



**AXA Investment Managers (AXA IM) is a dedicated investment manager within the AXA Group, a world leader in financial protection and wealth management. Our aim is to develop close relationships with our customers and to provide them with outstanding investment solutions backed up with exceptional customer service.**

As a 'multi-expert' investment manager, we aim to offer investment expertise across a broad range of asset classes that few of our competitors can match, but we focus on specific areas within each asset class where we can add real value for our clients.

Our total funds under management now exceed £487 billion. (Source: AXA IM as at 30 June 2013).

## AXA Rosenberg Asia Pacific Ex Japan Fund

### For the six months ended 31 July 2013

#### Investment objective and policy

The aim of the Fund is to achieve capital growth over the medium to long term. The portfolio will be invested selectively in Far Eastern markets (including Australia but excluding Japan) primarily in equities.

#### Results

Share Class	Share Type	Price at 31.07.13 (p)	Price at 31.01.13 (p)	Fund Performance	Comparative Benchmark <sup>^</sup>
Z	Acc	306.4	313.1	-2.14%	-1.23%
R	Acc	287.6	295.0	-2.51%	-1.23%

Past performance is not a guide to future returns. Source of all performance data: AXA Investment Managers and Lipper to 31 July 2013. Mid to mid, net of fees. <sup>^</sup>Comparative benchmark: MSCI AC Pacific Ex Japan Index. Acc refers to Accumulation.

#### AXA Rosenberg's investment process

AXA Rosenberg's core investment belief has remained unchanged since the formation of the company in 1985. We believe that fundamentals, especially future earnings, and the price paid for those fundamentals drive equity returns. Therefore by identifying and investing in companies that display superior fundamentals at an attractive price, it is possible to add value.

For this philosophical premise to be valid, markets must be mostly efficient but not perfectly efficient at pricing stocks. So, while on average the price of a stock will reflect the market's consensus view of the stocks' ability to generate future earnings, there will be times when stocks are either under or overvalued relative to this implied fair value. It is these mispricings that AXA Rosenberg seeks to identify and exploit. Furthermore, AXA Rosenberg believes that it is difficult to time markets or sectors consistently and as a result seeks to add value primarily from stock selection rather than asset allocation.

AXA Rosenberg's core investment process is driven by bottom-up stock selection based on the rigorous fundamental analysis of company valuations and earnings, combined with an understanding of both the stock specific and environmental risks. Whilst our approach is akin to that of a traditional fundamental investor, our implementation is systematic, harnessing the power of technology to exploit a large number of modest fundamental mispricings across a wide investment universe.

AXA Rosenberg's core investment process seeks to estimate the fair value per share for every company in our investment universe. This is done by estimating the market's valuation of each component of company value, with the aim of identifying companies that are trading at a premium or a discount to the value of the sum of their parts.

To increase the accuracy of the valuations and address the limitations of financial accounts, the published accounts are complemented by proprietary AXA Rosenberg forecasts and estimates, for example, estimated up-to-date balance sheets and earnings based on forecast modelling and estimated valuations of off-balance sheet assets, such as research and development (R&D) and goodwill.

In addition to deriving the fair value for each stock in our investment universe, we also look at each stock's earnings dynamics. We use historical fundamental data to estimate future earnings-growth potential and to measure the "quality" of a company's earnings. We also use sentiment indicators to provide the current market view on a stock's near-term earnings prospects.

The approved company-level views are input to an optimizer that recommends the portfolio with the best expected return-to-risk trade off. The objective is to build highly diversified portfolios with superior fundamentals, relative to the comparative benchmark, with modest active exposures to common factor risk such as size, market and industry.

### Market review

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Over the six months to 31 July 2013, global stock markets in the developed world have pushed ahead to deliver solid positive returns. Underpinning markets has been a sense of growing optimism over US economic prospects, as well as a widespread belief that policymakers were managing to contain the sovereign debt crisis in Europe. Equity markets reached multi-year highs over this period but anxieties about the potential withdrawal of monetary stimulus in the US led to a sell-off in June, but markets quickly recovered in the last month. Emerging markets over this time period have fared less well with the slowdown in China acting as a brake on growth.

Even as equity investor risk appetite improved, sector performance over this period saw the traditional defensive areas of healthcare and telecoms outperform, as investors favoured higher yielding companies in the face of lower bond yields. But the preference for dividend yield began to unwind following the increase in rates and the expected modification of monetary policy from the US Federal Reserve following improved economic growth. The traditionally cyclical sectors of materials and energy underperformed relative to the broad market, as weaker commodity and energy prices weighed negatively on the sectors.

Asia ex Japan equities delivered negative growth for sterling investors over the review period, with the weakest performance coming from emerging market equities as concerns mounted over China's growth prospects and the implications for its trading partners.

The fundamental valuation profile of the Fund was unrewarded over the review period, with both valuation and earnings-based measures of value out of favour with investors. More

emphasis was placed on stocks with positive price momentum, which helped recover some of the ground lost to the valuation headwinds.

The clearest theme running through industry returns was the continued underperformance of the metals and oil industries, and below-benchmark exposure to both areas proved positive for performance over the review period. From a stock perspective, only having a small position in BHP Billiton and not owning Rio Tinto or Newcrest Mining were the best positions here. Less helpful was the positive exposure to real estate, which lagged the benchmark.

Stock selection was challenging over the review period and the Fund lost ground through its lower-than-benchmark holding in Tencent Holdings, which detracted from performance as analysts predicted the revenue growth from its online-game business would be sustained into the second half of the year, with the launch of a mobile game platform raising market expectations. The above-benchmark position within Samsung Electronics was also penalised amidst downbeat expectations of the saturated smartphone market.

Although we have experienced periods of heightened market volatility and uncertainty surrounding macroeconomic growth, we remain faithful to our disciplined investment approach and committed to building risk-aware portfolios, with earnings and fundamental valuation as the primary drivers of our active positioning.

The Fund exhibits a strong fundamental advantage relative to its benchmark (along the dimensions of book value and forward earnings to price); it is our expectation, that these superior characteristics will be rewarded with superior performance, as they ultimately reflect the long-term drivers of equity market return.

### AXA Rosenberg Investment Management

**31 July 2013**

# AXA Rosenberg Asia Pacific Ex Japan Fund

For the six months ended 31 July 2013

## Risk and reward profile

The Fund invests selectively in Far Eastern markets (including Australia but excluding Japan) primarily in equities. As the Fund invests in overseas securities it may hold currencies other than sterling. As a result, exchange rate movements may cause the value of investments to fall or rise. The Fund may invest in emerging markets which may involve a higher risk than investing in established markets. Emerging markets and the currencies of the countries concerned may experience dramatic fluctuations from time to time. Investors should consider carefully whether this investment risk is suitable for them. 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
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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 may be subject to sudden and significant variation, which may result in substantial gains or losses.

### Additional risks

**Operational Risk:** risk that operational processes, including those related to the safekeeping of assets may fail, resulting in losses.

**Counterparty Risk:** risk of bankruptcy, insolvency, or payment or delivery failure of any of the Fund's counterparties, leading to a payment or delivery default.

**Impact of any techniques such as derivatives:** certain management strategies involve specific risks, such as liquidity risk, credit risk, counterparty risk, legal risk, valuation risk, operational risk and risks related to the underlying assets.

The use of such strategies may also involve leverage, which may increase the effect of market movements on the Fund and may result in significant risk of losses.

**Risk linked to Method and Model:** attention is drawn to the fact that the portfolio's strategy is based on the utilisation of a systematic quantitative model. The effectiveness of the model is not guaranteed and the utilisation of the model may not result in the investment objective being met.

## FUND FACTS

Lead Fund manager	AXA Rosenberg
Sector	(IMA) Pacific Ex Japan
Comparative benchmark	MSCI AC Pacific Ex Japan Index
Launch date	19 Jul 1999
Fund size at 31 Jul 2013	£247m
Fund size at 31 Jan 2013	£264m
Minimum investments (Lump sum)	Z: £100,000 R: £1,000
Minimum per month	Z: N/A/ R: £50
Yield Z Acc (Gross & Net)	2.34%
Yield R Acc (Gross & Net)	1.61%
Share types	Accumulation
Number of stocks	148
Initial charge	*Z: Nil / R: 5%
Annual charge	*Z: 0.75% / R: 1.5%
Ongoing charges	
Z Acc	0.83%
R Acc	1.58%
Accounting dates (interim)	31 Jul
Accounting dates (annual)	31 Jan
Distribution dates (income)	31 Mar, 30 Sep

All data, source: AXA IM as at 31 July 2013. \*For historical and contractual reasons existing regular savers who hold Class Z shares will continue to pay an initial charge of 3.5%

## Top five purchases

### For the six months ended 31 Jul 2013

Austrailia and New Zealand Banking Group
PTT
United Overseas Bank
Westpac Banking Corp
Woolworths

## Top five sales

### For the six months ended 31 Jul 2013

Astra International
Hongkong Land
Macquire
National Australia Bank
Tenaga Nasional

# AXA Rosenberg Asia Pacific Ex Japan Fund

For the six months ended 31 July 2013

## Five year discrete annual performance

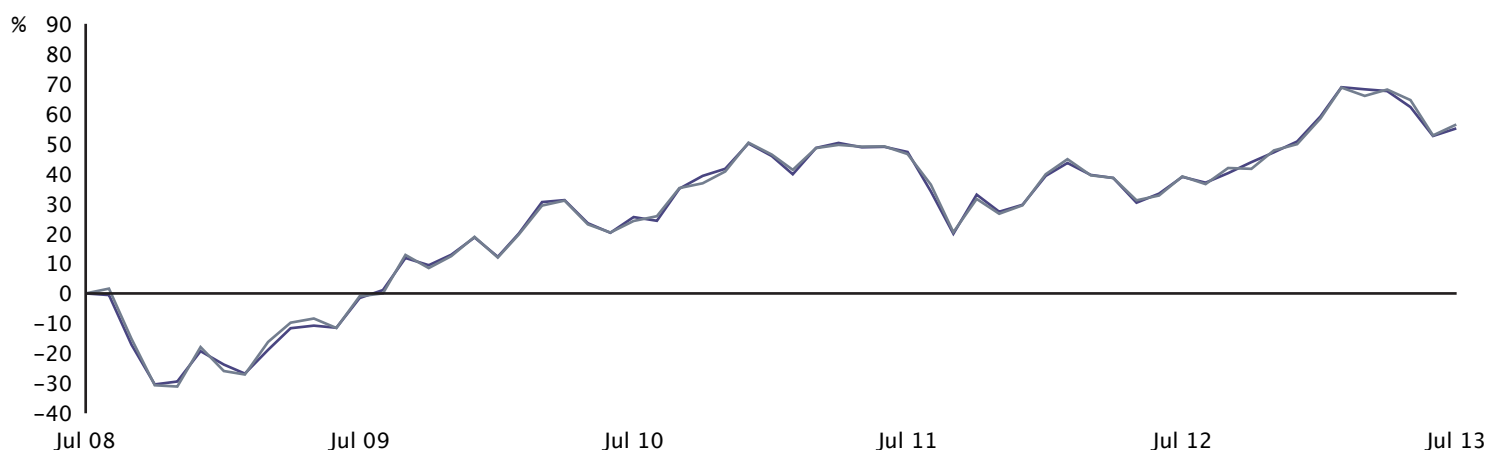
Jul 08 to Jul 09	Jul 09 to Jul 10	Jul 10 to Jul 11	Jul 11 to Jul 12	Jul 12 to Jul 13
-1.52%	+27.43%	+17.32%	-5.64%	+11.65%

Past performance is not a guide to future performance. Source: Lipper Hindsight and Thomson Financial Datastream, mid to mid, net of fees to 31 July 2013 for R acc net share class.

## Cumulative Fund performance versus comparative benchmark

as at 31 July 2013

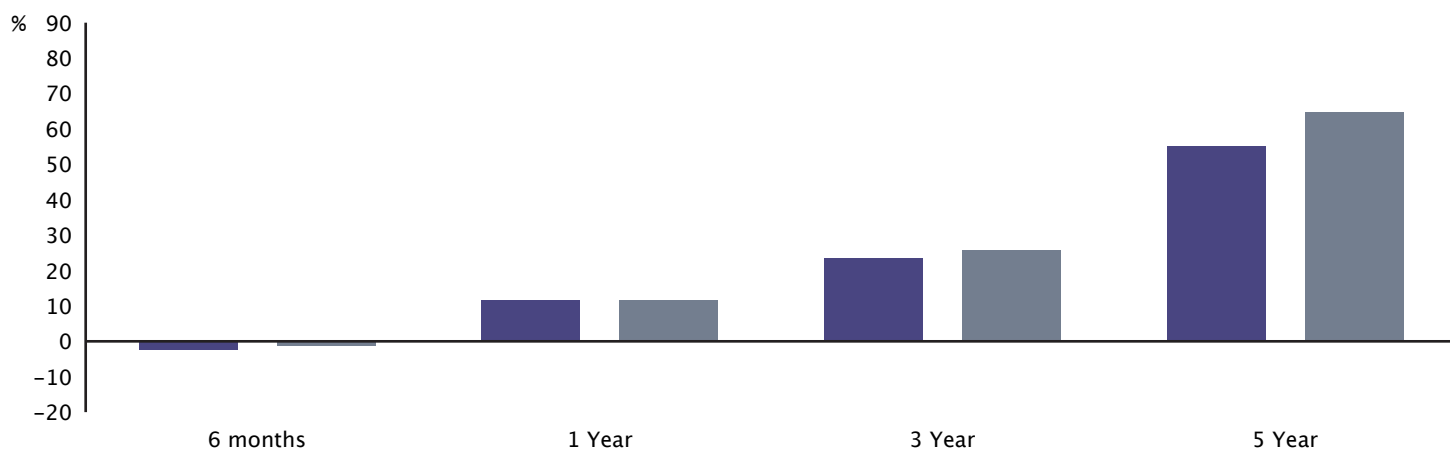
■ AXA Rosenberg Asia Pacific ex Japan Fund ■ MSCI AC Pacific Ex Japan Index



Past performance is not a guide to future performance. Source: Lipper Hindsight and Thomson Financial Datastream, mid to mid, net of fees to 31 July 2013 for R acc net share class.

as at 31 July 2013

■ AXA Rosenberg Asia Pacific ex Japan Fund ■ MSCI AC Pacific Ex Japan Index



Past performance is not a guide to future performance. Source: Lipper Hindsight and Thomson Financial Datastream, mid to mid, net of fees to 31 July 2013 for R acc net share class.

# AXA Rosenberg Asia Pacific Ex Japan Fund

For the six months ended 31 July 2013

## Summary of historic prices and distributions

Year	Share class	Share type	Highest share price (pence)	Lowest share price (pence)	Distribution per share (pence)
2013*	R	Accumulation	320.4	266.5	4.622
2013*	Z	Accumulation	340.3	283.7	7.169
2012	R	Accumulation	280.7	236.8	5.082
2012	Z	Accumulation	297.7	250.0	6.844
2011	R	Accumulation	284.6	211.1	4.070
2011	Z	Accumulation	299.1	222.1	5.645
2010	R	Accumulation	280.0	206.5	3.186
2010	Z	Accumulation	293.5	215.5	4.480
2009	R	Accumulation	222.0	131.5	3.090
2009	Z	Accumulation	231.5	136.7	3.897
2008	R	Accumulation	220.9	113.3	2.863
2008	Z	Accumulation	228.8	117.5	3.558

\*to 31 July 2013

## Net asset value record

Share class	Share type	Net asset value per share as at 31 July 2013 (pence)	Net asset value per share as at 31 January 2013 (pence)
R	Accumulation	287.7	294.5
Z	Accumulation	306.0	312.6

Please note, that the NAV prices shown above are different from the results prices as at 31.07.13. The differences are due to the fund performance tables taking the quoted valuation prices on the last day of the period, whereas the NAV table above is showing prices including any accounting adjustments at the end of the period. Basis: mid to mid.

# AXA Rosenberg Asia Pacific Ex Japan Fund

For the six months ended 31 July 2013

## Top ten holdings as at 31 July 2013

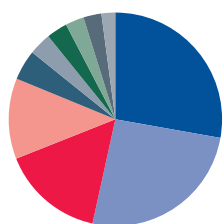
Company	Sector	%
Samsung Electronics	Information Technology	6.55
Commonwealth Bank of Australia	Financials	5.47
China Mobile	Telecommunication Services	3.77
Woolworths	Consumer Services	3.33
Hon Hai Precision Industry	Information Technology	3.31
Telstra	Telecommunication Services	3.05
China Construction Bank	Financials	2.57
Industrial & Commercial Bank of China	Financials	2.22
PTT	Oil & Gas	2.05
Bank Rakyat Indonesia	Financials	1.89

## Top ten holdings as at 31 January 2013

Company	Sector	%
Samsung Electronics	Information Technology	6.90
Commonwealth Bank of Australia	Financials	4.95
National Australia Bank	Financials	3.99
China Mobile	Telecommunication Services	3.52
Telstra	Telecommunication Services	3.47
Hon Hai Precision Industry	Information Technology	2.76
China Construction Bank	Financials	2.69
Astra International	Consumer Discretionary	2.44
Wharf	Financials	2.37
Industrial & Commercial Bank of China	Financials	2.30

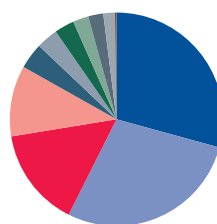
## Portfolio breakdown

As at 31 July 2013



Sector	%
China (including Hong Kong & Macau)	27.80
Australia	25.66
Korea (South)	15.54
Taiwan	12.22
Thailand	4.58
Indonesia	3.40
Singapore	3.17
Malaysia	2.82
Cash	2.73
Philippines	2.10
New Zealand	0.00
Other	-0.02

As at 31 January 2013



Sector	%
China (including Hong Kong & Macau)	29.32
Australia	28.19
Korea (South)	15.05
Taiwan	10.75
Indonesia	3.92
Thailand	3.30
Malaysia	3.01
Singapore	2.37
Cash	2.28
Philippines	1.78
New Zealand	0.22
Other	-0.19

All data, source: AXA Investment Managers unless otherwise stated.

# AXA Rosenberg Asia Pacific Ex Japan Fund

For the six months ended 31 July 2013

## Authorised Corporate Director

AXA Investment Managers UK Limited  
7 Newgate Street  
London EC1A 7NX

*Authorised and regulated by the Financial Conduct Authority (formerly Financial Services Authority).  
Member of the IMA.*

*AXA Investment Managers UK Limited is wholly owned by AXA Investment Managers S.A., which is a subsidiary company of the French insurer AXA S.A.*

## Dealing

Administration office:  
PO Box 10908  
Chelmsford, CM99 2UT  
Telephone Dealing & Enquiries 0845 777 5511  
IFA Dealing & Enquires 0845 766 0184  
If you are calling us from outside of the UK, please call +44 1268 448667  
Our lines are open Monday to Friday between 9am and 5:30pm

## Registrar

AXA Investment Managers UK Limited  
7 Newgate Street  
London EC1A 7NX

*Authorised and regulated by the Financial Conduct Authority (formerly Financial Services Authority).  
Member of the IMA.*

## Investment advisers

AXA Investment Managers UK Limited  
7 Newgate Street  
London EC1A 7NX

*Authorised and regulated by the Financial Conduct Authority (formerly Financial Services Authority).*

## Legal adviser

Eversheds LLP  
1 Wood Street  
London EC2V 7WS

## Depository

HSBC Bank Plc  
Registered Office  
8 Canada Square  
London E14 5HQ

*Authorised and regulated by the Financial Conduct Authority (formerly Financial Services Authority).  
HSBC Bank plc is a subsidiary of HSBC Holdings plc.*

## Independent auditors

PricewaterhouseCoopers LLP  
7 More London Riverside  
London SE1 2RT

## Fund accounting administrator

State Street Bank and Trust Company  
20 Churchill Place  
London E14 5HJ

*Authorised and regulated by the Financial Conduct Authority (formerly Financial Services Authority).*

**For more information on any AXA IM Fund please contact us via our website or telephone number below.**

Copies of the latest Report and Accounts (long form) and Prospectus are available free of charge from the administration office: PO Box 10908, Chelmsford, CM99 2UT.

Telephone calls may be recorded or monitored for quality assurance purposes.

**0845 777 5511**

**[www.axa-im.co.uk](http://www.axa-im.co.uk)**

## ADDITIONAL INFORMATION

### Report and accounts

The purpose of sending this Short Report for the Fund is to give you a summary of how the Fund has performed during the accounting period in accordance with the Collective Investment Schemes Sourcebook (COLL) Rules. If you would like any additional information about the Fund you can request a copy of the more detailed long form accounts for the Fund. For a copy of this, please contact our dedicated customer services team on 0845 777 5511.

### Other information

The Fund is a sub-fund of the AXA Rosenberg Global Investment Company ICVC (the "Company") which is an open ended investment company authorised by the FCA, and has a UCITS certificate. The Company is managed in accordance with the FCA's Collective Investment Schemes Sourcebook (COLL).

### European Savings Directive

Where an investor is not a resident of the United Kingdom, or has moved to another prescribed country after investing with us, the regulations that implement the European Savings Directive require us to obtain additional customer information and report these details, as well as details of your investment, to Her Majesty's Revenue & Customs. The AXA Rosenberg Asia Pacific Ex Japan Fund does not meet the HM Revenue & Customs debt investment reporting thresholds. This means that no details of income distributions will be reported to HM Revenue & Customs.

**0845 777 5511**

**[www.axa-im.co.uk](http://www.axa-im.co.uk)**

The value of investments and the income from them can fluctuate and investors may not get back the amount originally invested. Past performance is not a guide to future performance. Issued by AXA Investment Managers UK Ltd registered in England No. 01431068. The registered office address is 7 Newgate Street, London EC1A 7NX. AXA Investment Managers UK Ltd (119368) is authorised and regulated by the Financial Conduct Authority under the account shown. A member of the IMA. Telephone calls may be recorded or monitored for quality assurance purposes.

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All data sources: AXA Investment Managers unless otherwise stated.