



1290 Multi-Alternative Strategies Fund

Fund commentary 3Q20

Market overview

U.S. equity markets posted gains in the third quarter of 2020 as the U.S. Federal Reserve extended its emergency stimulus programs and changed its inflation target policy, both of which supported equities. Activity was better than expected across many areas of the economy.

Convertibles securities had another remarkable quarter, outperforming both equity and credit indices. Oil prices rose in July and August on the back of improving supply/demand fundamentals. However, in early September, oil sold off once again as coronavirus flare-ups across the world threatened a sustainable rebound in oil consumption at a time when OPEC and its allies were also starting to return oil to the market. Gold gained as much as 16 percent during the third quarter, and 32 percent since January, and continues to experience significant tailwinds.

Fund overview

The 1290 Multi-Alternative Strategies Fund pursues its investment objective to seek long-term growth of capital by investing in exchange-traded funds comprising various non-traditional or alternative asset categories and strategies. In the third quarter of 2020 the Fund outperformed its benchmark, the ICE BofA 3-Month U.S. Treasury Bill Index.

Fund highlights

What helped performance during the quarter?*

- Convertible securities were the top contributor to performance with the asset class up over 14% for the quarter outperforming equities as measured by the S&P 500[®] Index, which was up about 9%.
- Commodities added to performance driven by strong performance from iShares MSCI Global Agriculture Producers ETF**.
- Precious base metals contributed to performance mainly driven by an allocation to gold. Exposure to silver also benefited as it was up over 24% for the three-month period.

What hurt performance during the quarter?*

- Currency was the only detractor to performance this quarter.

Source: Equitable Investment Management Group, LLC

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

** The Fund's ETF holdings are as of September 30, 2020. Subject to change.

For more information, call (888) 310-0416 or visit 1290funds.com.

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 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 in addition to those associated with investing in U.S. securities. Foreign markets, particularly emerging markets, may be less liquid, more volatile and subject to less government supervision and regulation than U.S. markets, and it may take more time to clear and settle trades involving foreign securities, which could negatively impact the Fund's investments and cause it to lose money. 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, as well as trade barriers and other protectionist trade policies (including those of the U.S.) governmental instability, or other political or economic actions, also may adversely impact security values. The Fund is also subject to the risks associated with the securities or other investments in which the Underlying ETFs invest, and the ability of the Fund to meet its objective will directly depend on the ability of the Underlying ETFs to meet their investment objectives. 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 considerations than traditional investments. The use of alternative investments may not achieve the desired effect and may result in losses for the Fund.

ICE BofA 3-Month U.S. Treasury Bill Index measures the returns of negotiable debt obligations issued by the U.S. government and backed by its full faith and credit, having a maturity of three months. **Standard & Poor's 500® Composite Stock Index** (referred to herein as "Standard & Poor's 500® Index" or "S&P 500® Index") is a weighted index of common stocks of 500 leading companies in leading industries of the U.S. economy, capturing 75% coverage of U.S. equities. The index is capitalization weighted, thereby giving greater weight to companies with the largest market capitalizations. An individual cannot invest in an index.

Past performance is no guarantee of future performance.

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