

Market Overview

Global equities posted sharp declines in the final quarter of 2018, falling by 13.3% in U.S. dollar terms as measured by the Fund's benchmark, the MSCI World index (net). Market sentiment was affected by a number of concerns ranging from the speed of interest rate rises in a context of slowing global economic growth and the ongoing trade dispute between the U.S. and China. U.S. equities came under significant pressure, further rattled by political turmoil in Washington including the December news of a U.S. government shutdown. European markets also struggled, the general themes above being compounded by Brexit (U.K. exiting the European Union) uncertainties and tensions around Italy's budgetary rectitude. Asian markets were dragged down due to trade tensions between China and the U.S. and underwhelming economic-data releases. Japanese stocks collapsed in December and the Yen safe haven appeal pushed the currency to an eight month high against the U.S. dollar.

Safer, less volatile and higher dividend yield areas of the market such as utilities, real estate and consumer staples held up better than most while investors took profits in areas that had performed strongly in prior periods such as technology as well as areas more sensitive to the state of the economic cycle such as industrials and materials. The energy sector was the worst performer considering the near 35% decline in Brent crude oil prices in the final quarter of the year and worries over the global economic outlook.

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 outperformed its benchmark the MSCI World Index (Net), over the quarter as the strategy's focus on companies with low volatility was rewarded. As markets fell and volatility increased, the defensive nature of the strategy helped the Fund outperform the market index.

Fund Highlights

What helped performance during the quarter?

- Avoiding stocks exhibiting higher volatility such as Amazon (0%) while holding stocks with lower volatility such as Iberdola (0.44%*) proved beneficial.
- The Fund's below-benchmark exposure to the energy sector contributed positively to performance over the quarter.

What hurt performance during the quarter?

- The Fund's exposure to a number of names from the defense industry weighed on performance, for example Raytheon (0.56%*) and Lockheed Martin (0.64%*).

Source for all figures above: AXA Investment Managers

* % of total market value of fund holdings as of 12/31/18. 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, the value of stocks and equity securities 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.

Past performance is no guarantee of future performance.

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AXA Equitable Life Insurance Company (NY, NY)

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