

Market Overview

Despite a slew of geopolitical headlines, risk assets remained well supported by synchronized global growth and optimism about fiscal stimulus. Most developed market central banks indicated a shift toward reduced accommodation, contributing to flatter yield curves.

- Anticipation for – and passage of – fiscal stimulus in the U.S. as well as an uptick in growth momentum contributed to tighter credit spreads and allowed U.S. equities to finish the year out strong. The S&P 500® Index delivered positive returns every month of 2017, a first since the inception of the total return index. Volatility remained low and emerging market assets broadly strengthened, finishing a strong year of performance on the back of healthier fundamentals, a weaker dollar, and rising oil prices.
- Yield curves in developed markets (DM) flattened as DM central banks shifted toward diminished policy support. Over the quarter, the Fed raised rates for the third time in 2017, the European Central Bank announced a reduction in monthly asset purchases for 2018, and the Bank of England raised rates for the first time since 2007.
- The fundamental backdrop remained largely intact with data showing acceleration in growth trends in the U.S., Europe, and Japan. Despite strong growth, underpinned by improving business investment, consumer confidence, and labor market strength, inflation remained subdued.
- European growth indicators were solid but political risks remained, highlighted by the Catalanian independence referendum, and a lack of progress in forming a coalition government in Germany.

Fund Overview

The 1290 Multi-Alternative Strategies Fund pursues its investment objective of seeking long-term growth of capital by investing in exchange-traded funds comprising various non-traditional or alternative asset categories and strategies.

Fund Highlights

What helped performance during the quarter?

- Commodities and managed futures were the top contributors to performance due to strong performance in energy during the period.
- Global real estate added to performance with most of the contribution attributable to international real estate investment trusts (REITs).
- Precious and base metals added to performance, especially base metals.

What hurt performance during the quarter?

- The currency strategy was the only asset class to detract from performance mainly due to short position in the Euro and long position in the New Zealand Dollar during the period.

* The Fund does not hold a position in any single security directly but has exposure through Exchange Traded Funds.

An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. To obtain a prospectus containing this and other information, please call 1-888-310-0416 or download the file from www.1290funds.com. Read the prospectus carefully before you invest.

1290 Multi-Alternative Strategies Fund seeks long-term growth of capital. Performance may be affected by one or more of the following risks. Investments in foreign securities, including depositary receipts, involve risks not associated with investing in U.S. securities. Foreign markets, particularly emerging markets, may be less liquid, more volatile and subject to less government supervision than domestic markets. Security values also may be negatively affected by changes in the exchange rates between the U.S. dollar and foreign currencies. Differences between U.S. and foreign legal, political and economic systems, regulatory regimes and market practices also may impact security value and it may take more time to clear and settle trades. To the extent a Fund invests in Underlying ETFs that invest in alternative investments, the Fund will be subject to the risks associated with such investments. Alternative investments may use a different approach to investing than do traditional investments (such as equity or fixed income investments) and the performance of alternative investments is not expected to correlate closely with more traditional investments; however, it is possible that alternative investments will decline in value along with equity or fixed income markets, or both, or that they may not otherwise perform as expected. Alternative investments may have different characteristics and risks than do traditional investments, can be highly volatile, may be less liquid, particularly in periods of stress, and may be more complex and less transparent than traditional investments. Alternative investments also may have more complicated tax profiles than traditional investments. The use of alternative investments may not achieve the desired effect.

S&P 500® Index is an unmanaged index which contains 500 of the largest U.S. industrial, transportation, utility and financial companies deemed by Standard and Poor's to be representative of the larger capitalization portion of the U.S. stock market. Individuals cannot invest directly in an index.

Past performance is no guarantee of future performance.

The Fund may not be successful in implementing its investment strategy or may not employ a successful investment strategy, and there can be no assurance that the Fund will grow to or maintain an economically viable size, which could result in the Fund being liquidated at any time without shareholder approval and at a time that may not be favorable for all shareholders. Until the Fund is fully capitalized it may not be pursuing its investment objective or executing its principal investment strategies.

1290 Funds is part of the family of mutual funds advised by AXA Equitable Funds Management Group, LLC (FMG, LLC), doing business in this instance as 1290 Asset Managers. FMG, LLC is a wholly owned subsidiary of AXA Equitable Life Insurance Company (AXA Equitable), NY, NY. AXA Distributors, LLC is the wholesale distributor of the 1290 Funds. AXA Advisors, LLC (member FINRA, SIPC) offers the 1290 Funds to retail investors.

"AXA" is the brand name of AXA Equitable Financial Services, LLC and its family of companies, including AXA Equitable, AXA Advisors, LLC, and AXA Distributors, LLC. AXA S.A. is a French holding company for a group of international insurance and financial services companies, including AXA Equitable Financial Services, LLC.

1290 Funds® is a registered service mark of AXA Equitable Life Insurance Company, New York 10104.

The Fund is distributed by ALPS Distributors, Inc., which is not affiliated with FMG, LLC, AXA Equitable, AXA Distributors, or AXA Advisors.

ALPS, a DST Company, 1290 Broadway, Suite 1100, Denver, CO 80203.

© 2018 AXA Equitable Life Insurance Company. All rights reserved.

1290 Avenue of the Americas, New York, NY 10104

Mutual Funds: Are Not a Deposit of Any Bank • Are Not FDIC Insured • Are Not Insured by Any Federal Government Agency • Are Not Guaranteed by Any Bank or Savings Association • May Go Down in Value

AXA Equitable Life Insurance Company (NY, NY)

(AXA000546) (exp. 6/30/18)