During the Year

During the period from 1st June 2018 to 30th November 2018 the following change to the Prospectus took place:

Compulsory conversion of net share or unit 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/unit classes in the Fund. Therefore on the 12th October 2018 (the "Conversion Date"), the net paying shares or units converted into the existing gross paying share or unit class.

AXA Defensive Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

Investment Objective

The aim of this Fund is to provide income with some prospect for long-term capital growth.

Investment Policy

The Fund invests in a mix of UK Government bonds, the majority of which are linked to the rate of inflation, shares in large and medium sized UK listed companies, and cash. The Fund's typical asset mix would have at least a minimum investment in UK Government bonds and cash of 60%. As a result of this asset mix the fund's value should be less volatile than a fund with a higher proportion of its investments in shares. The fund manager selects shares in companies based upon their prospects for future growth in dividend payments following an in depth analysis of their financial status, quality of business model and corporate governance arrangements. Investments in UK Government bonds are diversified across a range of maturities (i.e., the length of time for full repayment of the bond by the Government).

Risk and Reward Profile

As at 30 November 2018 (unaudited)

By investing in a fund which invests primarily in fixed interest stocks you are likely to be looking for an investment which has reduced risk and you are prepared to accept less potential reward than is the case with other funds. 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 a fund which invests significantly in equities or overseas.

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:

• 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.

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.

AXA Defensive Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

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.

• 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.

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, a 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.

• Equity risk - the value of shares in which a Fund invests fluctuate pursuant to market expectations. The value of such shares will go up and down and equity markets have historically been more volatile than fixed interest markets. Should the price of shares in which the Fund has invested fall, the Net Asset Value of the Fund will also fall.

Funds investing in shares are generally more volatile than funds investing in bonds or a combination of shares and bonds, but may also achieve greater returns.

Internal investment guidelines are set, if necessary, to ensure equity risk is maintained within a range deemed suitable based on the 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, smaller company shares may trade infrequently and in small volumes and 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, a 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 a 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 Defensive Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

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.

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

The six months to 30 November 2018 saw a resurgence of investor nervousness and macro-driven sentiment, particularly towards the end of the period. The FTSE All-Share Index (on a Total Return basis) fell 7.68% with the FTSE 100 (-7.2%) outperforming the FTSE 250 Index (-10.14%) and FTSE SmallCap Index (-11.88%). Government securities also dropped in value (i.e. yields rose) with the FTSE UK Gilt Index- Linked falling 2.45% versus the conventional gilt equivalents falling 2.54%. Sterling fell 4.1% against the dollar and lost 1.1% to the euro.

UK politics and the countdown to the withdrawal from Europe continue to drive sterling, UK GDP and the London stock market. However, it is worthwhile to take a moment and consider the international backdrop for context.

The booming US economy had been driving US stocks and US Treasury yields higher during the first three quarters of 2018. In September, US consumer confidence hit its highest level since 2000; the monthly average of initial jobless claims fell to the lowest level since 1969; wage growth rose to the highest level since 2009; retail sales grew >7% year-on-year; the National Federation of Independent Businesses survey showed that small businesses were the most optimistic they've been since the survey began in 1974. However this strong economic growth pushed Treasury yields up to multi-year highs in the expectation that further, and possibly more aggressive, interest rate increases might be required.

After a decade of steady, if unspectacular economic recovery, commentators have become more concerned about the maturity of the economic cycle. During 2018, the divergence between a strong US economy and mixed growth in the rest of the world has been the core feature of the global economic outlook. The result of this was the widening of interest rate differentials in favour of the US as the US Federal Reserve (Fed) remained on course to taking the federal funds rate (FFR) towards 3%. Ongoing trade wars and the prospect of a reversal of the post-war globalisation trend had already been weighing on investors' minds; however, an expectation that economic sense would overcome posturing held markets steady. October proved to be a particularly challenging month with market volatility returning with a vengeance. The S&P 500 Index moved up or down by more than 1% in a single day on ten occasions during the month – two more times than in the whole of 2017. The MSCI World (TR) Index ended October down 5.57%, the FTSE All-Share Index (TR) fell 5.19% and the S&P 500 Index (TR) fell 6.8%. The sharp sell-off seemed to have been triggered on 3 October by Fed Chairman Jay Powell commenting that US interest rates are still a "long way from neutral". In isolation the comment was at best unfortunate, however set against a back drop of a pickup in corporate earnings misses, heightened geopolitical concerns and escalating trade issues it produced a sell-off. The weakness was magnified by quant and passive funds reversing their momentum trades – one broking house commented that they had seen passive investors, outnumbering active investors by 10 to one.

In the UK, ongoing concerns about the looming Brexit deadline (29 March 2019) have weighed on investor sentiment. It is difficult to overestimate the significance of the outcome of the Brexit negotiations and their effect on the near and long-term prospects for the UK economy, as well as for sterling. The risk of a no-deal outcome remains a significant one and has been factored into UK equity prices as the deadline has drawn closer. Logic would suggest that the negotiation process was always going to be taken to the last possible moment with both sides seeking to obtain the best outcome for their respective interests. However, even the most highly-skilled 'Game Theorists' would find it hard to envisage the best strategy for the UK government to adopt given the combined complications of domestic politics and international negotiation with the 27-nation European Union.

It is unsurprising that the UK economy is forecast to grow below trend during the final quarter of 2018 and that interest rates remain below 1%. Despite persistent speculation through 2018 that rates would be increased, both to reflect the lack of spare capacity in the UK economy and to provide some slack in the event of another financial crisis, the Monetary Policy Committee took until August to raise rates by 25 basis points (bps) to 0.75%. In Europe, by contrast, the European Central Bank announced that interest rates will not be going up until at least the summer of 2019. They did, however, confirm that Eurozone quantitative easing will come to an end by the end of this year. By comparison, US interest rates were raised again in September to a range of 2.00%-2.25%.

AXA Defensive Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

The main risk to fixed income assets in the UK is a further weakening of Sterling, pushing up inflation. In terms of interest rate expectations, the outlook for the UK is clouded by Brexit. A ‘hard Brexit’ would likely see the Bank of England moving towards easing again. Our economists expect there to be some upward pressure on inflation and inflationary expectations over the remainder of 2018. Inflation-linked bond markets are trading in narrow ranges with no sign that investors are expecting a major break-out of inflation.

Outlook

In recent years, buoyant equity markets have benefited from excessive liquidity, low interest rates, a recovery in the global economy and corporate profitability. This has been boosted in 2018 by US tax reform, the return of the commodity cap-ex cycle and balance sheet improvements in the financial sector. Nevertheless, markets face a number of potential headwinds in the period ahead.

The most obvious near-term risk to the global economy is the potential for a further escalation in trade tariffs, initiated by the US, and the subsequent retaliation. The US economy has rarely experienced recession without a tightening of liquidity. Looking at major measures of liquidity conditions, such as the Chicago Fed National Financial Conditions Index and the Federal Reserve Senior Loan Officers survey, we can see that liquidity conditions have actually eased since the Federal Reserve Board began to raise interest rates. To our mind, it is too early to be concerned by recession.

The political and economic consequences of Brexit make the near-term prospects for the UK stock market likely to be volatile. The dilemma facing UK investors was highlighted by the caveat attached to the Chancellor’s Autumn Budget statement which, while optimistic in tone, explicitly stated that our economic fortunes are contingent on a Brexit deal being reached. The fact that unprecedented central bank liquidity is being withdrawn, at the same time as many tenants of the post-WW2 international order are being eroded certainly gives one cause for thought. Our efforts remain on creating a portfolio that will generate value for unit holders over the long-term by investing in businesses that can adapt and grow across the business cycle.

Fund Commentary

The central asset mix of the fund is 55% index-linked gilts, 29% UK equities, 7% fixed gilts and 9% cash. Within the equity portfolio, our approach remains to look for opportunities to buy into strong companies at attractive valuations, particularly in situations where we perceive short-term market sentiment to be overly pessimistic.

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

Major Purchases

- Telecom Plus
- Syncona
- Hill & Smith
- Amigo
- Scapa

Major Sales

- UK Treasury 0.125% IL 22/11/19
- UK Treasury 2.5% IL 17/07/24
- UK Treasury 2.5% IL 16/04/20
- UK Treasury 0.125% IL 22/03/44
- UK Treasury 4.125% IL 22/07/30

Matthew Huddart, Jamie Forbes-Wilson
AXA Investment Managers UK Limited
30 November 2018

AXA Defensive Distribution Fund

Comparative Tables

As at 30 November 2018 (unaudited)

	A Gross Accumulation			A Gross Income		
	30/11/2018	31/05/2018	31/05/2017	30/11/2018	31/05/2018	31/05/2017
Closing net asset value per share †	113.68	118.71	117.16	108.88	114.51	114.09
Closing net asset value (£) †	2,549,971	1,680,053	1,453,568	56,896	4,975	4,982
Closing number of shares	2,243,179	1,415,301	1,240,637	52,256	4,344	4,367
Operating charges ^	0.52%	0.52%	0.52%	0.52%	0.52%	0.52%

	A Net Accumulation +			A Net Income +		
	30/11/2018	31/05/2018	31/05/2017	30/11/2018	31/05/2018	31/05/2017
Closing net asset value per share †	-	118.19	116.66	-	114.43	114.02
Closing net asset value (£) †	-	738,837	626,625	-	59,590	59,403
Closing number of shares	-	625,114	537,160	-	52,077	52,100
Operating charges ^	-	0.52%	0.52%	-	0.52%	0.52%

	B Gross Accumulation			B Gross Income		
	30/11/2018	31/05/2018	31/05/2017	30/11/2018	31/05/2018	31/05/2017
Closing net asset value per share †	127.69	133.27	131.40	114.12	119.97	119.39
Closing net asset value (£) †	206,482,114	191,298,816	208,433,448	2,131,459	1,867,426	2,100,243
Closing number of shares	161,703,829	143,538,123	158,624,524	1,867,682	1,556,604	1,759,143
Operating charges ^	0.42%	0.42%	0.42%	0.42%	0.42%	0.42%

	B Net Accumulation +			B Net Income +		
	30/11/2018	31/05/2018	31/05/2017	30/11/2018	31/05/2018	31/05/2017
Closing net asset value per share †	-	130.99	129.15	-	120.17	119.60
Closing net asset value (£) †	-	38,888,447	43,976,037	-	482,341	486,640
Closing number of shares	-	29,689,072	34,051,351	-	401,371	406,903
Operating charges ^	-	0.42%	0.42%	-	0.42%	0.42%

	R Gross Accumulation			R Gross Income		
	30/11/2018	31/05/2018	31/05/2017	30/11/2018	31/05/2018	31/05/2017
Closing net asset value per share †	135.55	142.25	141.81	89.73	94.84	95.43
Closing net asset value (£) †	16,553,680	8,502,319	28,559,939	3,178,253	2,474,751	2,806,259
Closing number of shares	12,212,590	5,976,837	20,140,025	3,542,146	2,609,266	2,940,548
Operating charges ^	1.52%	1.52%	1.52%	1.52%	1.52%	1.52%

	R Net Accumulation +			R Net Income +		
	30/11/2018	31/05/2018	31/05/2017	30/11/2018	31/05/2018	31/05/2017
Closing net asset value per share †	-	170.74	170.20	-	90.77	91.33
Closing net asset value (£) †	-	10,565,091	11,415,938	-	1,032,119	1,018,017
Closing number of shares	-	6,187,949	6,707,503	-	1,137,064	1,114,616
Operating charges ^	-	1.52%	1.52%	-	1.52%	1.52%

AXA Defensive Distribution Fund

Comparative Tables

As at 30 November 2018 (unaudited)

	Z Gross Accumulation			Z Gross Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	195.64	204.55	202.38	95.52	100.59	100.45
Closing net asset value (£) †	36,439,204	24,605,092	8,498,499	2,696,034	534,217	459,102
Closing number of shares	18,625,427	12,028,638	4,199,237	2,822,465	531,089	457,060
Operating charges ^	0.77%	0.77%	0.77%	0.77%	0.77%	0.77%

	Z Net Accumulation +			Z Net Income +		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	-	188.56	186.55	-	100.49	100.34
Closing net asset value (£) †	-	13,983,093	15,409,485	-	2,304,996	2,328,557
Closing number of shares	-	7,415,557	8,260,053	-	2,293,795	2,320,563
Operating charges ^	-	0.77%	0.77%	-	0.77%	0.77%

† Valued at bid-market prices.

^ 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. The figures used within these tables have been calculated against the average Net Asset Value for the accounting period.

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

AXA Defensive Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
BONDS 64.37% (31/05/18: 63.14%)			
Corporate Bonds 0.00% (31/05/18: 0.00%)			
Lambay Capital Securities FRN Perpetual ** ^	337,000	-	-
Index Linked Government Bonds 61.85% (31/05/18: 60.43%)			
UK Treasury 0.125% IL 22/11/19	28,887,389	33,565	12.43
UK Treasury 0.125% IL 22/03/24	4,546,083	6,001	2.22
UK Treasury 0.125% IL 22/03/26	2,580,000	3,316	1.23
UK Treasury 0.125% IL 22/03/44	3,014,923	5,201	1.92
UK Treasury 0.125% IL 22/03/46	733,580	1,217	0.45
UK Treasury 0.125% IL 22/11/56	700,000	1,309	0.48
UK Treasury 0.125% IL 22/03/58	549,455	1,082	0.40
UK Treasury 0.125% IL 22/11/65	2,357,000	5,150	1.91
UK Treasury 0.125% IL 22/03/68	1,242,143	2,957	1.09
UK Treasury 0.25% IL 22/03/52	2,754,395	5,482	2.03
UK Treasury 0.375% IL 22/03/62	1,265,361	3,097	1.15
UK Treasury 0.5% IL 22/03/50	2,247,083	5,216	1.93
UK Treasury 0.625% IL 22/03/40	1,678,056	3,393	1.26
UK Treasury 0.625% IL 22/11/42	2,072,670	4,460	1.65
UK Treasury 0.75% IL 22/03/34	2,632,690	4,583	1.70
UK Treasury 0.75% IL 22/11/47	2,555,791	6,180	2.29
UK Treasury 1.125% IL 22/11/37	1,274,343	2,869	1.06
UK Treasury 1.25% IL 22/11/27	2,992,873	5,787	2.14
UK Treasury 1.25% IL 22/11/32	1,718,983	3,325	1.23
UK Treasury 1.25% IL 22/11/55	771,685	2,580	0.96
UK Treasury 1.875% IL 22/11/22	1,900,000	3,079	1.14
UK Treasury 2% IL 26/01/35	881,745	2,371	0.88
UK Treasury 2.5% IL 16/04/20	12,327,648	44,327	16.41
UK Treasury 2.5% IL 17/07/24	1,748,119	6,379	2.36
UK Treasury 4.125% IL 22/07/30	1,118,053	4,119	1.53
Traditional Government Bonds 2.52% (31/05/18: 2.71%)			
UK Treasury 0% 07/06/21	5,027,381	4,927	1.82
UK Treasury 3.25% 22/01/44	151,427	187	0.07
UK Treasury 3.75% 22/07/52	183,548	262	0.10
UK Treasury 4.25% 07/06/32	305,913	404	0.15
UK Treasury 4.25% 07/12/40	305,913	430	0.16
UK Treasury 4.5% 07/12/42	239,224	353	0.13
UK Treasury 4.75% 07/12/38	173,575	256	0.09
TOTAL BONDS		**173,864**	**64.37**
EQUITIES 32.83% (31/05/18: 34.09%)			
BASIC MATERIALS 2.37% (31/05/18: 2.18%)			
Chemicals 0.30% (31/05/18: 0.00%)			
Scapa	230,000	813	0.30
Mining 2.07% (31/05/18: 2.18%)			
BHP	163,969	2,483	0.92
Rio Tinto	87,000	3,112	1.15
TOTAL BASIC MATERIALS		**6,408**	**2.37**
CONSUMER GOODS 3.40% (31/05/18: 4.23%)			
Beverages 1.26% (31/05/18: 1.11%)			
Britvic	170,000	1,436	0.53
Diageo	70,000	1,979	0.73

AXA Defensive Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Food Producers 0.36% (31/05/18: 0.45%)			
Bakkavor	675,000	972	0.36
Household Goods & Home Construction 1.01% (31/05/18: 1.41%)			
Countryside Properties	450,000	1,309	0.48
Reckitt Benckiser	7,374	486	0.18
Redrow	200,000	941	0.35
Personal Goods 0.00% (31/05/18: 0.28%)			
Tobacco 0.77% (31/05/18: 0.98%)			
British American Tobacco	76,000	2,075	0.77
TOTAL CONSUMER GOODS		**9,198**	**3.40**
CONSUMER SERVICES 2.05% (31/05/18: 2.47%)			
General Retailers 0.27% (31/05/18: 0.63%)			
Dunelm	100,000	555	0.20
Footasylum	617,758	179	0.07
Media 0.38% (31/05/18: 0.38%)			
ITV	700,000	1,023	0.38
Travel & Leisure 1.40% (31/05/18: 1.46%)			
Domino's Pizza	240,000	618	0.23
GVC	138,204	1,016	0.38
Gym	525,000	1,522	0.56
On the Beach	150,000	617	0.23
TOTAL CONSUMER SERVICES		**5,530**	**2.05**
FINANCIALS 6.18% (31/05/18: 6.29%)			
Banks 2.69% (31/05/18: 2.72%)			
Barclays	519,295	842	0.31
HSBC	800,000	5,284	1.96
Lloyds Banking	2,066,000	1,135	0.42
Equity Investment Instruments 0.39% (31/05/18: 0.00%)			
Syncona	400,000	1,056	0.39
Financial Services 1.32% (31/05/18: 1.18%)			
3i	150,900	1,270	0.47
Amigo	308,572	780	0.29
GVC CVR **	900,000	-	-
IntegraFin	240,176	703	0.26
Standard Life Aberdeen	306,250	806	0.30
Life Insurance 1.78% (31/05/18: 2.03%)			
Just	850,000	737	0.27
Prudential	185,000	2,834	1.05
St James's Place	122,000	1,225	0.46
Nonlife Insurance 0.00% (31/05/18: 0.36%)			
TOTAL FINANCIALS		**16,672**	**6.18**

AXA Defensive Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
HEALTH CARE 3.38% (31/05/18: 3.16%)			
Pharmaceuticals & Biotechnology 3.38% (31/05/18: 3.16%)			
AstraZeneca	40,200	2,472	0.92
GlaxoSmithKline	296,600	4,749	1.76
Shire	42,500	1,908	0.70
TOTAL HEALTH CARE		**9,129**	**3.38**
INDUSTRIALS 5.44% (31/05/18: 6.30%)			
Aerospace & Defense 0.48% (31/05/18: 0.47%)			
Avon Rubber	100,000	1,285	0.48
Construction & Materials 0.74% (31/05/18: 1.02%)			
Forterra	440,000	950	0.35
Nexus Infrastructure	580,000	1,056	0.39
Electronic & Electrical Equipment 0.81% (31/05/18: 0.94%)			
Luceco	1,269,235	496	0.18
TT Electronics	805,000	1,687	0.63
General Industrials 0.42% (31/05/18: 0.43%)			
RPC	160,000	1,137	0.42
Industrial Engineering 1.18% (31/05/18: 1.30%)			
Bodycote	140,000	1,028	0.38
Hill & Smith	96,618	1,127	0.42
Rotork	400,000	1,044	0.38
Industrial Transportation 0.30% (31/05/18: 0.33%)			
Eddie Stobart Logistics	700,000	791	0.30
Support Services 1.51% (31/05/18: 1.81%)			
Ashtead	75,000	1,325	0.49
BCA Marketplace	700,000	1,494	0.55
Boku	507,492	497	0.19
Experian	40,000	759	0.28
TOTAL INDUSTRIALS		**14,676**	**5.44**
OIL & GAS 6.29% (31/05/18: 6.38%)			
Oil & Gas Producers 6.29% (31/05/18: 6.38%)			
BP	1,024,873	5,330	1.97
Royal Dutch Shell 'A' Shares	127,932	3,037	1.13
Royal Dutch Shell 'B' Shares	314,266	7,572	2.80
Tullow Oil	574,897	1,056	0.39
TOTAL OIL & GAS		**16,995**	**6.29**
TECHNOLOGY 1.91% (31/05/18: 1.97%)			
Software & Computer Services 1.77% (31/05/18: 1.97%)			
accesso Technology	57,000	866	0.32
AVEVA	48,250	1,246	0.46
Eckoh *	1,536,465	569	0.21
Micro Focus International	63,177	978	0.36
SDL	242,833	1,122	0.42

AXA Defensive Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Technology Hardware & Equipment 0.14% (31/05/18: 0.00%)			
IQE	510,000	367	0.14
TOTAL TECHNOLOGY		**5,148**	**1.91**
TELECOMMUNICATIONS 1.81% (31/05/18: 1.11%)			
Fixed Line Telecommunications 1.21% (31/05/18: 0.49%)			
BT	714,000	1,850	0.68
Telecom Plus	105,000	1,428	0.53
Mobile Telecommunications 0.60% (31/05/18: 0.62%)			
Vodafone	964,000	1,620	0.60
TOTAL TELECOMMUNICATIONS		**4,898**	**1.81**
Portfolio of investments		262,518	97.20
Net other assets		7,570	2.80
Total net assets		**270,088**	**100.00**

All investments are ordinary shares unless otherwise stated.

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

* These are AIM (Alternative Investment Market) holdings.

** These stocks have either been suspended, delisted or are in liquidation. They are included at the Manager's valuation.

^ This holding was previously shown under Ireland.

AXA Defensive Distribution Fund

Statement of Total Return

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Income:				
Net capital losses		(13,617)		(2,187)
Revenue	2,175		1,306	
Expenses	(798)		(952)	
Interest payable and similar charges	-		-	
Net revenue before taxation	1,377		354	
Taxation	(9)		(9)	
Net revenue after taxation		1,368		345
Total return before distributions		(12,249)		(1,842)
Distributions		(2,022)		(1,184)
Change in net assets attributable to Shareholders from investment activities		**(14,271)**		**(3,026)**

Statement of Change in Net Assets Attributable to Shareholders

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Opening net assets attributable to Shareholders		299,022		327,637
Amounts receivable on issue of shares	2,399		2,861	
Amounts payable on cancellation of shares	(18,996)		(17,607)	
		(16,597)		(14,746)
Change in net assets attributable to Shareholders from investment activities (see above)		(14,271)		(3,026)
Retained distributions on accumulation shares		1,934		1,131
Closing net assets attributable to Shareholders		**270,088**		**310,996**

The above statement shows the comparative closing net assets at 30 November 2017 whereas the current accounting period commenced 1 June 2018.

AXA Defensive Distribution Fund

Balance Sheet

As at 30 November 2018 (unaudited)

	30/11/18	31/05/18
	£'000	£'000
Assets:		
Fixed assets:		
Investments	262,518	290,754
Current assets:		
Debtors	1,863	974
Cash and bank balances	7,626	8,056
Total assets	**272,007**	**299,784**
Liabilities:		
Creditors:		
Distribution payable	(29)	(35)
Other creditors	(1,890)	(727)
Total liabilities	**(1,919)**	**(762)**
Net assets attributable to Shareholders	**270,088**	**299,022**

AXA Defensive Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

First Distribution in pence per share

Group 1 Shares purchased prior to 1 June 2018
Group 2 Shares purchased on or after 1 June 2018 to 31 August 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/10/18 (p)	Distribution paid 31/10/17 (p)
Share Class A Gross Accumulation				
Group 1	0.413	-	0.413	0.163
Group 2	0.331	0.082	0.413	0.163
Share Class A Gross Income				
Group 1	0.406	-	0.406	0.169
Group 2	0.406	-	0.406	0.169
Share Class A Net Accumulation +				
Group 1	0.411	-	0.411	0.162
Group 2	0.296	0.115	0.411	0.162
Share Class A Net Income +				
Group 1	0.399	-	0.399	0.159
Group 2	0.399	-	0.399	0.159
Share Class B Gross Accumulation				
Group 1	0.464	-	0.464	0.183
Group 2	0.338	0.126	0.464	0.183
Share Class B Gross Income				
Group 1	0.417	-	0.417	0.166
Group 2	0.342	0.075	0.417	0.166
Share Class B Net Accumulation +				
Group 1	0.456	-	0.456	0.179
Group 2	0.330	0.126	0.456	0.179
Share Class B Net Income +				
Group 1	0.418	-	0.418	0.166
Group 2	0.147	0.271	0.418	0.166
Share Class R Gross Accumulation				
Group 1	0.494	-	0.494	0.197
Group 2	0.414	0.080	0.494	0.197
Share Class R Gross Income				
Group 1	0.329	-	0.329	0.133
Group 2	0.329	-	0.329	0.133
Share Class R Net Accumulation +				
Group 1	0.593	-	0.593	0.236
Group 2	0.303	0.290	0.593	0.236
Share Class R Net Income +				
Group 1	0.315	-	0.315	0.127
Group 2	0.110	0.205	0.315	0.127

AXA Defensive Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

Share Class Z Gross Accumulation				
Group 1	0.711	-	0.711	0.281
Group 2	0.506	0.205	0.711	0.281
Share Class Z Gross Income				
Group 1	0.350	-	0.350	0.140
Group 2	0.262	0.088	0.350	0.140
Share Class Z Net Accumulation +				
Group 1	0.656	-	0.656	0.259
Group 2	0.294	0.362	0.656	0.259
Share Class Z Net Income +				
Group 1	0.349	-	0.349	0.139
Group 2	0.204	0.145	0.349	0.139

Second Distribution in pence per share

Group 1 Shares purchased prior to 1 September 2018

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

	Gross revenue (p)	Equalisation (p)	Distribution payable 31/01/19 (p)	Distribution paid 31/01/18 (p)
Share Class A Gross Accumulation				
Group 1	0.414	-	0.414	0.269
Group 2	0.167	0.247	0.414	0.269
Share Class A Gross Income				
Group 1	0.403	-	0.403	0.272
Group 2	0.149	0.254	0.403	0.272
Share Class A Net Accumulation +				
Group 1	-	-	-	0.268
Group 2	-	-	-	0.268
Share Class A Net Income +				
Group 1	-	-	-	0.262
Group 2	-	-	-	0.262
Share Class B Gross Accumulation				
Group 1	0.465	-	0.465	0.302
Group 2	0.273	0.192	0.465	0.302
Share Class B Gross Income				
Group 1	0.417	-	0.417	0.274
Group 2	0.184	0.233	0.417	0.274
Share Class B Net Accumulation +				
Group 1	-	-	-	0.297
Group 2	-	-	-	0.297
Share Class B Net Income +				
Group 1	-	-	-	0.275
Group 2	-	-	-	0.275

AXA Defensive Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

Share Class R Gross Accumulation				
Group 1	0.495	-	0.495	0.325
Group 2	0.199	0.296	0.495	0.325
Share Class R Gross Income				
Group 1	0.328	-	0.328	0.218
Group 2	0.120	0.208	0.328	0.218
Share Class R Net Accumulation +				
Group 1	-	-	-	0.390
Group 2	-	-	-	0.390
Share Class R Net Income +				
Group 1	-	-	-	0.209
Group 2	-	-	-	0.209
Share Class Z Gross Accumulation				
Group 1	0.713	-	0.713	0.465
Group 2	0.312	0.401	0.713	0.465
Share Class Z Gross Income				
Group 1	0.349	-	0.349	0.230
Group 2	0.139	0.210	0.349	0.230
Share Class Z Net Accumulation +				
Group 1	-	-	-	0.429
Group 2	-	-	-	0.429
Share Class Z Net Income +				
Group 1	-	-	-	0.230
Group 2	-	-	-	0.230

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

AXA Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

Investment Objective

The aim of this Fund is to provide income with some prospect for long-term capital growth.

Investment Policy

The Fund invests in a mix of shares in large and medium sized UK listed companies, UK Government bonds (the majority of which are linked to the rate of inflation) and cash. The Fund's typical asset mix would range between 50-60% investment in shares and 40-50% in UK Government bonds and cash. The fund manager selects shares in companies based upon their prospects for future growth in dividend payments following an in depth analysis of the quality of their business model, financial status, and corporate governance arrangements. Investments in UK Government bonds are diversified across a range of maturities (i.e., the length of time for full repayment of the bond by the Government).

Risk and Reward Profile

As at 30 November 2018 (unaudited)

By investing in a fund which can invest up to 60% in equities you are likely to be looking for an investment which has lower risk than a pure equity based fund but you are prepared to accept some risk for potential reward. 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 a fund which invests predominantly in equities or overseas.

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:

• 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.

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.

AXA Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

• Equity risk - the value of shares in which a Fund invests fluctuate pursuant to market expectations. The value of such shares will go up and down and equity markets have historically been more volatile than fixed interest markets. Should the price of shares in which the Fund has invested fall, the Net Asset Value of the Fund will also fall.

Funds investing in shares are generally more volatile than funds investing in bonds or a combination of shares and bonds, but may also achieve greater returns.

Internal investment guidelines are set, if necessary, to ensure equity risk is maintained within a range deemed suitable based on the 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.

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, a 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.

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, smaller company shares may trade infrequently and in small volumes and 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, a 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 a 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 Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

The six months to 30 November 2018 saw a resurgence of investor nervousness and macro-driven sentiment, particularly towards the end of the period. The FTSE All-Share Index (on a Total Return basis) fell 7.68% with the FTSE 100 (-7.2%) outperforming the FTSE 250 Index (-10.14%) and FTSE SmallCap Index (-11.88%). Government securities also dropped in value (i.e. yields rose) with the FTSE UK Gilt Index- Linked falling 2.45% versus the conventional gilt equivalents falling 2.54%. Sterling fell 4.1% against the dollar and lost 1.1% to the euro.

UK politics and the countdown to the withdrawal from Europe continue to drive sterling, UK GDP and the London stock market. However, it is worthwhile to take a moment and consider the international backdrop for context.

The booming US economy had been driving US stocks and US Treasury yields higher during the first three quarters of 2018. In September, US consumer confidence hit its highest level since 2000; the monthly average of initial jobless claims fell to the lowest level since 1969; wage growth rose to the highest level since 2009; retail sales grew >7% year-on-year; the National Federation of Independent Businesses survey showed that small businesses were the most optimistic they've been since the survey began in 1974. However this strong economic growth pushed Treasury yields up to multi-year highs in the expectation that further, and possibly more aggressive, interest rate increases might be required.

After a decade of steady, if unspectacular economic recovery, commentators have become more concerned about the maturity of the economic cycle. During 2018, the divergence between a strong US economy and mixed growth in the rest of the world has been the core feature of the global economic outlook. The result of this was the widening of interest rate differentials in favour of the US as the US Federal Reserve (Fed) remained on course to taking the federal funds rate (FFR) towards 3%. Ongoing trade wars and the prospect of a reversal of the post-war globalisation trend had already been weighing on investors' minds; however, an expectation that economic sense would overcome posturing held markets steady. October proved to be a particularly challenging month with market volatility returning with a vengeance. The S&P 500 Index moved up or down by more than 1% in a single day on ten occasions during the month – two more times than in the whole of 2017. The MSCI World (TR) Index ended October down 5.57%, the FTSE All-Share Index (TR) fell 5.19% and the S&P 500 Index (TR) fell 6.8%. The sharp sell-off seemed to have been triggered on 3 October by Fed Chairman Jay Powell commenting that US interest rates are still a "long way from neutral". In isolation the comment was at best unfortunate, however set against a back drop of a pickup in corporate earnings misses, heightened geopolitical concerns and escalating trade issues it produced a sell-off. The weakness was magnified by quant and passive funds reversing their momentum trades – one broking house commented that they had seen passive investors, outnumbering active investors by 10 to one.

In the UK, ongoing concerns about the looming Brexit deadline (29 March 2019) have weighed on investor sentiment. It is difficult to overestimate the significance of the outcome of the Brexit negotiations and their effect on the near and long-term prospects for the UK economy, as well as for sterling. The risk of a no-deal outcome remains a significant one and has been factored into UK equity prices as the deadline has drawn closer. Logic would suggest that the negotiation process was always going to be taken to the last possible moment with both sides seeking to obtain the best outcome for their respective interests. However, even the most highly-skilled 'Game Theorists' would find it hard to envisage the best strategy for the UK government to adopt given the combined complications of domestic politics and international negotiation with the 27-nation European Union.

It is unsurprising that the UK economy is forecast to grow below trend during the final quarter of 2018 and that interest rates remain below 1%. Despite persistent speculation through 2018 that rates would be increased, both to reflect the lack of spare capacity in the UK economy and to provide some slack in the event of another financial crisis, the Monetary Policy Committee took until August to raise rates by 25 basis points (bps) to 0.75%. In Europe, by contrast, the European Central Bank announced that interest rates will not be going up until at least the summer of 2019. They did, however, confirm that Eurozone quantitative easing will come to an end by the end of this year. By comparison, US interest rates were raised again in September to a range of 2.00%-2.25%.

The main risk to fixed income assets in the UK is a further weakening of Sterling, pushing up inflation. In terms of interest rate expectations, the outlook for the UK is clouded by Brexit. A 'hard Brexit' would likely see the Bank of England moving towards easing again. Our economists expect there to be some upward pressure on inflation and inflationary expectations over the remainder of 2018. Inflation-linked bond markets are trading in narrow ranges with no sign that investors are expecting a major break-out of inflation.

AXA Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

Outlook

In recent years, buoyant equity markets have benefited from excessive liquidity, low interest rates, a recovery in the global economy and corporate profitability. This has been boosted in 2018 by US tax reform, the return of the commodity cap-ex cycle and balance sheet improvements in the financial sector. Nevertheless, markets face a number of potential headwinds in the period ahead.

The most obvious near-term risk to the global economy is the potential for a further escalation in trade tariffs, initiated by the US, and the subsequent retaliation. The US economy has rarely experienced recession without a tightening of liquidity. Looking at major measures of liquidity conditions, such as the Chicago Fed National Financial Conditions Index and the Federal Reserve Senior Loan Officers survey, we can see that liquidity conditions have actually eased since the Federal Reserve Board began to raise interest rates. To our mind, it is too early to be concerned by recession.

The political and economic consequences of Brexit make the near-term prospects for the UK stock market likely to be volatile. The dilemma facing UK investors was highlighted by the caveat attached to the Chancellor’s Autumn Budget statement which, while optimistic in tone, explicitly stated that our economic fortunes are contingent on a Brexit deal being reached. The fact that unprecedented central bank liquidity is being withdrawn, at the same time as many tenants of the post-WW2 international order are being eroded certainly gives one cause for thought. Our efforts remain on creating a portfolio that will generate value for unit holders over the long-term by investing in businesses that can adapt and grow across the business cycle.

Fund Commentary

The central asset mix of the Fund is 55% UK equities, 35% index-linked gilts, 7% conventional gilts and 3% cash. Within the equity portfolio, our approach remains to look for opportunities to buy into strong companies at attractive valuations, particularly in situations where we perceive short-term market sentiment to be overly pessimistic.

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

Major Purchases

- Hill & Smith
- Whitbread
- John Wood
- 3i
- Faroe Petroleum

Major Sales

- Royal Dutch Shell
- UK Treasury 2.5% IL 16/04/20
- Johnson Matthey
- UK Treasury 0.125% IL 22/03/24
- United Utilities

Jamie Forbes-Wilson, Matthew Huddart
AXA Investment Managers UK
30 November 2018

AXA Distribution Fund

Comparative Tables

As at 30 November 2018 (unaudited)

	A Accumulation			A Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	115.41	121.69	119.13	106.62	113.89	114.21
Closing net asset value (£) †	5,613,852	5,491,515	5,323,098	196,080	163,185	115,115
Closing number of shares	4,864,183	4,512,879	4,468,444	183,903	143,284	100,788
Operating charges ^	0.51%	0.51%	0.51%	0.51%	0.51%	0.51%

	B Accumulation			B Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	133.80	141.01	137.95	114.09	121.81	122.03
Closing net asset value (£) †	390,201,253	434,392,799	464,077,610	2,790,628	3,124,215	3,443,516
Closing number of shares	291,620,536	308,065,909	336,420,741	2,445,938	2,564,876	2,821,887
Operating charges ^	0.41%	0.41%	0.41%	0.41%	0.41%	0.41%

	R Accumulation			R Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	204.99	217.22	214.86	113.60	121.96	123.53
Closing net asset value (£) †	180,773,056	203,520,698	240,167,015	10,064,342	11,812,238	12,807,183
Closing number of shares	88,185,307	93,692,873	111,780,180	8,859,091	9,685,332	10,367,532
Operating charges ^	1.51%	1.51%	1.51%	1.51%	1.51%	1.51%

	Z Accumulation			Z Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	227.26	239.91	235.54	125.48	134.20	134.92
Closing net asset value (£) †	123,437,481	136,969,393	140,743,524	28,487,214	32,136,103	36,904,491
Closing number of shares	54,315,643	57,091,240	59,753,366	22,702,305	23,945,894	27,353,658
Operating charges ^	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%

† Valued at bid-market prices.

^ 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. The figures used within these tables have been calculated against the average Net Asset Value for the accounting period.

AXA Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
EQUITIES 58.84% (31/05/18: 57.77%)			
BASIC MATERIALS 3.64% (31/05/18: 4.36%)			
Chemicals 0.49% (31/05/18: 1.15%)			
Elementis	1,875,000	3,664	0.49
			-
Mining 3.15% (31/05/18: 3.21%)			
Central Asia Metals	1,300,000	2,730	0.37
Randgold Resources	100,000	6,348	0.85
Rio Tinto (London Quoted)	400,000	14,306	1.93
TOTAL BASIC MATERIALS		**27,048**	**3.64**
CONSUMER GOODS 7.09% (31/05/18: 7.28%)			
Automobiles & Parts 0.24% (31/05/18: 0.00%)			
TI Fluid Systems	1,000,000	1,795	0.24
Beverages 1.05% (31/05/18: 0.67%)			
Diageo	275,000	7,776	1.05
Food Producers 0.90% (31/05/18: 0.92%)			
Cranswick	105,293	2,963	0.40
Dairy Crest	817,500	3,723	0.50
Household Goods & Home Construction 1.17% (31/05/18: 0.96%)			
Bellway	140,000	3,571	0.48
Countryside Properties	1,750,000	5,089	0.69
Personal Goods 0.58% (31/05/18: 0.72%)			
Unilever	100,000	4,281	0.58
Tobacco 3.15% (31/05/18: 4.01%)			
British American Tobacco	550,000	15,018	2.02
Imperial Brands	350,000	8,358	1.13
TOTAL CONSUMER GOODS		**52,574**	**7.09**
CONSUMER SERVICES 4.78% (31/05/18: 4.49%)			
Food & Drug Retailers 0.80% (31/05/18: 0.82%)			
Tesco	3,000,000	5,938	0.80
General Retailers 0.97% (31/05/18: 0.94%)			
B&M European Value Retail	1,250,000	4,436	0.60
Dunelm	500,000	2,773	0.37
Media 2.45% (31/05/18: 2.31%)			
Ascential	1,250,000	4,718	0.64
ITV	2,850,000	4,164	0.56
Reach	1,827,799	1,157	0.16
Rightmove	1,800,000	8,096	1.09
Travel & Leisure 0.56% (31/05/18: 0.42%)			
Whitbread	90,000	4,127	0.56
TOTAL CONSUMER SERVICES		**35,409**	**4.78**

AXA Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
FINANCIALS 13.02% (31/05/18: 12.79%)			
Banks 4.14% (31/05/18: 4.81%)			
Barclays	4,000,000	6,489	0.88
HSBC	3,000,000	19,815	2.67
Lloyds Banking	8,000,000	4,394	0.59
Financial Services 2.18% (31/05/18: 1.84%)			
3i	1,000,000	8,414	1.13
London Stock Exchange	100,000	4,061	0.55
TP ICAP	1,200,000	3,728	0.50
Life Insurance 4.47% (31/05/18: 4.47%)			
Legal & General	4,500,000	11,025	1.49
Phoenix	880,000	5,267	0.71
Prudential	1,100,000	16,852	2.27
Nonlife Insurance 1.05% (31/05/18: 0.88%)			
Direct Line	650,000	2,121	0.29
Sabre Insurance	2,000,000	5,660	0.76
Real Estate Investment Trusts 1.18% (31/05/18: 0.79%)			
Great Portland Estates	750,000	5,246	0.71
PRS	3,549,349	3,514	0.47
TOTAL FINANCIALS		**96,586**	**13.02**
HEALTH CARE 6.99% (31/05/18: 6.12%)			
Health Care Equipment & Services 1.29% (31/05/18: 0.83%)			
Advanced Medical Solutions	845,358	2,439	0.33
Smith & Nephew	500,000	7,117	0.96
Pharmaceuticals & Biotechnology 5.70% (31/05/18: 5.29%)			
AstraZeneca	90,000	5,535	0.74
Genus	115,000	2,792	0.38
GlaxoSmithKline	1,700,000	27,217	3.67
Shire	150,000	6,734	0.91
TOTAL HEALTH CARE		**51,834**	**6.99**
INDUSTRIALS 8.28% (31/05/18: 6.98%)			
Aerospace & Defense 0.73% (31/05/18: 0.59%)			
BAE Systems	1,100,000	5,414	0.73
Construction & Materials 1.20% (31/05/18: 1.09%)			
Ibstock	2,000,000	4,396	0.59
Melrose Industries	2,500,000	4,481	0.61
General Industrials 1.55% (31/05/18: 1.34%)			
Coats	6,000,000	4,956	0.67
DS Smith	1,350,000	4,568	0.62
RPC	275,000	1,955	0.26
Industrial Engineering 1.46% (31/05/18: 0.66%)			
Hill & Smith	550,000	6,413	0.87
Weir	300,000	4,392	0.59

AXA Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Industrial Transportation 0.55% (31/05/18: 0.68%)			
BBA Aviation	1,700,000	4,043	0.55
Support Services 2.79% (31/05/18: 2.62%)			
Ashtead	125,000	2,207	0.30
BCA Marketplace	2,250,000	4,804	0.65
Bunzl	150,000	3,663	0.49
Experian	300,000	5,691	0.77
Worldpay	65,000	4,322	0.58
TOTAL INDUSTRIALS		**61,305**	**8.28**
OIL & GAS 9.87% (31/05/18: 10.41%)			
Oil & Gas Producers 9.39% (31/05/18: 10.41%)			
BP	5,000,000	26,005	3.51
Diversified Gas & Oil	910,322	965	0.13
Faroe Petroleum	2,125,000	3,340	0.45
Royal Dutch Shell	1,400,000	33,733	4.55
Serica Energy	1,440,000	1,937	0.26
Tullow Oil	2,000,000	3,674	0.49
Oil Equipment, Services & Distribution 0.48% (31/05/18: 0.00%)			
John Wood	550,000	3,548	0.48
TOTAL OIL & GAS		**73,202**	**9.87**
TECHNOLOGY 0.52% (31/05/18: 0.52%)			
Software & Computer Services 0.52% (31/05/18: 0.52%)			
AVEVA	150,000	3,873	0.52
TOTAL TECHNOLOGY		**3,873**	**0.52**
TELECOMMUNICATIONS 2.33% (31/05/18: 2.08%)			
Fixed Line Telecommunications 0.79% (31/05/18: 0.50%)			
BT	2,250,000	5,832	0.79
Mobile Telecommunications 1.54% (31/05/18: 1.58%)			
Inmarsat	131,820	532	0.07
Vodafone	6,500,000	10,921	1.47
TOTAL TELECOMMUNICATIONS		**17,285**	**2.33**
UTILITIES 2.32% (31/05/18: 2.74%)			
Gas, Water & Multiutilities 2.32% (31/05/18: 2.74%)			
National Grid	1,164,166	9,720	1.31
Pennon	400,000	2,868	0.39
Severn Trent	250,000	4,638	0.62
TOTAL UTILITIES		**17,226**	**2.32**

AXA Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
GOVERNMENT BONDS 38.75% (31/05/18: 38.81%)			
Index Linked Government Bonds 36.62% (31/05/18: 36.43%)			
UK Treasury 0.125% IL 22/11/19	44,025,200	51,154	6.90
UK Treasury 0.125% IL 22/03/24	13,010,500	17,173	2.32
UK Treasury 0.125% IL 22/03/26	3,550,000	4,562	0.61
UK Treasury 0.125% IL 22/03/44	2,642,800	4,558	0.61
UK Treasury 0.125% IL 22/03/46	1,300,000	2,156	0.29
UK Treasury 0.125% IL 22/11/56	1,200,000	2,244	0.30
UK Treasury 0.125% IL 22/03/58	4,060,129	7,995	1.08
UK Treasury 0.125% IL 22/11/65	3,615,000	7,898	1.06
UK Treasury 0.125% IL 22/03/68	2,366,600	5,634	0.76
UK Treasury 0.25% IL 22/03/52	2,282,917	4,544	0.61
UK Treasury 0.375% IL 22/03/62	1,293,253	3,165	0.43
UK Treasury 0.5% IL 22/03/50	3,368,000	7,819	1.05
UK Treasury 0.625% IL 22/03/40	1,262,496	2,553	0.34
UK Treasury 0.625% IL 22/11/42	3,820,000	8,220	1.11
UK Treasury 0.75% IL 22/03/34	3,867,300	6,733	0.91
UK Treasury 0.75% IL 22/11/47	3,149,000	7,614	1.03
UK Treasury 1.125% IL 22/11/37	3,867,000	8,707	1.17
UK Treasury 1.25% IL 22/11/27	3,684,400	7,124	0.96
UK Treasury 1.25% IL 22/11/32	3,589,000	6,943	0.94
UK Treasury 1.25% IL 22/11/55	1,858,230	6,214	0.84
UK Treasury 1.875% IL 22/11/22	3,478,400	5,637	0.76
UK Treasury 2% IL 26/01/35	2,614,000	7,030	0.95
UK Treasury 2.5% IL 16/04/20	20,814,000	74,841	10.09
UK Treasury 2.5% IL 17/07/24	1,373,000	5,010	0.68
UK Treasury 4.125% IL 22/07/30	1,646,000	6,064	0.82
Traditional Government Bonds 2.13% (31/05/18: 2.38%)			
UK Treasury 0% 07/06/21	1,000,000	980	0.13
UK Treasury 1.75% 22/07/19	1,000,000	1,006	0.14
UK Treasury 2% 07/09/25	273,000	290	0.04
UK Treasury 2.5% 22/07/65	74,000	87	0.01
UK Treasury 3.25% 22/01/44	600,000	742	0.10
UK Treasury 3.5% 22/01/45	350,000	452	0.06
UK Treasury 3.5% 22/07/68	125,000	187	0.02
UK Treasury 3.75% 07/09/19	1,090,000	1,115	0.15
UK Treasury 3.75% 07/09/21	3,271,000	3,536	0.48
UK Treasury 3.75% 22/07/52	282,000	403	0.05
UK Treasury 4% 22/01/60	217,000	342	0.05
UK Treasury 4.25% 07/12/27	27,500	35	
UK Treasury 4.25% 07/06/32	225,000	297	0.04
UK Treasury 4.25% 07/03/36	121,000	164	0.02
UK Treasury 4.25% 07/09/39	252,000	351	0.05
UK Treasury 4.25% 07/12/40	90,000	127	0.02
UK Treasury 4.25% 07/12/46	271,000	398	0.05
UK Treasury 4.25% 07/12/49	100,000	151	0.02
UK Treasury 4.25% 07/12/55	200,000	319	0.04
UK Treasury 4.5% 07/03/19	800,000	808	0.11
UK Treasury 4.5% 07/09/34	331,120	456	0.06
UK Treasury 4.5% 07/12/42	150,000	221	0.03
UK Treasury 4.75% 07/03/20	2,034,000	2,136	0.29
UK Treasury 4.75% 07/12/30	300,000	408	0.06

AXA Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
UK Treasury 4.75% 07/12/38	277,000	408	0.06
UK Treasury 5% 07/03/25	190,000	236	0.03
UK Treasury 6% 07/12/28	87,000	125	0.02
TOTAL GOVERNMENT BONDS		**287,372**	**38.75**
Portfolio of investments		723,714	97.59
Net other assets		17,850	2.41
Total net assets		**741,564**	**100.00**

All investments are ordinary shares unless otherwise stated.

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

AXA Distribution Fund

Statement of Total Return

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Income:				
Net capital losses		(49,850)		(14,891)
Revenue	10,744		10,137	
Expenses	(3,070)		(3,421)	
Interest payable and similar charges	-		-	
Net revenue before taxation	7,674		6,716	
Taxation	(14)		(19)	
Net revenue after taxation		7,660		6,697
Total return before distributions		(42,190)		(8,194)
Distributions		(10,149)		(9,578)
Change in net assets attributable to Shareholders from investment activities		**(52,339)**		**(17,772)**

Statement of Change in Net Assets Attributable to Shareholders

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Opening net assets attributable to Shareholders		827,610		903,581
Amounts receivable on issue of shares	8,602		5,560	
Amounts payable on cancellation of shares	(51,755)		(55,278)	
		(43,153)		(49,718)
Change in net assets attributable to Shareholders from investment activities (see above)		(52,339)		(17,772)
Retained distributions on accumulation shares		9,445		8,885
Unclaimed distributions		1		3
Closing net assets attributable to Shareholders		**741,564**		**844,979**

The above statement shows the comparative closing net assets at 30 November 2017 whereas the current accounting period commenced 1 June 2018.

AXA Distribution Fund

Balance Sheet

As at 30 November 2018 (unaudited)

	30/11/18	31/05/18
	£'000	£'000
Assets:		
Fixed assets:		
Investments	723,714	799,345
Current assets:		
Debtors	3,170	4,542
Cash and bank balances	19,079	25,924
Total assets	**745,963**	**829,811**
Liabilities:		
Creditors:		
Distribution payable	(263)	(422)
Other creditors	(4,136)	(1,779)
Total liabilities	**(4,399)**	**(2,201)**
Net assets attributable to Shareholders	**741,564**	**827,610**

AXA Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

First Distribution in pence per share

Group 1 Shares purchased prior to 1 June 2018

Group 2 Shares purchased on or after 1 June 2018 to 31 August 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/10/18 (p)	Distribution paid 31/10/17 (p)
Share Class A Acccumulation				
Group 1	0.807	-	0.807	0.705
Group 2	0.507	0.300	0.807	0.705
Share Class A Income				
Group 1	0.756	-	0.756	0.676
Group 2	0.756	-	0.756	0.676
Share Class B Accumulation				
Group 1	0.935	-	0.935	0.816
Group 2	0.613	0.322	0.935	0.816
Share Class B Income				
Group 1	0.808	-	0.808	0.722
Group 2	0.611	0.197	0.808	0.722
Share Class R Accumulation				
Group 1	1.439	-	1.439	1.269
Group 2	0.934	0.505	1.439	1.269
Share Class R Income				
Group 1	0.808	-	0.808	0.730
Group 2	0.259	0.549	0.808	0.730
Share Class Z Accumulation				
Group 1	1.591	-	1.591	1.393
Group 2	1.099	0.492	1.591	1.393
Share Class Z Income				
Group 1	0.890	-	0.890	0.798
Group 2	0.557	0.333	0.890	0.798

AXA Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

Second Distribution in pence per share

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

	Gross revenue (p)	Equalisation (p)	Distribution payable 31/01/19 (p)	Distribution paid 31/01/18 (p)
Share Class A Acccumulation				
Group 1	0.725	-	0.725	0.596
Group 2	0.407	0.318	0.725	0.596
Share Class A Income				
Group 1	0.674	-	0.674	0.568
Group 2	0.539	0.135	0.674	0.568
Share Class B Accumulation				
Group 1	0.840	-	0.840	0.690
Group 2	0.466	0.374	0.840	0.690
Share Class B Income				
Group 1	0.721	-	0.721	0.607
Group 2	0.465	0.256	0.721	0.607
Share Class R Accumulation				
Group 1	1.289	-	1.289	1.070
Group 2	0.779	0.510	1.289	1.070
Share Class R Income				
Group 1	0.719	-	0.719	0.612
Group 2	0.373	0.346	0.719	0.612
Share Class Z Accumulation				
Group 1	1.427	-	1.427	1.176
Group 2	0.573	0.854	1.427	1.176
Share Class Z Income				
Group 1	0.794	-	0.794	0.670
Group 2	0.329	0.465	0.794	0.670

AXA Ethical Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

Investment Objective

The aim of this Fund is to provide income with some prospect for long-term capital growth.

Investment Policy

The Fund invests in a mix of shares in UK listed companies, UK Government Bonds, the majority of which are linked to the rate of inflation, and cash. The Fund's typical asset mix would range between 50-60% investment in shares and 40-50% in UK Government bonds and cash.

In accordance with the fund manager's ethical screening criteria, the Fund invests in companies identified in relation to their approach to: environmental issues (including biodiversity, ozone depleting substances, climate change, fossil fuels, energy intensive industries, mining and quarrying, nuclear power, pollution and sustainable timber); human rights violations; and, other corporate responsibility issues (including animal testing, gambling, intensive farming, military sales, pornography and adult entertainment services, activities deemed detrimental to developing economies and tobacco sale and production). The latest ethical policy for the Fund can be found on www.axa-im.com. Eligible shares in companies for investment are then selected based upon their prospects for future growth in dividend payments following an in depth analysis of their financial status, quality of business model and corporate governance arrangements. Investments in UK Government bonds are diversified across a range of maturities (i.e., the length of time for full repayment of the bond by the Government).

Risk and Reward Profile

As at 30 November 2018 (unaudited)

Due to the ethical constraints placed on this Fund, which exclude over half of the FTSE All-Share Index, the value of the Fund may fluctuate more than a Fund which is invested in a more diversified portfolio of UK equities. The value of investments and the income from them is not guaranteed and can go down as well as up.

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:

• Equity risk - the value of shares in which a Fund invests fluctuate pursuant to market expectations. The value of such shares will go up and down and equity markets have historically been more volatile than fixed interest markets. Should the price of shares in which the Fund has invested fall, the Net Asset Value of the Fund will also fall.

Funds investing in shares are generally more volatile than funds investing in bonds or a combination of shares and bonds, but may also achieve greater returns.

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

AXA Ethical Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

• 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.

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.

• 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.

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, a 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.

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, smaller company shares may trade infrequently and in small volumes and 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.

AXA Ethical Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

• Counterparty risk - at any one time, a 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 a 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.

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

The six months to 30 November 2018 saw a resurgence of investor nervousness and macro-driven sentiment, particularly towards the end of the period. The FTSE All-Share Index (on a Total Return basis) fell 7.68% with the FTSE 100 (-7.2%) outperforming the FTSE 250 Index (-10.14%) and FTSE SmallCap Index (-11.88%). Government securities also dropped in value (i.e. yields rose) with the FTSE UK Gilt Index- Linked falling 2.45% versus the conventional gilt equivalents falling 2.54%. Sterling fell 4.1% against the dollar and lost 1.1% to the euro.

UK politics and the countdown to the withdrawal from Europe continue to drive sterling, UK GDP and the London stock market. However, it is worthwhile to take a moment and consider the international backdrop for context.

The booming US economy had been driving US stocks and US Treasury yields higher during the first three quarters of 2018. In September, US consumer confidence hit its highest level since 2000; the monthly average of initial jobless claims fell to the lowest level since 1969; wage growth rose to the highest level since 2009; retail sales grew >7% year-on-year; the National Federation of Independent Businesses survey showed that small businesses were the most optimistic they've been since the survey began in 1974. However this strong economic growth pushed Treasury yields up to multi-year highs in the expectation that further, and possibly more aggressive, interest rate increases might be required.

After a decade of steady, if unspectacular economic recovery, commentators have become more concerned about the maturity of the economic cycle. During 2018, the divergence between a strong US economy and mixed growth in the rest of the world has been the core feature of the global economic outlook. The result of this was the widening of interest rate differentials in favour of the US as the US Federal Reserve (Fed) remained on course to taking the federal funds rate (FFR) towards 3%. Ongoing trade wars and the prospect of a reversal of the post-war globalisation trend had already been weighing on investors' minds; however, an expectation that economic sense would overcome posturing held markets steady. October proved to be a particularly challenging month with market volatility returning with a vengeance. The S&P 500 Index moved up or down by more than 1% in a single day on ten occasions during the month – two more times than in the whole of 2017. The MSCI World (TR) Index ended October down 5.57%, the FTSE All-Share Index (TR) fell 5.19% and the S&P 500 Index (TR) fell 6.8%. The sharp sell-off seemed to have been triggered on 3 October by Fed Chairman Jay Powell commenting that US interest rates are still a "long way from neutral". In isolation the comment was at best unfortunate, however set against a back drop of a pickup in corporate earnings misses, heightened geopolitical concerns and escalating trade issues it produced a sell-off. The weakness was magnified by quant and passive funds reversing their momentum trades – one broking house commented that they had seen passive investors, outnumbering active investors by 10 to one.

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In the UK, ongoing concerns about the looming Brexit deadline (29 March 2019) have weighed on investor sentiment. It is difficult to overestimate the significance of the outcome of the Brexit negotiations and their effect on the near and long-term prospects for the UK economy, as well as for sterling. The risk of a no-deal outcome remains a significant one and has been factored into UK equity prices as the deadline has drawn closer. Logic would suggest that the negotiation process was always going to be taken to the last possible moment with both sides seeking to obtain the best outcome for their respective interests. However, even the most highly-skilled 'Game Theorists' would find it hard to envisage the best strategy for the UK government to adopt given the combined complications of domestic politics and international negotiation with the 27-nation European Union.

It is unsurprising that the UK economy is forecast to grow below trend during the final quarter of 2018 and that interest rates remain below 1%. Despite persistent speculation through 2018 that rates would be increased, both to reflect the lack of spare capacity in the UK economy and to provide some slack in the event of another financial crisis, the Monetary Policy Committee took until August to raise rates by 25 basis points (bps) to 0.75%. In Europe, by contrast, the European Central Bank announced that interest rates will not be going up until at least the summer of 2019. They did, however, confirm that Eurozone quantitative easing will come to an end by the end of this year. By comparison, US interest rates were raised again in September to a range of 2.00%-2.25%.

The main risk to fixed income assets in the UK is a further weakening of Sterling, pushing up inflation. In terms of interest rate expectations, the outlook for the UK is clouded by Brexit. A 'hard Brexit' would likely see the Bank of England moving towards easing again. Our economists expect there to be some upward pressure on inflation and inflationary expectations over the remainder of 2018. Inflation-linked bond markets are trading in narrow ranges with no sign that investors are expecting a major break-out of inflation.

Outlook

In recent years, buoyant equity markets have benefited from excessive liquidity, low interest rates, a recovery in the global economy and corporate profitability. This has been boosted in 2018 by US tax reform, the return of the commodity cap-ex cycle and balance sheet improvements in the financial sector. Nevertheless, markets face a number of potential headwinds in the period ahead.

The most obvious near-term risk to the global economy is the potential for a further escalation in trade tariffs, initiated by the US, and the subsequent retaliation. The US economy has rarely experienced recession without a tightening of liquidity. Looking at major measures of liquidity conditions, such as the Chicago Fed National Financial Conditions Index and the Federal Reserve Senior Loan Officers survey, we can see that liquidity conditions have actually eased since the Federal Reserve Board began to raise interest rates. To our mind, it is too early to be concerned by recession.

The political and economic consequences of Brexit make the near-term prospects for the UK stock market likely to be volatile. The dilemma facing UK investors was highlighted by the caveat attached to the Chancellor's Autumn Budget statement which, while optimistic in tone, explicitly stated that our economic fortunes are contingent on a Brexit deal being reached. The fact that unprecedented central bank liquidity is being withdrawn, at the same time as many tenants of the post-WW2 international order are being eroded certainly gives one cause for thought. Our efforts remain on creating a portfolio that will generate value for unit holders over the long-term by investing in businesses that can adapt and grow across the business cycle.

Fund Commentary

The central asset mix of the fund is 55% UK equities, 35% index-linked gilts, 7% conventional gilts and 3% cash. Within the equity portfolio, our approach remains to look for opportunities to buy into strong companies, which meet the fund's ethical criteria, at attractive valuations, particularly in situations where we perceive short-term market sentiment to be overly pessimistic.

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

Major Purchases

- Telecom Plus
- Hill & Smith
- 3i
- BCA Marketplace
- Coats

Major Sales

- UK Treasury 2.5% IL 16/04/20
- Standard Chartered
- Fidessa
- ZPG
- UK Treasury 0.125% IL 22/11/19

Matthew Huddart, Jamie Forbes-Wilson
AXA Investment Managers UK Limited
30 November 2018

AXA Ethical Distribution Fund

Comparative Tables

As at 30 November 2018 (unaudited)

	B Accumulation			B Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	115.44	124.15	122.24	108.99	118.14	118.09
Closing net asset value (£) †	10,033,843	11,091,735	11,621,889	23,283	24,876	24,988
Closing number of shares	8,691,951	8,934,462	9,507,714	21,362	21,057	21,159
Operating charges ^	0.52%	0.52%	0.53%	0.52%	0.52%	0.53%

	R Accumulation			R Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	146.43	158.27	157.40	170.54	185.78	187.59
Closing net asset value (£) †	83,515,252	92,414,291	96,715,275	775,059	828,092	1,399,429
Closing number of shares	57,034,026	58,390,018	61,445,672	454,474	445,732	746,008
Operating charges ^	1.52%	1.52%	1.53%	1.52%	1.52%	1.53%

	Z Accumulation			Z Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	164.64	177.29	174.98	181.80	197.30	197.72
Closing net asset value (£) †	87,856,854	97,111,601	81,454,450	25,564,897	28,960,211	28,173,707
Closing number of shares	53,362,637	54,776,961	46,549,505	14,062,437	14,678,477	14,249,217
Operating charges ^	0.77%	0.77%	0.78%	0.77%	0.77%	0.78%

† Valued at bid-market prices.

^ 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. The figures used within these tables have been calculated against the average Net Asset Value for the accounting period.

AXA Ethical Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
EQUITIES 56.94% (31/05/18: 57.38%)			
CONSUMER GOODS 6.20% (31/05/18: 5.92%)			
Beverages 3.52% (31/05/18: 3.10%)			
Diageo	259,000	7,323	3.52
Food Producers 0.74% (31/05/18: 0.73%)			
Dairy Crest	336,250	1,532	0.74
Household Goods & Home Construction 1.18% (31/05/18: 1.41%)			
Berkeley	40,000	1,279	0.61
Redrow	250,000	1,177	0.57
Leisure Goods 0.22% (31/05/18: 0.19%)			
Photo-Me International	410,000	448	0.22
Personal Goods 0.54% (31/05/18: 0.49%)			
Superdry	145,000	1,112	0.54
TOTAL CONSUMER GOODS		**12,871**	**6.20**
CONSUMER SERVICES 14.18% (31/05/18: 15.03%)			
Food & Drug Retailers 0.86% (31/05/18: 0.97%)			
Tesco	900,000	1,781	0.86
General Retailers 1.17% (31/05/18: 1.87%)			
B&M European Value Retail	450,000	1,597	0.77
Dunelm	150,000	832	0.40
Media 5.25% (31/05/18: 6.11%)			
Ascential	500,000	1,887	0.91
Bloomsbury Publishing	533,028	1,071	0.52
Informa	250,000	1,727	0.83
ITV	825,000	1,205	0.58
Reach	1,069,230	677	0.33
RELX	150,000	2,474	1.19
Tarsus	550,000	1,419	0.68
WPP	52,000	447	0.21
Travel & Leisure 6.90% (31/05/18: 6.08%)			
Carnival	59,000	2,705	1.30
Cineworld	608,000	1,690	0.81
Domino's Pizza	290,000	747	0.36
Gym	890,000	2,581	1.24
Hollywood Bowl	1,000,000	1,945	0.94
Hostelworld	500,000	984	0.47
National Express	225,000	902	0.43
On the Beach	450,000	1,849	0.89
SSP	150,000	946	0.46
TOTAL CONSUMER SERVICES		**29,466**	**14.18**
FINANCIALS 17.01% (31/05/18: 17.79%)			
Banks 4.09% (31/05/18: 5.47%)			
Barclays	1,750,000	2,839	1.37
HSBC	857,135	5,661	2.72

AXA Ethical Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Financial Services 3.33% (31/05/18: 2.53%)			
3i	140,000	1,178	0.57
London Stock Exchange	49,000	1,990	0.96
OneSavings Bank	220,000	751	0.36
Provident Financial	298,958	1,854	0.89
Standard Life Aberdeen	437,500	1,152	0.55
Life Insurance 4.96% (31/05/18: 5.31%)			
Just	1,600,000	1,386	0.67
Legal & General	600,000	1,470	0.71
Prudential	375,000	5,745	2.76
St James's Place	170,000	1,708	0.82
Nonlife Insurance 1.53% (31/05/18: 1.46%)			
Jardine Lloyd Thompson	125,000	2,363	1.14
RSA Insurance	150,000	805	0.39
Real Estate Investment & Services 0.85% (31/05/18: 0.93%)			
Grainger	700,000	1,765	0.85
Real Estate Investment Trusts 2.25% (31/05/18: 2.09%)			
Derwent London	70,000	2,018	0.97
Segro	120,000	729	0.35
UNITE	230,000	1,919	0.93
TOTAL FINANCIALS		**35,333**	**17.01**
HEALTH CARE 0.62% (31/05/18: 0.66%)			
Health Care Equipment & Services 0.62% (31/05/18: 0.66%)			
Consort Medical	130,000	1,294	0.62
TOTAL HEALTH CARE		**1,294**	**0.62**
INDUSTRIALS 14.57% (31/05/18: 13.59%)			
Construction & Materials 0.82% (31/05/18: 0.84%)			
Polypipe	500,000	1,696	0.82
Electronic & Electrical Equipment 3.43% (31/05/18: 3.66%)			
Dialight	349,050	1,204	0.58
DiscoverIE	400,000	1,324	0.64
Oxford Instruments	170,000	1,663	0.80
TT Electronics	953,244	1,997	0.96
Xaar	600,000	926	0.45
General Industrials 2.33% (31/05/18: 2.09%)			
Coats	1,500,000	1,239	0.59
DS Smith	509,090	1,723	0.83
Low & Bonar	2,000,000	520	0.25
RPC	192,000	1,365	0.66
Industrial Engineering 2.07% (31/05/18: 1.41%)			
Hill & Smith	144,928	1,690	0.81
Porvair	300,000	1,314	0.63
Rotork	500,000	1,305	0.63

AXA Ethical Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Support Services 5.92% (31/05/18: 5.59%)			
Ashtead	175,000	3,091	1.49
BCA Marketplace	550,000	1,174	0.57
Communisis	2,500,000	1,770	0.85
De La Rue	225,000	1,027	0.49
Electrocomponents	465,000	2,389	1.15
Experian	100,000	1,897	0.91
Vp	100,000	962	0.46
TOTAL INDUSTRIALS		**30,276**	**14.57**
TECHNOLOGY 2.75% (31/05/18: 3.62%)			
Software & Computer Services 2.75% (31/05/18: 3.62%)			
Computacenter	80,000	875	0.42
FDM	130,000	1,102	0.53
Micro Focus International	127,998	1,982	0.95
SDL	380,000	1,756	0.85
TOTAL TECHNOLOGY		**5,715**	**2.75**
TELECOMMUNICATIONS 1.61% (31/05/18: 0.77%)			
Fixed Line Telecommunications 1.22% (31/05/18: 0.45%)			
KCOM	1,071,420	642	0.31
Telecom Plus	140,000	1,904	0.91
Mobile Telecommunications 0.39% (31/05/18: 0.32%)			
Inmarsat	200,000	806	0.39
TOTAL TELECOMMUNICATIONS		**3,352**	**1.61**
GOVERNMENT BONDS 40.48% (31/05/18: 40.34%)			
Index Linked Government Bonds 36.76% (31/05/18: 36.60%)			
UK Treasury 0.125% IL 22/11/19	8,569,000	9,957	4.79
UK Treasury 0.125% IL 22/03/24	5,155,000	6,804	3.28
UK Treasury 0.125% IL 22/03/26	2,200,000	2,827	1.36
UK Treasury 0.125% IL 22/11/36	873,000	1,299	0.63
UK Treasury 0.125% IL 22/03/44	940,000	1,621	0.78
UK Treasury 0.125% IL 22/03/46	1,777,000	2,947	1.42
UK Treasury 0.125% IL 22/11/56	336,000	628	0.30
UK Treasury 0.125% IL 22/03/58	799,844	1,575	0.76
UK Treasury 0.125% IL 22/11/65	1,011,000	2,209	1.06
UK Treasury 0.125% IL 22/03/68	700,400	1,668	0.80
UK Treasury 0.25% IL 22/03/52	605,000	1,204	0.58
UK Treasury 0.375% IL 22/03/62	587,904	1,439	0.69
UK Treasury 0.5% IL 22/03/50	823,500	1,912	0.92
UK Treasury 0.625% IL 22/03/40	415,000	839	0.40
UK Treasury 0.625% IL 22/11/42	599,000	1,289	0.62
UK Treasury 0.75% IL 22/03/34	730,000	1,271	0.61
UK Treasury 0.75% IL 22/11/47	603,300	1,459	0.70
UK Treasury 1.125% IL 22/11/37	650,000	1,464	0.70
UK Treasury 1.25% IL 22/11/27	942,000	1,822	0.88
UK Treasury 1.25% IL 22/11/32	1,429,000	2,764	1.33

AXA Ethical Distribution Fund

Portfolio Statement

As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
UK Treasury 1.25% IL 22/11/55	304,565	1,018	0.49
UK Treasury 1.875% IL 22/11/22	2,199,500	3,564	1.72
UK Treasury 2% IL 26/01/35	216,000	581	0.28
UK Treasury 2.5% IL 16/04/20	6,105,000	21,952	10.57
UK Treasury 2.5% IL 17/07/24	376,000	1,372	0.66
UK Treasury 4.125% IL 22/07/30	240,000	884	0.43
Traditional Government Bonds 3.72% (31/05/18: 3.74%)			
UK Treasury 0% 07/06/21	1,775,000	1,740	0.84
UK Treasury 1.25% 22/07/27	210,000	210	0.10
UK Treasury 1.75% 22/07/19	357,000	359	0.17
UK Treasury 2% 07/09/25	1,087,000	1,155	0.56
UK Treasury 2.5% 22/07/65	12,000	14	0.01
UK Treasury 3.25% 22/01/44	28,000	35	0.02
UK Treasury 3.5% 22/01/45	70,000	91	0.04
UK Treasury 3.5% 22/07/68	80,000	119	0.06
UK Treasury 3.75% 07/09/20	2,173,000	2,287	1.10
UK Treasury 3.75% 22/07/52	59,000	84	0.04
UK Treasury 4% 22/01/60	76,000	120	0.06
UK Treasury 4.25% 07/06/32	60,000	79	0.04
UK Treasury 4.25% 07/03/36	155,000	210	0.10
UK Treasury 4.25% 07/12/40	74,000	104	0.05
UK Treasury 4.25% 07/12/46	143,000	210	0.10
UK Treasury 4.25% 07/12/49	38,000	57	0.03
UK Treasury 4.25% 07/12/55	89,000	142	0.07
UK Treasury 4.5% 07/12/42	50,000	74	0.03
UK Treasury 4.75% 07/03/20	256,000	269	0.13
UK Treasury 4.75% 07/12/30	184,000	250	0.12
UK Treasury 4.75% 07/12/38	50,000	74	0.03
UK Treasury 5% 07/03/25	41,000	51	0.02
TOTAL GOVERNMENT BONDS		**84,103**	**40.48**
Portfolio of investments		202,410	97.42
Net other assets		5,359	2.58
Total net assets		**207,769**	**100.00**

All investments are ordinary shares unless otherwise stated.

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

AXA Ethical Distribution Fund

Statement of Total Return

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Income:				
Net capital losses		(17,277)		(1,016)
Revenue	1,900		1,651	
Expenses	(1,193)		(1,207)	
Interest payable and similar charges	-		-	
Net revenue before taxation	707		444	
Taxation	(18)		(16)	
Net revenue after taxation		689		428
Total return before distributions		(16,588)		(588)
Distributions		(1,674)		(1,442)
Change in net assets attributable to Shareholders from investment activities		**(18,262)**		**(2,030)**

Statement of Change in Net Assets Attributable to Shareholders

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Opening net assets attributable to Shareholders		230,431		219,390
Amounts receivable on issue of shares	6,658		16,978	
Amounts payable on cancellation of shares	(12,481)		(8,323)	
		(5,823)		8,655
Change in net assets attributable to Shareholders from investment activities (see above)		(18,262)		(2,030)
Retained distributions on accumulation shares		1,423		1,284
Closing net assets attributable to Shareholders		**207,769**		**227,299**

The above statement shows the comparative closing net assets at 30 November 2017 whereas the current accounting period commenced 1 June 2018.

AXA Ethical Distribution Fund

Balance Sheet

As at 30 November 2018 (unaudited)

	30/11/18	31/05/18
	£'000	£'000
Assets:		
Fixed assets:		
Investments	202,410	225,177
Current assets:		
Debtors	376	933
Cash and bank balances	5,751	5,049
Total assets	**208,537**	**231,159**
Liabilities:		
Creditors:		
Distribution payable	(208)	(257)
Other creditors	(560)	(471)
Total liabilities	**(768)**	**(728)**
Net assets attributable to Shareholders	**207,769**	**230,431**

AXA Ethical Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

Interim Distribution in pence per share

Group 1 Shares purchased prior to 1 June 2018
Group 2 Shares purchased on or after 1 June 2018 to 30 November 2018

	Gross revenue (p)	Equalisation (p)	Distribution payable 31/01/19 (p)	Distribution paid 31/01/18 (p)
Share Class B Accumulation				
Group 1	0.904	-	0.904	0.796
Group 2	0.702	0.202	0.904	0.796
Share Class B Income				
Group 1	0.861	-	0.861	0.771
Group 2	0.861	-	0.861	0.771
Share Class R Accumulation				
Group 1	1.150	-	1.150	1.023
Group 2	0.557	0.593	1.150	1.023
Share Class R Income				
Group 1	1.349	-	1.349	1.219
Group 2	1.239	0.110	1.349	1.219
Share Class Z Accumulation				
Group 1	1.290	-	1.290	1.139
Group 2	0.616	0.674	1.290	1.139
Share Class Z Income				
Group 1	1.436	-	1.436	1.288
Group 2	0.703	0.733	1.436	1.288

AXA Global Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

Investment Objective

The aim of this Fund is to provide income with some prospect for long-term capital growth.

Investment Policy

The Fund invests in a mix of shares in listed companies worldwide and bonds issued by governments of major developed countries worldwide (which are linked to the rate of inflation in those countries) and cash. The Fund's typical asset mix would range between 50-60% investment in shares and 40-50% in Government bonds and cash. The fund manager uses a proprietary stock selection model to identify companies that it believes to be attractive, relative to their industry peers, based on the model's analysis of their financial data. In constructing the Fund's portfolio of shares, the fund manager references the MSCI All Country World Index which means that, while the fund manager has discretion to select the investments for the fund, the fund's divergence from the index is controlled.

Where shares or bonds are denominated in a currency other than UK Pound Sterling, the Fund reduces the impact of changes in its value as a result of movements in exchange rates between the currency and Sterling through the use of foreign exchange hedging techniques (which involves the use of derivatives (financial instruments which derive their value from the value of other assets)).

Risk and Reward Profile

As at 30 November 2018 (unaudited)

By investing in a fund which can invest up to 60% in equities you are likely to be looking for an investment which has lower risk than a pure equity based fund but you are prepared to accept some risk for potential reward. 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 a fund which invests predominantly in equities. You are aware that investing in a fund which has a global remit can increase risk because of currency movements in return for greater potential reward.

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:

• Equity risk - the value of shares in which a Fund invests fluctuate pursuant to market expectations. The value of such shares will go up and down and equity markets have historically been more volatile than fixed interest markets. Should the price of shares in which the Fund has invested fall, the Net Asset Value of the Fund will also fall.

Funds investing in shares are generally more volatile than funds investing in bonds or a combination of shares and bonds, but may also achieve greater returns.

Internal investment guidelines are set, if necessary, to ensure equity risk is maintained within a range deemed suitable based on the 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.

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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.

• 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.

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.

• 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.

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, a 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.

• Investment model risk - in seeking to achieve the investment objectives of the AXA Global Distribution Fund, the ACD and the Sub-Investment Managers use stock recommendations generated by proprietary quantitative analytical models owned and operated by the AXA IM Group. Quantitative modelling is a very complex process involving hundreds of thousands of data points and settings encoded in computer software, and the ACD and its affiliates review these codes and the various components to the models with a view to ensuring that they are appropriately adapted and calibrated to reflect the ACD's and the Sub-Investment Managers' views as to the potential implications of evolving external events and factors, including constantly changing economic, financial market and other conditions. This process involves the exercise of judgments and a number of inherent uncertainties. The ACD's and Sub-Investment Managers' views, including those related to the optimal configuration, calibration and adaptation of the models, may change over time depending on evolving circumstances, on information that becomes available to the ACD and its affiliates and on other factors.

While the ACD attempts to ensure that the models are appropriately developed, operated and implemented on a continuing basis, sub-optimal calibrations of the models and similar issues may arise from time to time, and neither the ACD nor any of its affiliates can guarantee that the models are in an optimal state of calibration and configuration at all times. Further, inadvertent human errors, trading errors, software development and implementation errors, and other types of errors are an inherent risk in complex quantitative investment management processes of the type that the ACD employs. While the ACD's policy is to promptly address any such errors when identified, there can be no guarantee that the overall investment process will be without error or that it will produce the desired results. There can be no guarantee that the ACD or the Sub-Investment Managers will be able to implement their quantitative strategies on an ongoing basis.

• 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.

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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 stock exchanges 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 of the stock markets or foreign exchange markets 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.

• Investment in China A Shares via the Stock Connect program risk - some Funds may invest in China A shares (shares issued by domestic markets in mainland China in Chinese renminbi) through the Stock Connect program. China A shares are generally only available for investment by residents of mainland China or by foreign investors through tightly regulated structures. The Stock Connect program is one structure through which foreign investors can invest in China A shares by providing mutual market access via the Hong Kong Stock Exchange, Shanghai Stock Exchange and Shenzhen Stock Exchange. In addition to the risks disclosed under Emerging Markets Risk and Political, Economic, Convertibility and Regulatory Risk, investment by the Funds via the Stock Connect program also involves the following risks.

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

• Currency risk - assets of a 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.

For certain Funds (as indicated in the relevant Fund Profile), the ACD aims to reduce the risk of movements in exchange rates on the value of all or part of the assets of a Fund through the use of currency exchange transactions. A 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 a Fund’s securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. The performance of a Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by a 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 a 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.

• Liquidity risk - under certain market conditions, it may be difficult to buy or sell investments for the Fund. For example, smaller company shares may trade infrequently and in small volumes and 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, a 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 a 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.

Market Review

The six months to 30 November 2018 saw a resurgence of investor nervousness and macro-driven sentiment, particularly towards the end of the period. The FTSE All-Share Index (on a Total Return basis) fell 7.68% with the FTSE 100 (-7.2%) outperforming the FTSE 250 Index (-10.14%) and FTSE SmallCap Index (-11.88%). Government securities also dropped in value (i.e. yields rose) with the FTSE UK Gilt Index- Linked falling 2.45% versus the conventional gilt equivalents falling 2.54%. Sterling fell 4.1% against the dollar and lost 1.1% to the euro.

UK politics and the countdown to the withdrawal from Europe continue to drive sterling, UK GDP and the London stock market. However, it is worthwhile to take a moment and consider the international backdrop for context.

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The booming US economy had been driving US stocks and US Treasury yields higher during the first three quarters of 2018. In September, US consumer confidence hit its highest level since 2000; the monthly average of initial jobless claims fell to the lowest level since 1969; wage growth rose to the highest level since 2009; retail sales grew >7% year-on-year; the National Federation of Independent Businesses survey showed that small businesses were the most optimistic they've been since the survey began in 1974. However this strong economic growth pushed Treasury yields up to multi-year highs in the expectation that further, and possibly more aggressive, interest rate increases might be required.

After a decade of steady, if unspectacular economic recovery, commentators have become more concerned about the maturity of the economic cycle. During 2018, the divergence between a strong US economy and mixed growth in the rest of the world has been the core feature of the global economic outlook. The result of this was the widening of interest rate differentials in favour of the US as the US Federal Reserve (Fed) remained on course to taking the federal funds rate (FFR) towards 3%. Ongoing trade wars and the prospect of a reversal of the post-war globalisation trend had already been weighing on investors' minds; however, an expectation that economic sense would overcome posturing held markets steady. October proved to be a particularly challenging month with market volatility returning with a vengeance. The S&P 500 Index moved up or down by more than 1% in a single day on ten occasions during the month – two more times than in the whole of 2017. The MSCI World (TR) Index ended October down 5.57%, the FTSE All-Share Index (TR) fell 5.19% and the S&P 500 Index (TR) fell 6.8%. The sharp sell-off seemed to have been triggered on 3 October by Fed Chairman Jay Powell commenting that US interest rates are still a "long way from neutral". In isolation the comment was at best unfortunate, however set against a back drop of a pickup in corporate earnings misses, heightened geopolitical concerns and escalating trade issues it produced a sell-off. The weakness was magnified by quant and passive funds reversing their momentum trades – one broking house commented that they had seen passive investors, outnumbering active investors by 10 to one.

In the UK, ongoing concerns about the looming Brexit deadline (29 March 2019) have weighed on investor sentiment. It is difficult to overestimate the significance of the outcome of the Brexit negotiations and their effect on the near and long-term prospects for the UK economy, as well as for sterling. The risk of a no-deal outcome remains a significant one and has been factored into UK equity prices as the deadline has drawn closer. Logic would suggest that the negotiation process was always going to be taken to the last possible moment with both sides seeking to obtain the best outcome for their respective interests. However, even the most highly-skilled 'Game Theorists' would find it hard to envisage the best strategy for the UK government to adopt given the combined complications of domestic politics and international negotiation with the 27-nation European Union.

It is unsurprising that the UK economy is forecast to grow below trend during the final quarter of 2018 and that interest rates remain below 1%. Despite persistent speculation through 2018 that rates would be increased, both to reflect the lack of spare capacity in the UK economy and to provide some slack in the event of another financial crisis, the Monetary Policy Committee took until August to raise rates by 25 basis points (bps) to 0.75%. In Europe, by contrast, the European Central Bank announced that interest rates will not be going up until at least the summer of 2019. They did, however, confirm that Eurozone quantitative easing will come to an end by the end of this year. By comparison, US interest rates were raised again in September to a range of 2.00%-2.25%.

The main risk to fixed income assets in the UK is a further weakening of Sterling, pushing up inflation. In terms of interest rate expectations, the outlook for the UK is clouded by Brexit. A 'hard Brexit' would likely see the Bank of England moving towards easing again. Our economists expect there to be some upward pressure on inflation and inflationary expectations over the remainder of 2018. Inflation-linked bond markets are trading in narrow ranges with no sign that investors are expecting a major break-out of inflation.

Outlook

In recent years, buoyant equity markets have benefited from excessive liquidity, low interest rates, a recovery in the global economy and corporate profitability. This has been boosted in 2018 by US tax reform, the return of the commodity cap-ex cycle and balance sheet improvements in the financial sector. Nevertheless, markets face a number of potential headwinds in the period ahead.

The most obvious near-term risk to the global economy is the potential for a further escalation in trade tariffs, initiated by the US, and the subsequent retaliation. The US economy has rarely experienced recession without a tightening of liquidity. Looking at major measures of liquidity conditions, such as the Chicago Fed National Financial Conditions Index and the Federal Reserve Senior Loan Officers survey, we can see that liquidity conditions have actually eased since the Federal Reserve Board began to raise interest rates. To our mind, it is too early to be concerned by recession.

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The political and economic consequences of Brexit make the near-term prospects for the UK stock market likely to be volatile. The dilemma facing UK investors was highlighted by the caveat attached to the Chancellor's Autumn Budget statement which, while optimistic in tone, explicitly stated that our economic fortunes are contingent on a Brexit deal being reached. The fact that unprecedented central bank liquidity is being withdrawn, at the same time as many tenants of the post-WW2 international order are being eroded certainly gives one cause for thought. Our efforts remain on creating a portfolio that will generate value for unit holders over the long-term by investing in businesses that can adapt and grow across the business cycle.

Fund Commentary

The central asset mix of the fund is 55% global equities and 45% global index-linked government bonds. The Global Distribution Fund remains invested to meet its long-term objectives.

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

Major Purchases

- UK Treasury 0.25% IL 22/03/52
- US Treasury 0.375% IL 15/07/27
- Ecolab
- France OAT 0.1% IL 25/07/47
- US Treasury 2.125% IL 15/02/41

Major Sales

- Merck & Co
- Eli Lilly
- Johnson & Johnson
- QUALCOMM
- Costco Wholesale

Matthew Huddart, Jamie Forbes-Wilson
AXA Investment Managers UK Limited
30 November 2018

AXA Global Distribution Fund

Comparative Tables

As at 30 November 2018 (unaudited)

	B Accumulation			B Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	136.67	137.53	130.99	131.51	133.27	128.43
Closing net asset value (£) †	34,461,767	36,373,104	37,114,511	192,072	235,815	249,571
Closing number of shares	25,216,142	26,446,922	28,334,191	146,057	176,940	194,317
Operating charges ^	0.55%	0.54%	0.54%	0.55%	0.54%	0.54%

	R Accumulation			R Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	264.78	267.80	257.62	176.59	179.87	175.09
Closing net asset value (£) †	22,921,055	23,149,001	32,194,245	1,330,675	1,374,214	1,396,993
Closing number of shares	8,656,644	8,644,176	12,496,871	753,527	763,995	797,853
Operating charges ^	1.55%	1.54%	1.54%	1.55%	1.54%	1.54%

	Z Accumulation			Z Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	292.63	294.86	281.54	196.00	198.89	192.15
Closing net asset value (£) †	152,477,597	104,113,310	75,956,927	26,707,518	23,857,643	19,618,486
Closing number of shares	52,105,784	35,309,818	26,979,055	13,626,190	11,995,495	10,209,858
Operating charges ^	0.80%	0.79%	0.80%	0.80%	0.79%	0.80%

† Valued at bid-market prices.

^ 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. The figures used within these tables have been calculated against the average Net Asset Value for the accounting period.

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	Holding	Market Value £'000	% of Total Net Assets
AUSTRALIA 1.14% (31/05/18: 0.99%)			
INDEX LINKED GOVERNMENT BONDS 0.24% (31/05/18: 0.30%)			
Australia (Government of) 1.25% IL 21/02/22	AUD 482,000	320	0.13
Australia (Government of) 2.5% IL 20/09/30	AUD 312,000	251	0.11
EQUITIES 0.90% (31/05/18: 0.69%)			
BlueScope Steel	20,700	133	0.06
Coles	7,100	48	0.02
Dexus*	48,200	289	0.12
GPT*	101,640	307	0.13
Mirvac*	174,800	219	0.09
Scentre*	76,200	170	0.07
Stockland*	115,100	239	0.10
Vicinity Centres*	181,700	277	0.12
Wesfarmers	7,100	128	0.05
Woolworths	19,800	328	0.14
TOTAL AUSTRALIA		**2,709**	**1.14**
AUSTRIA 0.24% (31/05/18: 0.00%)			
OMV	14,500	581	0.24
TOTAL AUSTRIA		**581**	**0.24**
BELGIUM 0.50% (31/05/18: 0.12%)			
Colruyt	4,200	210	0.09
Elia System Operator	1,800	94	0.04
Solvay	2,138	181	0.07
UCB	10,800	710	0.30
TOTAL BELGIUM		**1,195**	**0.50**
BERMUDA 0.19% (31/05/18: 0.17%)			
Marvell Technology	36,600	461	0.19
TOTAL BERMUDA		**461**	**0.19**
BRAZIL 0.38% (31/05/18: 0.61%)			
Braskem Preference Shares	32,700	370	0.16
Cia Brasileira de Distribuicao Preference Shares	200	3	-
Sul America	115	1	-
Telefonica Brasil Prefrence Shares	54,700	520	0.22
TOTAL BRAZIL		**894**	**0.38**
CANADA 2.76% (31/05/18: 3.15%)			
INDEX LINKED GOVERNMENT BONDS 0.79% (31/05/18: 1.02%)			
Canada (Government of) 1.5% 01/12/44	CAD 268,000	211	0.09
Canada (Government of) 2% 01/12/41	CAD 282,000	249	0.10
Canada (Government of) 3% 01/12/36	CAD 169,000	177	0.07
Canada (Government of) 4% 01/12/31	CAD 93,000	112	0.05
Canada (Government of) 4.25% 01/12/21	CAD 197,000	206	0.09
Canada (Government of) 4.25% 01/12/26	CAD 813,000	930	0.39
EQUITIES 1.97% (31/05/18: 2.13%)			
Canadian Apartment Properties*	6,300	173	0.07
Canadian Imperial Bank of Commerce	15,800	1,046	0.44

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	Holding	Market Value £'000	% of Total Net Assets
Canadian Tire	2,700	241	0.10
Empire	7,100	105	0.04
George Weston	5,800	332	0.14
Industrial Alliance Insurance & Financial Services	4,700	133	0.06
Loblaw	20,400	737	0.31
Lululemon Athletica	3,700	375	0.16
Metro	6,500	175	0.07
Royal Bank of Canada	15,200	875	0.37
Teck Resources	32,400	508	0.21
TOTAL CANADA		**6,585**	**2.76**
CHINA (INCLUDING HONG KONG) 3.05% (31/05/18: 3.11%)			
Alibaba ADR	3,300	404	0.17
Baidu ADR	800	115	0.05
Bank of Communications	917,000	546	0.23
Champion*	212,000	116	0.05
China Cinda Asset Management	1,002,000	210	0.09
China Communications Services	356,000	233	0.10
China Construction Bank	1,636,000	1,092	0.46
China Minsheng Banking	816,900	472	0.20
China National Building Material	150,000	91	0.04
China Resources Pharmaceutical	332,000	382	0.16
China Telecom	2,480,000	1,044	0.44
CITIC	42,000	53	0.02
Future Land Development	218,000	115	0.05
Guangzhou R&F Properties	115,000	139	0.06
People's Insurance	1,895,000	640	0.27
Postal Savings Bank of China	1,455,000	688	0.29
Shandong Chenming Paper	53,250	24	0.01
Tencent	24,100	754	0.31
Zhongsheng	80,000	127	0.05
TOTAL CHINA (INCLUDING HONG KONG)		**7,245**	**3.05**
DENMARK 0.30% (31/05/18: 0.16%)			
Novo Nordisk	13,500	492	0.21
Pandora	5,200	223	0.09
TOTAL DENMARK		**715**	**0.30**
FINLAND 0.00% (31/05/18: 0.03%)			
FRANCE 6.92% (31/05/18: 5.89%)			
INDEX LINKED GOVERNMENT BONDS 5.23% (31/05/18: 4.43%)			
France OAT 0.1% IL 01/03/25	EUR 1,147,000	1,118	0.47
France OAT 0.1% IL 01/03/28	EUR 1,945,000	1,895	0.80
France OAT 0.1% IL 25/07/47	EUR 1,700,000	1,647	0.69
France OAT 0.25% IL 25/07/24	EUR 896,660	909	0.38
France OAT 0.7% IL 25/07/30	EUR 1,453,000	1,542	0.65
France OAT 1.1% IL 25/07/22	EUR 913,219	1,002	0.42
France OAT 1.3% IL 25/07/19	EUR 967,893	966	0.41
France OAT 1.8% IL 25/07/40	EUR 615,125	939	0.39
France OAT 2.25% IL 25/07/20	EUR 1,088,022	1,308	0.55
France OAT 3.15% IL 25/07/32	EUR 645,546	1,113	0.47

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	Holding	Market Value £'000	% of Total Net Assets
EQUITIES 1.69% (31/05/18: 1.46%)			
Airbus	5,500	465	0.20
Atos	4,950	330	0.14
AXA	56,500	1,079	0.45
BNP Paribas	1,800	71	0.03
Casino Guichard Perrachon	5,100	183	0.08
Lyxor MSCI India C (EUR)	89,400	1,276	0.54
Publicis	13,000	607	0.25
TOTAL FRANCE		**16,450**	**6.92**
GERMANY 2.87% (31/05/18: 3.16%)			
INDEX LINKED GOVERNMENT BONDS 1.08% (31/05/18: 0.00%)			
Deutsche Bundesrepublik 0.1% IL 15/04/23	EUR 940,000	959	0.40
Deutsche Bundesrepublik 0.1% IL 15/04/26	EUR 1,041,000	1,064	0.45
Deutsche Bundesrepublik 0.5% IL 15/04/30	EUR 506,000	551	0.23
EQUITIES 1.79% (31/05/18: 3.16%)			
Allianz	5,200	869	0.37
Bayer	3,600	209	0.09
Covestro	9,200	410	0.17
Deutsche Lufthansa	21,300	408	0.17
Hella	1,000	32	0.01
METRO	11,200	135	0.06
ProSiebenSat.1 Media	1,375	22	0.01
SAP	7,270	591	0.25
Siemens	12,880	1,173	0.49
TUI	35,000	402	0.17
TOTAL GERMANY		**6,825**	**2.87**
INDONESIA 0.04% (31/05/18: 0.00%)			
Indah Kiat Pulp & Paper	180,700	104	0.04
TOTAL INDONESIA		**104**	**0.04**
IRELAND 0.60% (31/05/18: 0.00%)			
Medtronic	19,000	1,439	0.60
TOTAL IRELAND		**1,439**	**0.60**
ITALY 1.59% (31/05/18: 2.66%)			
INDEX LINKED GOVERNMENT BONDS 1.59% (31/05/18: 2.03%)			
Italy (Republic of) 2.1% IL 15/09/21	EUR 1,728,000	1,794	0.75
Italy (Republic of) 2.35% IL 15/09/19	EUR 137,000	143	0.06
Italy (Republic of) 2.35% IL 15/09/24	EUR 919,000	882	0.37
Italy (Republic of) 2.35% IL 15/09/35	EUR 331,000	370	0.16
Italy (Republic of) 2.55% IL 15/09/41	EUR 579,000	587	0.25
EQUITIES 0.00% (31/05/18: 0.63%)			
Enel	2,000	9	-
TOTAL ITALY		**3,785**	**1.59**

AXA Global Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
JAPAN 4.71% (31/05/18: 4.15%)			
INDEX LINKED GOVERNMENT BONDS 0.56% (31/05/18: 0.19%)			
Japan Government 0.1% IL 10/03/24	JPY 13,100,000	97	0.04
Japan Government 0.1% IL 10/09/24	JPY 25,000,000	179	0.07
Japan Government 0.1% IL 10/03/27	JPY 147,000,000	1,064	0.45
EQUITIES 4.15% (31/05/18: 3.96%)			
Haseko	12,900	122	0.05
Hitachi	45,500	1,031	0.43
Idemitsu Kosan	9,500	271	0.11
JXTG	180,900	854	0.36
Konica Minolta	26,000	183	0.08
Mitsubishi Chemical	83,000	532	0.22
Mitsubishi UFJ Financial	218,600	943	0.40
Mitsui Chemicals	9,200	182	0.08
Mixi	2,600	48	0.02
Mizuho Financial	692,600	899	0.38
NEC	12,000	291	0.12
Nippon Telegraph & Telephone	35,800	1,156	0.49
NOK	5,600	66	0.03
Nomura	72,700	257	0.11
ORIX	5,800	74	0.03
Resona	108,200	450	0.19
Sompo	17,800	539	0.23
Sumitomo Chemical	85,000	361	0.15
Sumitomo Mitsui Financial	40,400	1,166	0.49
Teijin	8,000	108	0.04
Tosoh	15,000	166	0.07
West Japan Railway	3,200	175	0.07
TOTAL JAPAN		**11,214**	**4.71**
JERSEY 0.04% (31/05/18: 0.00%)			
Novocure	3,600	96	0.04
TOTAL JERSEY		**96**	**0.04**
KOREA (SOUTH) 0.84% (31/05/18: 1.09%)			
CJ CheilJedang	840	197	0.08
KT	730	16	0.01
LG Electronics	2,820	143	0.06
Lotte Chemical	172	33	0.01
Samsung Electronics	26,700	782	0.33
SK Hynix	16,940	823	0.35
TOTAL KOREA (SOUTH)		**1,994**	**0.84**
MEXICO 0.08% (31/05/18: 0.00%)			
Alfa	149,500	117	0.05
Organizacion Soriana	80,000	81	0.03
TOTAL MEXICO		**198**	**0.08**
NETHERLANDS 1.63% (31/05/18: 1.44%)			
Aegon	120,000	520	0.22
ASR Nederland	3,300	113	0.05
Koninklijke Ahold Delhaize	62,500	1,264	0.53
NN	19,200	645	0.27

AXA Global Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Randstad	8,400	318	0.13
Royal Dutch Shell 'A' Shares (EUR)	7,911	188	0.08
Royal Dutch Shell 'A' Shares (GBP)	189	4	-
Signify	3,300	68	0.03
Wolters Kluwer	15,800	755	0.32
TOTAL NETHERLANDS		**3,875**	**1.63**
NEW ZEALAND 0.00% (31/05/18: 0.01%)			
PHILIPPINES 0.05% (31/05/18: 0.14%)			
Alliance Global	446,000	76	0.03
PLDT	2,740	47	0.02
TOTAL PHILIPPINES		**123**	**0.05**
POLAND 0.06% (31/05/18: 0.09%)			
Cyfrowy Polsat	27,000	125	0.05
PGE Polska Grupa Energetyczna	6,000	15	0.01
TOTAL POLAND		**140**	**0.06**
PUERTO RICO 0.06% (31/05/18: 0.00%)			
Popular	3,100	132	0.06
TOTAL PUERTO RICO		**132**	**0.06**
RUSSIAN FEDERATION 0.71% (31/05/18: 0.78%)			
Gazprom ADR	240,000	930	0.39
Surgutneftegas ADR	244,000	763	0.32
TOTAL RUSSIAN FEDERATION		**1,693**	**0.71**
SINGAPORE 0.06% (31/05/18: 0.06%)			
BOC Aviation	25,000	151	0.06
Olam International	700	1	-
TOTAL SINGAPORE		**152**	**0.06**
SOUTH AFRICA 0.00% (31/05/18: 0.05%)			
SPAIN 0.85% (31/05/18: 1.10%)			
INDEX LINKED GOVERNMENT BONDS 0.20% (31/05/18: 0.25%)			
Spain 1.8% IL 30/11/24	EUR 457,000	480	0.20
EQUITIES 0.65% (31/05/18: 0.85%)			
Mapfre	24,369	54	0.02
Repsol	80,100	1,086	0.46
Telefonica	58,000	407	0.17
TOTAL SPAIN		**2,027**	**0.85**

AXA Global Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
SWEDEN 0.66% (31/05/18: 0.95%)			
INDEX LINKED GOVERNMENT BONDS 0.21% (31/05/18: 0.27%)			
Sweden (Kingdom of) 0.25% IL 01/06/22	SEK 940,000	94	0.04
Sweden (Kingdom of) 3.5% IL 01/12/28	SEK 1,875,000	319	0.13
Sweden (Kingdom of) 4% IL 01/12/20	SEK 705,000	93	0.04
EQUITIES 0.45% (31/05/18: 0.68%)			
Boliden	11,500	202	0.08
Castellum	10,000	137	0.06
Fastighets Balder	7,700	165	0.07
Intrum	6,000	129	0.05
Securitas	14,000	184	0.08
SKF	20,800	257	0.11
TOTAL SWEDEN		**1,580**	**0.66**
SWITZERLAND 1.61% (31/05/18: 2.11%)			
Adecco	6,800	264	0.11
Nestle	3,400	228	0.10
Roche	8,000	1,602	0.67
UBS	60,600	641	0.27
Zurich Insurance	4,480	1,099	0.46
TOTAL SWITZERLAND		**3,834**	**1.61**
TAIWAN 1.19% (31/05/18: 1.16%)			
AU Optronics	353,000	113	0.05
China Development Financial	737,000	187	0.08
China Life Insurance	154,760	115	0.05
CTBC Financial	879,000	458	0.19
Far Eastern New Century	295,000	214	0.09
Fubon Financial	568,000	706	0.30
Innolux	274,000	71	0.03
Nanya Technology	118,000	183	0.08
Pou Chen	122,000	104	0.04
Shin Kong Financial	440,250	117	0.05
United Microelectronics	379,000	111	0.05
Yageo	21,000	197	0.08
Yuanta Financial	627,000	250	0.10
TOTAL TAIWAN		**2,826**	**1.19**
THAILAND 0.64% (31/05/18: 0.53%)			
PTT	781,000	917	0.39
PTT Exploration & Production	44,000	138	0.06
PTT Global Chemical	249,000	464	0.19
TOTAL THAILAND		**1,519**	**0.64**
UNITED KINGDOM 14.65% (31/05/18: 16.04%)			
INDEX LINKED GOVERNMENT BONDS 13.14% (31/05/18: 13.80%)			
UK Treasury 0.125% IL 22/11/19	805,400	936	0.39
UK Treasury 0.125% IL 22/03/24	620,969	820	0.34
UK Treasury 0.125% IL 22/03/26	840,000	1,079	0.45
UK Treasury 0.125% IL 22/03/29	1,539,690	2,257	0.95
UK Treasury 0.125% IL 22/03/44	453,503	782	0.33
UK Treasury 0.125% IL 22/03/46	472,711	784	0.33
UK Treasury 0.125% IL 22/03/58	352,915	695	0.29

AXA Global Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
UK Treasury 0.125% IL 22/11/65	472,000	1,031	0.43
UK Treasury 0.125% IL 22/03/68	442,091	1,053	0.44
UK Treasury 0.25% IL 22/03/52	1,262,455	2,513	1.06
UK Treasury 0.375% IL 22/03/62	244,701	599	0.25
UK Treasury 0.5% IL 22/03/50	816,054	1,894	0.80
UK Treasury 0.625% IL 22/03/40	623,817	1,261	0.53
UK Treasury 0.625% IL 22/11/42	346,479	746	0.31
UK Treasury 0.75% IL 22/03/34	1,644,917	2,864	1.20
UK Treasury 0.75% IL 22/11/47	637,517	1,542	0.65
UK Treasury 1.125% IL 22/11/37	567,394	1,278	0.54
UK Treasury 1.25% IL 22/11/27	828,331	1,602	0.67
UK Treasury 1.25% IL 22/11/32	759,093	1,468	0.62
UK Treasury 1.25% IL 22/11/55	362,413	1,212	0.51
UK Treasury 1.875% IL 22/11/22	1,000,686	1,622	0.68
UK Treasury 2% IL 26/01/35	619,411	1,666	0.70
UK Treasury 2.5% IL 16/04/20	78,000	280	0.12
UK Treasury 2.5% IL 17/07/24	231,194	844	0.36
UK Treasury 4.125% IL 22/07/30	125,000	461	0.19
EQUITIES 1.51% (31/05/18: 2.24%)			
3i	43,800	369	0.16
Anglo American	7,700	121	0.05
Babcock International	15,200	87	0.04
Bellway	3,000	77	0.03
Dixons Carphone	51,000	83	0.04
GlaxoSmithKline	25,200	403	0.17
Inchcape	20,800	122	0.05
Kingfisher	104,000	268	0.11
Legal & General	322,000	789	0.33
Marks & Spencer	90,000	267	0.11
Micro Focus International ADR	7,964	125	0.05
Royal Dutch Shell 'B' Shares	2,300	55	0.02
Royal Mail	41,000	130	0.06
RPC	13,300	95	0.04
WPP	70,500	605	0.25
TOTAL UNITED KINGDOM		**34,885**	**14.65**
UNITED STATES 49.36% (31/05/18: 49.66%)			
INDEX LINKED GOVERNMENT BONDS 18.39% (31/05/18: 18.61%)			
US Treasury 0.125% IL 15/04/20	USD 3,711,000	3,077	1.29
US Treasury 0.125% IL 15/01/22	USD 2,583,700	2,194	0.92
US Treasury 0.125% IL 15/07/22	USD 1,584,000	1,323	0.56
US Treasury 0.125% IL 15/01/23	USD 2,317,900	1,915	0.80
US Treasury 0.125% IL 15/07/26	USD 5,121,000	3,959	1.66
US Treasury 0.25% IL 15/01/25	USD 2,649,000	2,113	0.89
US Treasury 0.375% IL 15/01/27	USD 2,205,000	1,710	0.72
US Treasury 0.375% IL 15/07/27	USD 3,100,000	2,374	1.00
US Treasury 0.625% IL 15/07/21	USD 798,000	694	0.29
US Treasury 0.625% IL 15/01/26	USD 2,627,000	2,126	0.89
US Treasury 0.625% IL 15/02/43	USD 1,126,300	842	0.35
US Treasury 0.75% IL 15/02/42	USD 1,522,300	1,198	0.50
US Treasury 0.75% IL 15/02/45	USD 1,860,000	1,384	0.58
US Treasury 0.875% IL 15/02/47	USD 1,894,000	1,411	0.59
US Treasury 1.125% IL 15/01/21	USD 670,200	606	0.26
US Treasury 1.25% IL 15/07/20	USD 4,956,800	4,510	1.89
US Treasury 1.375% IL 15/01/20	USD 689,600	630	0.27
US Treasury 1.375% IL 15/02/44	USD 1,456,100	1,267	0.53

AXA Global Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
US Treasury 1.875% IL 15/07/19	USD 2,191,600	2,036	0.86
US Treasury 2% IL 15/01/26	USD 1,013,100	1,077	0.45
US Treasury 2.125% IL 15/01/19	USD 1,209,100	1,114	0.47
US Treasury 2.125% IL 15/02/41	USD 1,886,800	1,998	0.84
US Treasury 2.5% IL 15/01/29	USD 2,575,600	2,693	1.13
US Treasury 3.625% IL 15/04/28	USD 1,025,600	1,537	0.65
EQUITIES 30.97% (31/05/18: 31.05%)			
ABIOMED	2,400	624	0.26
Adobe	7,000	1,367	0.57
AES	31,000	375	0.16
Alphabet 'A' Shares	1,770	1,518	0.64
Amazon.com	2,200	2,886	1.21
Amdocs	6,100	310	0.13
American Express	15,100	1,317	0.55
American National Insurance	100	10	-
Ameriprise Financial	8,300	830	0.35
ANGI Homeservices	23,400	324	0.14
Apple	15,300	2,154	0.90
Apple Hospitality*	9,700	121	0.05
Arconic	22,600	378	0.16
AT&T	30,300	726	0.30
Automatic Data Processing	9,300	1,063	0.45
Avery Dennison	2,000	149	0.06
Baker Hughes	23,500	426	0.18
Bank of America	59,300	1,304	0.55
Berkshire Hathaway 'B' Shares	1,600	273	0.11
Best Buy	14,000	703	0.30
Boeing	3,000	805	0.34
Booking	500	731	0.31
Bristol-Myers Squibb	31,100	1,263	0.53
Brixmor Property*	10,600	132	0.06
Capital One Financial	9,400	655	0.28
CBS	21,200	920	0.39
Chevron	1,200	112	0.05
Cinemark	4,200	128	0.05
Cisco Systems	3,400	126	0.05
Clorox	7,300	950	0.40
CNA Financial	4,800	177	0.07
Colgate-Palmolive	23,100	1,141	0.48
Conagra Brands	18,500	468	0.20
Conduent	9,200	95	0.04
ConocoPhillips	20,500	1,075	0.45
CoreCivic*	3,600	62	0.03
Cracker Barrel Old Country Store	600	86	0.04
Darden Restaurants	4,500	392	0.16
Dexcom	4,900	499	0.21
Duke Energy	17,800	1,222	0.51
Eaton	18,600	1,108	0.47
eBay	47,000	1,087	0.46
Ecolab	9,100	1,130	0.47
Emerson Electric	4,600	243	0.10
Etsy	5,300	219	0.09
Extended Stay America	8,400	119	0.05
Exxon Mobil	8,000	496	0.21
Facebook 'A' Shares	4,500	489	0.21
Fidelity National Financial	15,600	406	0.17
Ford Motor	147,200	1,081	0.45

AXA Global Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Fortinet	9,500	550	0.23
GameStop	4,700	54	0.02
Gap	17,700	370	0.16
General Mills	13,000	430	0.18
General Motors	44,200	1,274	0.54
GrubHub	3,400	214	0.09
H&R Block	9,800	217	0.09
HD Supply	8,800	271	0.11
Home Depot	7,700	1,060	0.45
Hospitality Properties Trust*	7,200	150	0.06
Humana	4,100	1,061	0.45
Huntsman	11,400	178	0.07
Ingredion	2,600	212	0.09
Insperity	1,500	116	0.05
Intel	43,500	1,626	0.68
International Business Machines	11,800	1,124	0.47
Johnson & Johnson	5,400	617	0.26
JPMorgan Chase	13,600	1,173	0.49
Kellogg	7,000	347	0.15
Kennametal	3,500	113	0.05
Kimberly-Clark	7,900	712	0.30
Kimco Realty*	12,500	156	0.07
Loews	17,500	658	0.28
Lowe's	8,600	628	0.26
LyondellBasell Industries	13,800	1,006	0.42
Masco	17,000	417	0.18
Medical Properties Trust*	8,400	113	0.05
Merck & Co	1,900	116	0.05
Micron Technology	21,500	639	0.27
Microsoft	23,100	1,995	0.84
Molina Healthcare	1,300	141	0.06
Nasdaq	9,000	638	0.27
NCR	5,600	120	0.05
Netflix	5,200	1,177	0.49
Newfield Exploration	5,200	72	0.03
NVIDIA	7,500	925	0.39
Office Depot	21,400	55	0.02
Oracle	37,700	1,416	0.59
Outfront Media*	5,100	83	0.03
Packaging Corp of America	3,700	280	0.12
Paramount*	9,700	107	0.05
Park Hotels & Resorts*	7,000	168	0.07
Parker-Hannifin	7,400	980	0.41
Patterson	3,400	65	0.03
PepsiCo	16,200	1,502	0.63
Pfizer	7,300	260	0.11
Procter & Gamble	2,100	153	0.06
Quest Diagnostics	7,700	531	0.22
Range Resources	8,300	97	0.04
Raytheon	7,000	953	0.40
RLJ Lodging Trust*	7,800	124	0.05
Sabra Health Care*	9,800	148	0.06
salesforce.com	11,400	1,249	0.52
Seagate Technology	16,200	542	0.23
Senior Housing Properties Trust*	7,900	83	0.03
ServiceNow	8,000	1,123	0.47
Shire	24,100	1,082	0.45
Southwestern Energy	16,200	62	0.03

AXA Global Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Square	18,200	997	0.42
Stanley Black & Decker	5,300	530	0.22
Sunstone Hotel Investors*	11,500	140	0.06
Symantec	30,600	541	0.23
TEGNA	9,100	96	0.04
Timken	3,500	108	0.05
Trade Desk	1,900	210	0.09
Travelers	8,600	880	0.37
Tupperware Brands	1,700	51	0.02
Twitter	4,600	113	0.05
United Parcel Service	2,800	249	0.10
UnitedHealth	1,300	288	0.12
Veeva Systems	2,200	170	0.07
Verizon Communications	29,100	1,356	0.57
Vertex Pharmaceuticals	800	113	0.05
Viacom 'B' Shares	18,700	469	0.20
Visa 'A' Shares	1,500	164	0.07
Western Union	24,900	364	0.15
World Wrestling Entertainment	4,000	226	0.09
Wyndham Worldwide	3,300	108	0.05
Xcel Energy	6,500	263	0.11
Xerox	13,550	285	0.12
TOTAL UNITED STATES		**117,517**	**49.36**
FORWARD FX (0.01%) (31/05/18: (0.56%))			
Sold USD49,400,000 for GBP38,710,244 Settlement 06/12/2018		(16)	(0.01)
TOTAL FORWARD FX		**(16)**	**(0.01)**
Portfolio of investments		232,777	97.77
Net other assets		5,314	2.23
Total net assets		**238,091**	**100.00**

All investments are ordinary shares unless otherwise stated.

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

* Real Estate Investment Trust (REIT).

Stocks shown as ADR's represent American Depositary Receipts.

Summary of Fund assets	**30/11/2018 Market Value *£'000***	**%**	**31/05/2018 Market Value *£'000***	
Bonds	98,648	41.43	77,323	40.90
Collective Investment Schemes	1,276	0.54	949	0.50
Equities	132,869	55.81	109,713	58.01
Forward currency contracts	(16)	(0.01)	(1,063)	(0.56)
Net other assets	5,314	2.23	2,181	1.15
Portfolio of Investments	**238,091**	**100.00**	**189,103**	**100.00**

AXA Global Distribution Fund

Statement of Total Return

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Income:				
Net capital (losses)/gains		(3,640)		4,640
Revenue	1,852		926	
Expenses	(886)		(756)	
Interest payable and similar charges	(2)		(3)	
Net revenue before taxation	964		167	
Taxation	(172)		(136)	
Net revenue after taxation		792		31
Total return before distributions		(2,848)		4,671
Distributions		(1,450)		(673)
Change in net assets attributable to Shareholders from investment activities		**(4,298)**		**3,998**

Statement of Change in Net Assets Attributable to Shareholders

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Opening net assets attributable to Shareholders		189,103		166,531
Amounts receivable on issue of shares	58,198		14,703	
Amounts payable on cancellation of shares	(6,383)		(8,181)	
		51,815		6,522
Change in net assets attributable to Shareholders from investment activities (see above)		(4,298)		3,998
Retained distributions on accumulation shares		1,471		598
Closing net assets attributable to Shareholders		**238,091**		**177,649**

The above statement shows the comparative closing net assets at 30 November 2017 whereas the current accounting period commenced 1 June 2018.

AXA Global Distribution Fund

Balance Sheet

As at 30 November 2018 (unaudited)

	30/11/18	31/05/18
	£'000	£'000
Assets:		
Fixed assets:		
Investments	232,793	187,985
Current assets:		
Debtors	8,255	1,182
Cash and bank balances	4,161	1,783
Total assets	**245,209**	**190,950**
Liabilities:		
Investment liabilities	(16)	(1,063)
Creditors:		
Distribution payable	(199)	(202)
Other creditors	(6,903)	(582)
Total liabilities	**(7,118)**	**(1,847)**
Net assets attributable to Shareholders	**238,091**	**189,103**

AXA Global Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

Interim Distribution in pence per share

Group 1 Shares purchased prior to 1 June 2018

Group 2 Shares purchased on or after 1 June 2018 to 30 November 2018

	Gross revenue (p)	Equalisation (p)	Distribution payable 31/01/19 (p)	Distribution paid 31/01/18 (p)
Share Class B Accumulation				
Group 1	0.958	-	0.958	0.522
Group 2	0.519	0.439	0.958	0.522
Share Class B Income				
Group 1	0.929	-	0.929	0.513
Group 2	0.929	-	0.929	0.513
Share Class R Accumulation				
Group 1	1.860	-	1.860	1.025
Group 2	0.623	1.237	1.860	1.025
Share Class R Income				
Group 1	1.250	-	1.250	0.697
Group 2	0.304	0.946	1.250	0.697
Share Class Z Accumulation				
Group 1	2.051	-	2.051	1.122
Group 2	0.809	1.242	2.051	1.122
Share Class Z Income				
Group 1	1.384	-	1.384	0.766
Group 2	0.547	0.837	1.384	0.766

AXA Lifetime Distribution Fund

Investment Manager's Report
For the six months ended 30 November 2018 (unaudited)

Investment Objective
The aim of this Fund is to provide income with some prospect for long-term capital growth.

Investment Policy
The Fund invests in a mix of shares in UK listed companies, UK Government bonds (the majority of which are linked to the rate of inflation), and cash. The Fund's typical asset mix would range between 50-60% investment in shares and 40-50% in UK Government bonds and cash. The fund manager selects shares in companies based upon their prospects for future growth in dividend payments following an in depth analysis of their financial status, quality of business model and corporate governance arrangements. Investments in UK Government bonds are diversified across a range of maturities (i.e., the length of time for full repayment of the bond by the Government), with a bias towards bonds with longer maturities.

Risk and Reward Profile

As at 30 November 2018 (unaudited)

By investing in a fund which can invest up to 60% in equities you are likely to be looking for an investment which has lower risk than a pure equity based fund but you are prepared to accept some risk for potential reward. 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 a fund which invests predominantly in equities or overseas.

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:

• Equity risk - the value of shares in which a Fund invests fluctuate pursuant to market expectations. The value of such shares will go up and down and equity markets have historically been more volatile than fixed interest markets. Should the price of shares in which the Fund has invested fall, the Net Asset Value of the Fund will also fall.

Funds investing in shares are generally more volatile than funds investing in bonds or a combination of shares and bonds, but may also achieve greater returns.

Internal investment guidelines are set, if necessary, to ensure equity risk is maintained within a range deemed suitable based on the 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.

AXA Lifetime Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

• 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.

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.

• 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.

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, a 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.

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, smaller company shares may trade infrequently and in small volumes and 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, a 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 a 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 Lifetime Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

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.

Important Information

Derivatives transactions may be used in the Fund for meeting the investment objectives of the Fund. The use of derivatives in this manner is not expected to change the risk profile of the Fund.

Market Review

The six months to 30 November 2018 saw a resurgence of investor nervousness and macro-driven sentiment, particularly towards the end of the period. The FTSE All-Share Index (on a Total Return basis) fell 7.68% with the FTSE 100 (-7.2%) outperforming the FTSE 250 Index (-10.14%) and FTSE SmallCap Index (-11.88%). Government securities also dropped in value (i.e. yields rose) with the FTSE UK Gilt Index- Linked falling 2.45% versus the conventional gilt equivalents falling 2.54%. Sterling fell 4.1% against the dollar and lost 1.1% to the euro.

UK politics and the countdown to the withdrawal from Europe continue to drive sterling, UK GDP and the London stock market. However, it is worthwhile to take a moment and consider the international backdrop for context.

The booming US economy had been driving US stocks and US Treasury yields higher during the first three quarters of 2018. In September, US consumer confidence hit its highest level since 2000; the monthly average of initial jobless claims fell to the lowest level since 1969; wage growth rose to the highest level since 2009; retail sales grew >7% year-on-year; the National Federation of Independent Businesses survey showed that small businesses were the most optimistic they've been since the survey began in 1974. However this strong economic growth pushed Treasury yields up to multi-year highs in the expectation that further, and possibly more aggressive, interest rate increases might be required.

After a decade of steady, if unspectacular economic recovery, commentators have become more concerned about the maturity of the economic cycle. During 2018, the divergence between a strong US economy and mixed growth in the rest of the world has been the core feature of the global economic outlook. The result of this was the widening of interest rate differentials in favour of the US as the US Federal Reserve (Fed) remained on course to taking the federal funds rate (FFR) towards 3%. Ongoing trade wars and the prospect of a reversal of the post-war globalisation trend had already been weighing on investors' minds; however, an expectation that economic sense would overcome posturing held markets steady. October proved to be a particularly challenging month with market volatility returning with a vengeance. The S&P 500 Index moved up or down by more than 1% in a single day on ten occasions during the month – two more times than in the whole of 2017. The MSCI World (TR) Index ended October down 5.57%, the FTSE All-Share Index (TR) fell 5.19% and the S&P 500 Index (TR) fell 6.8%. The sharp sell-off seemed to have been triggered on 3 October by Fed Chairman Jay Powell commenting that US interest rates are still a "long way from neutral". In isolation the comment was at best unfortunate, however set against a back drop of a pickup in corporate earnings misses, heightened geopolitical concerns and escalating trade issues it produced a sell-off. The weakness was magnified by quant and passive funds reversing their momentum trades – one broking house commented that they had seen passive investors, outnumbering active investors by 10 to one.

In the UK, ongoing concerns about the looming Brexit deadline (29 March 2019) have weighed on investor sentiment. It is difficult to overestimate the significance of the outcome of the Brexit negotiations and their effect on the near and long-term prospects for the UK economy, as well as for sterling. The risk of a no-deal outcome remains a significant one and has been factored into UK equity prices as the deadline has drawn closer. Logic would suggest that the negotiation process was always going to be taken to the last possible moment with both sides seeking to obtain the best outcome for their respective interests. However, even the most highly-skilled 'Game Theorists' would find it hard to envisage the best strategy for the UK government to adopt given the combined complications of domestic politics and international negotiation with the 27-nation European Union.

It is unsurprising that the UK economy is forecast to grow below trend during the final quarter of 2018 and that interest rates remain below 1%. Despite persistent speculation through 2018 that rates would be increased, both to reflect the lack of spare capacity in the UK economy and to provide some slack in the event of another financial crisis, the Monetary Policy Committee took until August to raise rates by 25 basis points (bps) to 0.75%. In Europe, by contrast, the European Central Bank announced that interest rates will not be going up until at least the summer of 2019. They did, however, confirm that Eurozone quantitative easing will come to an end by the end of this year. By comparison, US interest rates were raised again in September to a range of 2.00%-2.25%.

The main risk to fixed income assets in the UK is a further weakening of Sterling, pushing up inflation. In terms of interest rate expectations, the outlook for the UK is clouded by Brexit. A 'hard Brexit' would likely see the Bank of England moving towards easing again. Our economists expect there to be some upward pressure on inflation and inflationary expectations over the remainder of 2018. Inflation-linked bond markets are trading in narrow ranges with no sign that investors are expecting a major break-out of inflation.

AXA Lifetime Distribution Fund

Investment Manager's Report

For the six months ended 30 November 2018 (unaudited)

Outlook

In recent years, buoyant equity markets have benefited from excessive liquidity, low interest rates, a recovery in the global economy and corporate profitability. This has been boosted in 2018 by US tax reform, the return of the commodity cap-ex cycle and balance sheet improvements in the financial sector. Nevertheless, markets face a number of potential headwinds in the period ahead.

The most obvious near-term risk to the global economy is the potential for a further escalation in trade tariffs, initiated by the US, and the subsequent retaliation. The US economy has rarely experienced recession without a tightening of liquidity. Looking at major measures of liquidity conditions, such as the Chicago Fed National Financial Conditions Index and the Federal Reserve Senior Loan Officers survey, we can see that liquidity conditions have actually eased since the Federal Reserve Board began to raise interest rates. To our mind, it is too early to be concerned by recession.

The political and economic consequences of Brexit make the near-term prospects for the UK stock market likely to be volatile. The dilemma facing UK investors was highlighted by the caveat attached to the Chancellor’s Autumn Budget statement which, while optimistic in tone, explicitly stated that our economic fortunes are contingent on a Brexit deal being reached. The fact that unprecedented central bank liquidity is being withdrawn, at the same time as many tenants of the post-WW2 international order are being eroded certainly gives one cause for thought. Our efforts remain on creating a portfolio that will generate value for unit holders over the long-term by investing in businesses that can adapt and grow across the business cycle.

Fund Commentary

The central asset mix of the Fund is 55% UK equities and 45% index-linked gilts. Within the equity portfolio, our approach remains to look for opportunities to buy into strong companies at attractive valuations, particularly in situations where we perceive short-term market sentiment to be overly pessimistic.

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

Major Purchases

- Hill & Smith
- John Wood
- 3i
- Whitbread
- Faroe Petroleum

Major Sales

- Royal Dutch Shell
- United Utilities
- Johnson Matthey
- RELX
- UK Treasury 0.125% IL 22/11/19

Jamie Forbes-Wilson, Matthew Huddart
AXA Investment Managers UK Limited
30 November 2018

AXA Lifetime Distribution Fund

Comparative Tables

As at 30 November 2018 (unaudited)

	A Acccumulation			A Income		
	30/11/2018	**31/05/2018**	**31/05/2017**	**30/11/2018**	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	119.98	126.40	123.81	110.53	117.81	117.77
Closing net asset value (£) †	4,287,972	4,494,673	4,176,402	40,598	51,924	52,992
Closing number of shares	3,573,934	3,555,867	3,373,128	36,730	44,076	44,995
Operating charges ^	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%

	I Accumulation		
	30/11/2018	**31/05/2018**	**31/05/2017**
Closing net asset value per share †	116.53	122.67	119.96
Closing net asset value (£) †	919,673,011	1,008,329,442	1,076,676,696
Closing number of shares	789,237,029	822,013,158	897,493,460
Operating charges ^	0.15%	0.15%	0.15%

	Z Accumulation~		Z Income~	
	30/11/2018	**31/05/2018**	**30/11/2018**	**31/05/2018**
Closing net asset value per share †	95.15	100.31	93.04	99.23
Closing net asset value (£) †	4,998	5,000	4,985	4,966
Closing number of shares	5,253	4,985	5,358	5,005
Operating charges ^	0.46%	0.46%	0.46%	0.46%

† Valued at bid-market prices.

^ 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. The figures used within these tables have been calculated against the average Net Asset Value for the accounting period.

~ Z share class launched on 17 January 2018.

AXA Lifetime Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
EQUITIES 57.50% (31/05/18: 57.80%)			
BASIC MATERIALS 3.55% (31/05/18: 4.29%)			
Chemicals 0.40% (31/05/18: 1.03%)			
Elementis	1,875,000	3,664	0.40
Mining 3.15% (31/05/18: 3.26%)			
Central Asia Metals	1,600,000	3,360	0.36
Randgold Resources	125,000	7,935	0.86
Rio Tinto (London Quoted)	500,000	17,883	1.93
TOTAL BASIC MATERIALS		**32,842**	**3.55**
CONSUMER GOODS 7.68% (31/05/18: 8.08%)			
Automobiles & Parts 0.19% (31/05/18: 0.00%)			
TI Fluid Systems	1,000,000	1,795	0.19
Beverages 1.68% (31/05/18: 1.50%)			
Diageo	550,000	15,551	1.68
Food Producers 0.96% (31/05/18: 1.00%)			
Cranswick	128,970	3,629	0.39
Dairy Crest	1,150,001	5,237	0.57
Household Goods & Home Construction 1.42% (31/05/18: 1.13%)			
Countryside Properties	2,250,000	6,543	0.71
Reckitt Benckiser	100,000	6,588	0.71
Personal Goods 0.56% (31/05/18: 0.62%)			
Unilever	120,000	5,137	0.56
Tobacco 2.87% (31/05/18: 3.83%)			
British American Tobacco	600,000	16,383	1.77
Imperial Brands	425,000	10,149	1.10
TOTAL CONSUMER GOODS		**71,012**	**7.68**
CONSUMER SERVICES 2.76% (31/05/18: 3.39%)			
Food & Drug Retailers 0.86% (31/05/18: 0.85%)			
Tesco	4,000,000	7,918	0.86
General Retailers 0.00% (31/05/18: 0.13%)			
Teachers Media *	670,000	-	
Media 1.38% (31/05/18: 1.78%)			
Ascential	1,600,000	6,038	0.66
ITE	629,640	395	0.04
ITV	4,000,000	5,844	0.63
Reach	713,217	451	0.05
Travel & Leisure 0.52% (31/05/18: 0.63%)			
Whitbread	105,000	4,815	0.52
TOTAL CONSUMER SERVICES		**25,461**	**2.76**

AXA Lifetime Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
FINANCIALS 13.50% (31/05/18: 12.80%)			
Banks 5.00% (31/05/18: 5.72%)			
Barclays	5,000,000	8,111	0.88
HSBC	4,250,000	28,071	3.04
Lloyds Banking	10,000,000	5,493	0.59
Standard Chartered	750,000	4,505	0.49
Financial Services 2.43% (31/05/18: 2.00%)			
3i	1,400,000	11,780	1.27
London Stock Exchange	140,000	5,685	0.62
TP ICAP	1,600,000	4,971	0.54
Life Insurance 3.58% (31/05/18: 3.09%)			
Legal & General	5,000,000	12,250	1.33
Phoenix	1,173,333	7,022	0.76
Prudential	900,000	13,788	1.49
Nonlife Insurance 1.12% (31/05/18: 0.97%)			
Direct Line	1,000,000	3,263	0.35
Sabre Insurance	2,500,000	7,075	0.77
Real Estate Investment Trusts 1.37% (31/05/18: 1.02%)			
Great Portland Estates	1,200,000	8,394	0.91
PRS	4,305,135	4,262	0.46
TOTAL FINANCIALS		**124,670**	**13.50**
HEALTH CARE 6.80% (31/05/18: 6.11%)			
Health Care Equipment & Services 1.33% (31/05/18: 0.88%)			
Advanced Medical Solutions	1,028,840	2,968	0.32
Inspiration Healthcare	50,000	35	0.01
Smith & Nephew	650,000	9,253	1.00
Pharmaceuticals & Biotechnology 5.47% (31/05/18: 5.23%)			
AstraZeneca	100,000	6,150	0.67
Genus	140,000	3,399	0.37
GlaxoSmithKline	2,000,000	32,020	3.46
Shire	200,000	8,978	0.97
TOTAL HEALTH CARE		**62,803**	**6.80**
INDUSTRIALS 9.44% (31/05/18: 9.26%)			
Aerospace & Defense 0.80% (31/05/18: 0.80%)			
BAE Systems	1,500,000	7,383	0.80
Construction & Materials 1.90% (31/05/18: 1.76%)			
Forterra	3,250,000	7,020	0.76
Marshalls	1,200,000	5,146	0.56
Melrose Industries	3,000,000	5,378	0.58
Electronic & Electrical Equipment 0.13% (31/05/18: 0.22%)			
Xaar	750,000	1,158	0.13
General Industrials 1.68% (31/05/18: 1.67%)			
Coats	7,750,000	6,401	0.69
DS Smith	1,650,000	5,584	0.60
RPC	500,000	3,554	0.39

AXA Lifetime Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
Industrial Engineering 1.61% (31/05/18: 1.08%)			
Hill & Smith	650,000	7,579	0.82
Weir	500,000	7,320	0.79
Industrial Transportation 0.55% (31/05/18: 0.70%)			
BBA Aviation	2,150,000	5,113	1
Support Services 2.77% (31/05/18: 3.03%)			
Ashtead	200,000	3,532	0.38
BCA Marketplace	3,250,000	6,939	0.75
Bunzl	250,000	6,105	0.66
Experian	350,000	6,639	0.72
RPS	1,500,000	2,361	0.26
TOTAL INDUSTRIALS		**87,212**	**9.44**
OIL & GAS 9.57% (31/05/18: 9.57%)			
Oil & Gas Producers 8.61% (31/05/18: 9.16%)			
BP	5,000,000	26,005	2.81
Diversified Gas & Oil	1,213,763	1,286	0.14
Faroe Petroleum	2,689,000	4,227	0.46
Royal Dutch Shell	1,800,000	43,371	4.69
Serica Energy	1,425,000	1,917	0.21
Tullow Oil	1,500,000	2,756	0.30
Oil Equipment, Services & Distribution 0.96% (31/05/18: 0.41%)			
Hunting	650,000	3,705	0.40
John Wood	800,000	5,160	0.56
TOTAL OIL & GAS		**88,427**	**9.57**
TECHNOLOGY 0.42% (31/05/18: 0.37%)			
Software & Computer Services 0.42% (31/05/18: 0.37%)			
AVEVA	150,000	3,873	0.42
TOTAL TECHNOLOGY		**3,873**	**0.42**
TELECOMMUNICATIONS 2.02% (31/05/18: 1.80%)			
Fixed Line Telecommunications 0.75% (31/05/18: 0.46%)			
BT	2,665,532	6,909	0.75
Mobile Telecommunications 1.27% (31/05/18: 1.34%)			
Vodafone	7,000,000	11,761	1.27
TOTAL TELECOMMUNICATIONS		**18,670**	**2.02**
UTILITIES 1.76% (31/05/18: 2.13%)			
Gas, Water & Multiutilities 1.76% (31/05/18: 2.13%)			
National Grid	1,300,000	10,854	1.17
Pennon	500,000	3,585	0.39
Severn Trent	100,000	1,855	0.20
TOTAL UTILITIES		**16,294**	**1.76**

AXA Lifetime Distribution Fund

Portfolio Statement
As at 30 November 2018 (unaudited)

	Holding	Market Value £'000	% of Total Net Assets
GOVERNMENT BONDS 39.89% (31/05/18: 40.08%)			
Index Linked Government Bonds 39.89% (31/05/18: 40.08%)			
UK Treasury 0.125% IL 22/03/24	14,583,000	19,249	2.08
UK Treasury 0.125% IL 22/03/26	15,626,000	20,080	2.17
UK Treasury 0.125% IL 22/03/29	13,085,490	19,184	2.08
UK Treasury 0.125% IL 22/03/44	10,617,170	18,314	1.98
UK Treasury 0.125% IL 22/03/46	11,032,000	18,298	1.98
UK Treasury 0.125% IL 22/11/19	13,337,000	15,497	1.68
UK Treasury 0.125% IL 22/11/36	12,564,000	18,692	2.02
UK Treasury 0.125% IL 22/11/56	8,806,000	16,468	1.78
UK Treasury 0.25% IL 22/03/52	8,600,000	17,117	1.85
UK Treasury 0.5% IL 22/03/50	6,962,000	16,162	1.75
UK Treasury 0.625% IL 22/03/40	8,728,000	17,649	1.91
UK Treasury 0.625% IL 22/11/42	8,797,080	18,929	2.05
UK Treasury 0.75% IL 22/03/34	11,513,000	20,044	2.17
UK Treasury 0.75% IL 22/11/47	6,330,000	15,306	1.66
UK Treasury 1.125% IL 22/11/37	7,477,140	16,835	1.82
UK Treasury 1.25% IL 22/11/27	9,643,240	18,646	2.02
UK Treasury 1.25% IL 22/11/32	9,740,570	18,843	2.04
UK Treasury 1.25% IL 22/11/55	5,103,000	17,063	1.85
UK Treasury 1.875% IL 22/11/22	11,646,000	18,873	2.04
UK Treasury 2% IL 26/01/35	2,615,000	7,033	0.76
UK Treasury 2.5% IL 16/04/20	1,837,000	6,605	0.71
UK Treasury 2.5% IL 17/07/24	1,868,000	6,816	0.74
UK Treasury 4.125% IL 22/07/30	1,874,000	6,904	0.75
TOTAL GOVERNMENT BONDS		**368,607**	**39.89**
Portfolio of investments		899,871	97.39
Net other assets		24,141	2.61
Total net assets		**924,012**	**100.00**

All investments are ordinary shares unless otherwise stated.

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

* These stocks have either been suspended, delisted or are in liquidation. They are included at the Manager's valuation.

AXA Lifetime Distribution Fund

Statement of Total Return

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Income:				
Net capital losses		(60,227)		(18,548)
Revenue	11,560		9,331	
Expenses	(722)		(771)	
Interest payable and similar charges	-		-	
Net revenue before taxation	10,838		8,560	
Taxation	-		-	
Net revenue after taxation		10,838		8,560
Total return before distributions		(49,389)		(9,988)
Distributions		(11,247)		(9,024)
Change in net assets attributable to Shareholders from investment activities		**(60,636)**		**(19,012)**

Statement of Change in Net Assets Attributable to Shareholders

For the period ended 30 November 2018 (unaudited)

	01/06/18 to 30/11/18 £'000	£'000	01/06/17 to 30/11/17 £'000	£'000
Opening net assets attributable to Shareholders		1,012,886		1,080,906
Amounts receivable on issue of shares	213		1,012	
Amounts payable on cancellation of shares	(39,645)		(42,582)	
		(39,432)		(41,570)
Change in net assets attributable to Shareholders from investment activities (see above)		(60,636)		(19,012)
Retained distributions on accumulation shares		11,194		8,979
Closing net assets attributable to Shareholders		**924,012**		**1,029,303**

The above statement shows the comparative closing net assets at 30 November 2017 whereas the current accounting period commenced 1 June 2018.

AXA Lifetime Distribution Fund

Balance Sheet

As at 30 November 2018 (unaudited)

	30/11/18	31/05/18
	£'000	£'000
Assets:		
Fixed assets:		
Investments	899,871	991,369
Current assets:		
Debtors	2,928	4,009
Cash and bank balances	25,630	19,730
Total assets	**928,429**	**1,015,108**
Liabilities:		
Creditors:		
Other creditors	(4,417)	(2,222)
Total liabilities	**(4,417)**	**(2,222)**
Net assets attributable to Shareholders	**924,012**	**1,012,886**

AXA Lifetime Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

First Distribution in pence per share

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

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/07/18 (p)	Distribution paid 31/07/17 (p)
Share Class A Acccumulation				
Group 1	0.193	-	0.193	0.197
Group 2	0.052	0.141	0.193	0.197
Share Class A Income				
Group 1	0.180	-	0.180	0.187
Group 2	0.180	-	0.180	0.187
Share Class I Accumulation				
Group 1	0.187	-	0.187	0.191
Group 2	0.004	0.183	0.187	0.191
Share Class Z Accumulation~				
Group 1	0.144	-	0.144	
Group 2	0.144	-	0.144	
Share Class Z Income~				
Group 1	0.136	-	0.136	
Group 2	0.136	-	0.136	

Second 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 July 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/08/18 (p)	Distribution paid 31/08/17 (p)
Share Class A Acccumulation				
Group 1	0.064	-	0.064	0.021
Group 2	0.064	-	0.064	0.021
Share Class A Income				
Group 1	0.060	-	0.060	0.020
Group 2	0.060	-	0.060	0.020
Share Class I Accumulation				
Group 1	0.062	-	0.062	0.021
Group 2	-	0.062	0.062	0.021
Share Class Z Accumulation~				
Group 1	0.063	-	0.063	
Group 2	0.063	-	0.063	
Share Class Z Income~				
Group 1	0.054	-	0.054	
Group 2	0.054	-	0.054	

AXA Lifetime Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

Third Distribution in pence per share

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

	Gross revenue (p)	Equalisation (p)	Distribution paid 28/09/18 (p)	Distribution paid 29/09/17 (p)
Share Class A Acccumulation				
Group 1	0.530	-	0.530	0.337
Group 2	0.530	-	0.530	0.337
Share Class A Income				
Group 1	0.494	-	0.494	0.320
Group 2	0.494	-	0.494	0.320
Share Class I Accumulation				
Group 1	0.515	-	0.515	0.327
Group 2	-	0.515	0.515	0.327
Share Class Z Accumulation~				
Group 1	0.424	-	0.424	
Group 2	0.424	-	0.424	
Share Class Z Income~				
Group 1	0.412	-	0.412	
Group 2	0.412	-	0.412	

Fourth Distribution in pence per share

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

	Gross revenue (p)	Equalisation (p)	Distribution paid 31/10/18 (p)	Distribution paid 31/10/17 (p)
Share Class A Acccumulation				
Group 1	0.138	-	0.138	0.118
Group 2	0.138	-	0.138	0.118
Share Class A Income				
Group 1	0.129	-	0.129	0.111
Group 2	0.129	-	0.129	0.111
Share Class I Accumulation				
Group 1	0.134	-	0.134	0.114
Group 2	-	0.134	0.134	0.114
Share Class Z Accumulation~				
Group 1	0.110	-	0.110	
Group 2	0.110	-	0.110	
Share Class Z Income~				
Group 1	0.106	-	0.106	
Group 2	0.106	-	0.106	

AXA Lifetime Distribution Fund

Distribution Table

As at 30 November 2018 (unaudited)

Fifth 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 October 2018

	Gross revenue (p)	Equalisation (p)	Distribution paid 30/11/18 (p)	Distribution paid 30/11/17 (p)
Share Class A Acccumulation				
Group 1	0.187	-	0.187	0.094
Group 2	0.187	-	0.187	0.094
Share Class A Income				
Group 1	0.174	-	0.174	0.088
Group 2	0.174	-	0.174	0.088
Share Class I Accumulation				
Group 1	0.182	-	0.182	0.091
Group 2	0.143	0.039	0.182	0.091
Share Class Z Accumulation~				
Group 1	0.150	-	0.150	
Group 2	0.150	-	0.150	
Share Class Z Income~				
Group 1	0.143	-	0.143	
Group 2	0.143	-	0.143	

Sixth Distribution in pence per share

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

	Gross revenue (p)	Equalisation (p)	Distribution payable 31/12/18 (p)	Distribution paid 29/12/17 (p)
Share Class A Acccumulation				
Group 1	0.320	-	0.320	0.286
Group 2	0.320	-	0.320	0.286
Share Class A Income				
Group 1	0.296	-	0.296	0.270
Group 2	0.296	-	0.296	0.270
Share Class I Accumulation				
Group 1	0.310	-	0.310	0.277
Group 2	0.264	0.046	0.310	0.277
Share Class Z Accumulation~				
Group 1	0.255	-	0.255	
Group 2	0.255	-	0.255	
Share Class Z Income~				
Group 1	0.241	-	0.241	
Group 2	0.241	-	0.241	

~ Z share class launched on 17 January 2018.

Accounting Policies

For the six months ended 30 November 2018 (unaudited)

Accounting Basis

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").

The accounting policies applied are consistent with those of the annual Financial Statements for the year ended 31 May 2018 and are described in those annual Financial Statements.

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;
• 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:

Philippe Le Barrois d'Orgeval
Director

John Stainsby
Director

28th January 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

The valuation point for each Fund is 12 noon on each dealing day (being each day which is a business day in London). Valuations may be made at other times under the terms contained within the Prospectus.

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 30 November
Annual accounts	period ended 31 May

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 period to 31 November 2018 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 Defensive Distribution Fund and Distribution Fund at the rate of 1.50% per annum for Class R Shares, 0.75% per annum for Class Z Shares, 0.40% per annum for Class B Shares, 0.50% per annum for Class A Shares, for Global Distribution Fund and Ethical Distribution Fund at the rate of 1.50% per annum for Class R Shares, 0.75% per annum for Class Z Shares, 0.50% per annum for Class B Shares and for Lifetime Distribution Fund at the rate of 0.45% per annum for Class Z Shares, 0.14% per annum for Class I Shares, 0.30% per annum for Class A 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 R, Class Z and Class B Shares.

Preliminary Charge

There is currently no initial charge on Class Z Shares, Class R Shares, Class I Shares, Class B Shares or Class A Shares.