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AXA Distribution Fund

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“The AXA Distribution Fund offers a long-term perspective on investing. The clear intention is not to ‘shoot the lights out’ but to take the sting out of short-term market volatility, delivering smooth investment performance over the long-term.”

- **A clearly defined aim and strategy centred on generating income:** the aim of this Fund is to achieve income with some prospects for capital growth over the long term. The Fund’s investment strategy revolves around two key elements – a core focus on quality equity, fixed income and cash assets and a diversified central asset mix that remains broadly consistent over time.
- **Fundamental analysis-driven stock-picking:** the managers aim to identify companies with robust, proven business models, favouring those with strong competitive positions, good cash generation, healthy balance sheets and capable, committed management. Buying quality companies when they are out of favour, or those that are trading at a discount to their intrinsic value, is central to the investment process. Once a stock is added to the portfolio, it is generally held for the long term, in order to fully realise the value for investors.
- **Regular income stream for cautious investors:** this is an attractive option for more cautious investors because the managers aim to reduce the volatility of returns and provide a consistent, growing income over time. Quarterly distribution payments provide a regular income stream for investors¹.
- **Portfolio constructed from diversified, high quality assets:** the Fund’s core asset mix - typically 55% UK equities, 35% index-linked gilts, 7% conventional gilts and 3% cash - remains broadly consistent over time and provides a stable, diversified platform from which to build long-term performance. Index-linked gilts form a key element of the portfolio strategy, due to their distinct risk/return characteristics. Not only do they offer returns that rise in line with inflation but their low performance correlation with other major asset classes means they are an excellent source of portfolio diversification.
- **Strength, scale and scope of resources:** the AXA Distribution Fund currently has more than £900 million in assets under management (AUM) as at 31 December 2015. The Fund forms part of the successful AXA Distribution “family” of Funds, with in excess of £2.7 billion in combined AUM as at 31 December 2015.
- **Experienced team:** Co fund managers Jim Stride and Jamie Forbes-Wilson have a wealth of industry experience. They are supported by AXA IM’s well-established UK equity and fixed income teams.

¹Income is paid out to investors in the income share class, where it is reinvested for investors in the accumulation share class.

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