

Market Overview

Developed market equities posted an approximately 5% gain in the third quarter of 2018, as measured by the MSCI World Index. Global stock market performance was boosted by U.S. stocks, with major U.S. indices reaching record highs against a backdrop of strong corporate earnings. Despite this tailwind, growing trade tensions continued to weigh on investor sentiment, introducing periodic bouts of volatility. European stocks also registered gains for the quarter despite persistent political upheaval in Italy, but U.K. equities fell during the quarter as Brexit uncertainty weighed on returns.

From a sector perspective, healthcare was among the top performers during the quarter, while information technology continued its recent strong run. With the U.S. Federal Reserve continuing to raise interest rates, utilities and real estate stocks suffered.

Fund Overview

The 1290 SmartBeta Equity Fund pursues its investment objective by investing at least 80% of its net assets, plus borrowings for investment purposes, in equity securities. The fund rose in value and outperformed its benchmark the MSCI World Index (Net), with its low volatility, high quality orientation proving well rewarded. Stock selection and industry positioning both added value during the quarter.

Fund Highlights

What helped performance during the quarter?

- Stock selection benefited returns, especially among financials stocks. An overweight position in Progressive insurance company (0.62%*) added value, as did not owning Wells Fargo (0.00%*) and HSBC (0.00%*).
- Investments in defense companies also lifted performance, most notably Lockheed Martin (0.75%*).
- Underweight allocations to the underperforming energy and materials sectors contributed to excess returns.

What hurt performance during the quarter?

- Although an underweight allocation to Facebook (0.18%*) proved beneficial, positioning elsewhere in the technology sector was more challenging. In particular, holding a smaller-than-benchmark weight in Apple (0.74%*) and not owning Amazon (0.00%*), Microsoft (0.00%*) and Nvidia (0.00%*) held back returns as these stocks outperformed.
- A larger-than-benchmark allocation to consumer staples – which we believe has a higher proportion of high quality, low volatility companies than other sectors – detracted from returns as the sector trailed the broader market.

Source for all figures above: AXA Investment Managers

* % of total market value of fund holdings as of 9/30/18. Subject to change.

Current and future Fund holdings are subject to risk.

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 SmartBeta Equity Fund seeks to achieve long-term capital appreciation. Performance may be affected by one or more of the following risks. In general, stocks and other equity security values fluctuate, and sometimes widely fluctuate, in response to changes in a company's financial condition as well as general market economic and political conditions and other factors. 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 values and it may take more time to clear and settle trades.

The **MSCI World Index (Net)** is a broad global equity benchmark that represents large and mid-cap equity performance across 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country and MSCI World benchmark does not offer exposure to emerging markets. Individuals cannot invest directly in an index.

The **NASDAQ Composite**, an index of more than 3,000 stocks listed on the Nasdaq exchange that includes the world's foremost technology and biotech giants.

Past performance is no guarantee of future performance.

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1290 Avenue of the Americas, New York, NY 10104

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AXA Equitable Life Insurance Company (NY, NY)

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