

AXA IM FIXED INCOME INVESTMENT STRATEGIES

(Fonds Commun de Placement)

AXA Funds Management S.A.
R.C.S. Luxembourg B-32.223

Annual Report

as at 31 December 2014
including audited Financial Statements



**INVESTMENT
MANAGERS**

redefining / investment solutions

AXA IM Fixed Income Investment Strategies

A mutual investment fund organised under the laws of the Grand
Duchy of Luxembourg

Annual Report as at 31 December 2014
including audited Financial Statements

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No subscription can be received on the sole basis of the present report. Subscriptions are only valid if made on the sole basis of the current Full Prospectus supplemented by the application form, the Key Investor Information Documents ("KIID"), the latest annual report and the latest semi-annual report if published hereafter.

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General Information

Registered Address of the Fund

49, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Management Company

AXA Funds Management S.A., 49, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Board of Directors of the Management Company

Chairman

Mr Michael Reinhard, Global Head of Operations, AXA Investment Managers S.A., residing in Germany

Members

Mr Bruno Durieux, NORCEE Finance Office, AXA Belgium S.A., residing in Belgium

Mr Steve Gohier, General Manager, responsible for Risks and Controls, AXA Funds Management S.A., residing in Luxembourg

Mr Christof Jansen, General Manager and Third Parties Relationship Manager, AXA Funds Management S.A., residing in Luxembourg (resigned on 10 October 2014)

Mr Laurent Jaumotte, Chief Financial Officer and Member of the Executive Committee of AXA Luxembourg, residing in Belgium

Mr Jean-Louis Laforge, Deputy Chief Executive Officer of AXA Investment Managers Paris, residing in France (appointed on 25 March 2014)

Mr Sean O'Driscoll, General Manager and Third Parties Relationship Manager, AXA Funds Management S.A., residing in Belgium (appointed on 10 October 2014)

Mrs Tatiana Pécastaing-Pierre, Chief Operating Officer AXA Investment Managers Distribution, AXA Investment Managers Paris, residing in France

Investment Managers

AXA Investment Managers Inc., 100 West Putnam Avenue, 4 th floor., Greenwich, CT 06830, United States of America

AXA Investment Managers Paris, Coeur Défense, Tour B, La Défense 4, 100, Esplanade du Général de Gaulle, F-92400 Courbevoie, France

AXA Investment Managers UK Limited, 7 Newgate Street, London EC1A 7NX, United Kingdom

Agent to carry out Stock Lending and Repurchase Agreements Activities

AXA Investment Managers GS Limited, 7 Newgate Street, London EC1A 7NX, United Kingdom

Custodian, Registrar and Transfer Agent, Domiciliary, Administrative and Paying Agent

State Street Bank Luxembourg S.A., 49, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

General Information

Promotor

AXA Investment Managers, Coeur Défense, Tour B, La Défense 4, 100, Esplanade du Général de Gaulle, F-92400 Courbevoie, France

Auditor

PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg

Legal Advisor

Arendt & Medernach S.A., 14, rue Erasme, L-2082 Luxembourg, Grand Duchy of Luxembourg

Information to Unitholders

The Full Prospectus as well as the Key Investor Information Documents (“KIID”), the Articles of Association and any other information published are available at the registered office of the Management Company, the Custodian, the Registrar and Transfer Agent.

The semi-annual and annual reports can be obtained at the address of the Custodian. Information on the issue and redemption prices is given by the Custodian.

These documents may also be downloaded from the website www.axa-im-international.com.

The Net Asset Value of the Fund is determined on a daily basis. The financial year of the Fund ends on 31 December of each year.

Foreign Distribution

Regarding the Distribution of the Fund in Austria

The Paying Agent in the Republic of Austria is Erste Bank der Österreichischen Sparkassen AG, Graben 21, A-1010 Vienna.

As at 31 December 2014, all Sub-Funds are registered in Austria.

Regarding the Distribution of the Fund in Belgium

The Paying and representative Agent in Belgium is CACEIS Investor Services, Avenue du Port, Havenlaan 86C b 320, B-1000 Brussels.

As at 31 December 2014, the following Sub-Funds are registered in Belgium:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
 AXA IM Fixed Income Investment Strategies - US Corporate Bonds
 AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Regarding the Distribution of the Fund in Chile

The representative is Latin America Asset Management Advisors Ltda., Magdalena 140, 5th Floor, Las Condes, Santiago de Chile, Chile.

As at 31 December 2014, the following Sub-Funds are registered in Chile:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
 AXA IM Fixed Income Investment Strategies - US Corporate Bonds
 AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Regarding the Distribution of the Fund in Denmark

There is no representative in Denmark.

As at 31 December 2014, the following Sub-Funds are registered in Denmark:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
 AXA IM Fixed Income Investment Strategies - US Corporate Bonds
 AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Regarding the Distribution of the Fund in France

BNP Paribas Securities Services, 3, rue d'Antin, F-75002 Paris, is responsible for providing financial services in France.

As at 31 December 2014, all Sub-Funds are registered in France.

Foreign Distribution

Regarding the Distribution of the Fund in Germany

Investors residing in Germany may obtain the Full Prospectus, the latest annual report or the latest semi-annual report, if published thereafter, free of charge from the Information Agent in Germany, JP Morgan AG, Junghofstrasse 14, D-60311 Frankfurt am Main. They may also request the Net Asset Value per unit, the latest issue, conversion and redemption prices, a detailed schedule of changes in investments as well as any other financial information relating to the Fund available to Unitholders at the registered office of the Management Company.

The Paying Agent for Germany is JP Morgan AG, Junghofstrasse 14, D-60311 Frankfurt am Main.

As at 31 December 2014, all Sub-Funds are registered in Germany.

Regarding the Distribution of the Fund in Italy

There is no representative in Italy.

As at 31 December 2014, the following Sub-Funds are registered in Italy:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
AXA IM Fixed Income Investment Strategies - US Corporate Bonds
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Regarding the Distribution of the Fund in The Netherlands

There is no representative in The Netherlands.

As at 31 December 2014, all Sub-Funds are registered in the Netherlands.

Regarding the Distribution of the Fund in Peru

The representative in Peru is Latin America Asset Management Advisors Ltda., Magdalena 140, 5th Floor, Las Condes, Santiago de Chile, Chile.

As at 31 December 2014, the following Sub-Fund is registered in Peru:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield

Regarding the Distribution of the Fund in Portugal

As at 31 December 2014, the following Sub-Funds are registered in Portugal:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
AXA IM Fixed Income Investment Strategies - US Corporate Bonds
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Foreign Distribution

Regarding the Distribution of the Fund in Singapore

There is no representative in Singapore.

As at 31 December 2014, the following Sub-Funds are registered in Singapore:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Regarding the Distribution of the Fund in Spain

As at 31 December 2014, the following Sub-Funds are registered in Spain:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
AXA IM Fixed Income Investment Strategies - US Corporate Bonds
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Regarding the Distribution of the Fund in Sweden

The Paying Agent in Sweden is Skandinaviska Enskilda Banken AB, Sergels Torg 2, SE-106 40 Stockholm.

As at 31 December 2014, the following Sub-Funds are registered in Sweden:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
AXA IM Fixed Income Investment Strategies - US Corporate Bonds
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Regarding the Distribution of the Fund in Switzerland

The representative in Switzerland is BNP Paribas Securities Services, Paris, Branch of Zurich, Selnaustrasse 16, CH-8002 Zurich, Switzerland.

The Paying Agent in Switzerland is BNP Paribas Securities Services, Paris, Branch of Zurich, Selnaustrasse 16, CH-8002 Zurich, Switzerland.

As at 31 December 2014, the following Sub-Funds are registered in Switzerland:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield
AXA IM Fixed Income Investment Strategies - US Corporate Bonds
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Directors' Report

Dear Unitholders,

The Board of Directors of the Management Company is pleased to report on the progress of your Fund for the financial year ended on 31 December 2014.

The Financial markets in 2014

The consensus view for 2014 was that it would be a year of firmer global economic growth, driven by a more marked recovery in developed economies. In turn, this was expected to see bond yields continue the rise started in 2013. The early months of 2014 suggested this view would prove too complacent.

The first quarter saw North America endure temperatures significantly below their seasonal norms. While the cold snap lasted only a number of weeks, it had a marked impact on US economic activity and Q1's GDP was judged to have fallen by an annualised 2.1% (against prior expectations for an acceleration).

Moreover a critical situation emerged in Ukraine. Violent protests had followed President Yanukovich's pivot towards Russia from the EU in late 2013. On 21 February Yanukovich fled the Ukraine. This created a political void. 'Pro-Russian' forces took strategic positions in eastern Ukraine and specifically in Crimea. A hastily organised referendum cleared the way to annexation of Crimea on 18 March. The UN announced this illegal and Western economies imposed economic sanctions on Russia. 'Pro-Russian' forces continued to be a feature in the east of the country and global markets fretted over the geo-political end game. A further round of sanctions were imposed at the end of July.

These sanctions had in turn a negative impact on already fragile Eurozone economies. Germany was the region engine during the first half of the year, thanks to the dynamic of its industrial production, but manufacturing output showed dramatically weaker figures starting in August/September, that in addition to the weakness of the Italian economy, again facing recession, and to the lack of investments in France. Economic growth remained anaemic during the last months of 2014, coupled with a lower and lower inflation which was pushed down notably by fast decreasing oil prices. Over 2014 Eurozone inflation is closed to zero, very far from the ECB 2% target. The deflation risk is in all minds

With downside risks starting to materialise in Q1, Japan added to a disappointing growth outlook in Q2. In April Japan enacted a well-flagged increase in its sale tax – part of Prime Minister Abe's 'second arrow' of fiscal reform. Hopes that this anticipated hike would have only a marginal economic impact were quickly disappointed as the economy contracted by 1.7% in Q2 and a further 0.5% in Q3, suggesting a similar adverse reaction to the 1997 increase.

The UK economy posted above-trend expansion over the first half of the year. This prompted Bank of England Governor Carney to warn in June that financial markets under-priced the risk of a rate hike before end of 2014. However, this proved the high-tide for UK optimism. While growing global concerns increasingly weighed on the UK outlook from mid-year, domestic considerations were also a factor. Increasing mortgage regulation and interest rate expectations slowed housing market activity – a key catalyst to broader economic activity. Moreover, while Scotland ultimately decided to remain part of the UK in September, the weeks preceding the referendum had seen polls narrow markedly and resulted in a commitment to accelerated devolution from major UK political parties that were extended beyond Scotland after the referendum. This changed the UK's political backdrop. It also added to political uncertainty ahead of the 2015's General Election, a risk to the business investment outlook.

Oil prices started to fall in Q3. Increased supply from Iraq and Libya, against a long-term increase from US shale oil, had boosted supply, while rising energy efficiency and growing concerns about global growth weighed on demand. Oil prices closed Q2 at \$112, but fell to \$95 by the end of Q3. But oil price fell more sharply in the final quarter, closing Q4 at \$57. Oil prices fell more sharply after the November OPEC meeting, which failed to cut production quotas in attempt to arrest the decline in oil prices. Market's inferred a shift in Saudi Arabia's reaction function (OPEC's largest producer and historically the globe's 'swing' producer). Saudi no longer appeared prepared to shoulder the cost of output reductions to try and support oil prices, easing pressure on other OPEC members (and over-producers) and encouraging additional investment in oil alternatives.

Directors' Report

The Financial markets in 2014 (continued)

In mid-October, markets experienced a 'flash-crash': bond yields and equities fell sharply on 15 October, with government bond yields setting the year's low and with intra-day levels markedly below closing levels. The crash appeared to reflect the culmination of a number of concerns including downward revision to IMF growth projections (and a marked upward revision of the chance of a euro area recession); a marked drop in German industrial output (feared in reaction to a curtailing of Russian exports); and fears of the spread of the Ebola virus.

While markets recovered most of their ground swiftly thereafter, the global outlook adopted a more pessimistic tone from that point. Recognising this, key central banks adjusted their policy outlook. The Bank of Japan (BoJ) accelerated its QQE monetary easing programme (to ¥80trn/year, from ¥60-70trn), also reacting to the worrisome protracted loss of momentum following the sales tax hike; expectations for the Bank of England to be the first 'crisis' economy central bank to tighten policy faded; and the market began to discuss the necessity of QE to expand the ECB's balance sheet by the intended €1trn, even after the ECB's September 10bps rates cuts, taking the deposit rate to a record low of -0.20%. ECB actions and announcements led the Euro to weaken to USD 1.21 at year end (-12.2% in 2014). By contrast, the Federal Reserve continued to ease monetary policy stimulus, announcing an end to its QE programme in October. The end of the programme excited expectations of the first rate hike and Chair Yellen stated in December that while the timing of the first hike would remain data dependant, mid-2015 could see lift-off.

The year ended in a materialisation of further downside risks. The Russian economy exhibited signs of crisis with the rouble falling sharply in the final weeks of 2014 as economic sanctions and declining oil prices weighed on the economic outlook. Separately, a political gamble in Greece back-fired paving the way to early Elections in Greece in January 2015 and renewed concerns of a Greek exit from the Euro zone.

Against this background, far from rising, developed market bond yields ground lower over most of 2014. The US 10-year Treasury yield closed 2014 at 2.17%, 86bps lower than end 2013; with UK gilt yields at 1.76% (down 126bps). German and Japanese 10-year government bond yields closed the year at lows of 0.54% (down 139bps) and 0.32% (down 42bps) respectively. Decrease in yields was even more pronounced for so-called "peripheral" countries in light of a more and more likely QE programme by the ECB. All fixed income asset classes showed positive returns in 2014, with the exception of emerging markets.

Equities gained ground. The US S&P 500 closed the year at a new record high, up 11.4% on the year; the Japanese Topix index rose, up 8.1% on the year and boosted by further QE from the BoJ; Eurozone equities also gained with the Eurofirst 300 index up 4% on the year. However, in currency markets the dollar rose over the course of the year with both the euro and the yen accelerating their declines in the final quarter of the year. The Chinese yuan closed the year 2.5% higher against the US dollar.

Performance Commentary - 2014

- **AXA IM FIXED INCOME INVESTMENT STRATEGIES – US SHORT DURATION HIGH YIELD**
1 January 2014 to 31 December 2014

The High Yield market posted its sixth consecutive positive annual return for full year 2014, as the Merrill Lynch High Yield Master II Index generated a total return of +2.50% for the year. Returns were stronger in the first half of the year, with positive returns in the first and second quarters (+3.00% and +2.57% respectively), followed by negative total returns in the third quarter (-1.92%) and fourth quarter (-1.07%). Returns in the high yield market were impacted by the sharp drop in oil prices in the second half of 2014, as the Energy sector, which is the largest sector by percentage in the index at 13.4% as of year-end, sharply underperformed the broader index. There were record outflows from High Yield funds in 2014, as outflows totaled -\$20.6 billion for the year. The primary market was steady for the year, pricing \$292.4 million in new issuance, slightly below the \$312.5 billion issued in 2013. In 2014, 28 companies defaulted on \$70.2 billion of debt, the second highest total in history. However, 77% of that total was from just two long distressed issuers: the April default of Energy Futures Holdings (TXU) and the December default of Caesars Operating Company. Exclusive of those two issuers, default activity would have been \$16.0 billion, which would have been the lowest annual total since 2007.

Directors' Report

Performance Commentary - 2014 (continued)

For full year 2014, High Yield underperformed other asset classes, including U.S. Equities (S&P 500 +13.66%), U.S. Investment Grade Corporates (+7.51%), and U.S. Treasuries (+5.88%). Within U.S High Yield, returns were positive in the higher quality BB-rated (+5.34%) and B-rated credits (+1.32%), while lower quality, more equity like credits posted a negative total return for the year, as CCC-and-lower rated credits returned -2.56%. On a sector basis, Energy underperformed significantly, posting a -7.44% total return for the year. The only other sector that posted a negative total return was Leisure (-2.23%). The best performing sectors for the year were Banking (+9.88%), Utilities (+9.00%), and Technology and Electronics (+7.00%). During 2014, High Yield spreads relative to Treasuries widened significantly, from 400 basis points at the start of the year to 504 basis points on 31 December, an increase of 104 basis points. The yield-to-worst for the High Yield market ended the year at 6.65%, compared to 5.67% at the start of the year. The average price in the High Yield market ended the year at \$98.87, down from \$103.32 at the start of 2014.

AXA IM's U.S. Short Duration High Yield Fund had another solid year during 2014, capturing a little over half of the market's modest +2.50% return. The Fund's performance in the first half of the year could not keep pace with the strong market rally, however second half performance benefitted from our up-in-quality positioning, the shorter duration nature of our holdings, and our positioning and security selection within the energy sector, which significantly underperformed. The yield-to-worst of the Fund (exclusive of cash) widened by 200 bps during the year to 5.09%, while the Option Adjusted Spread of the Fund widened by 159 bps to 414 bps. The overall Fund duration (using a calculation of modified duration-to-worst) increased from 1.5 to 1.9, while the market duration increased from 3.7 to 4.1.

Position count decreased to 237 positions, but the portfolio remains well diversified. We believe that diversification of portfolio holdings is important for the Fund and helps to manage credit risk. Our top holding, a 1.1% position, was VP II Escrow Corp. At month-end, approximately 67% of the portfolio was invested in securities in excess of three years, but which we expect to be redeemed early. This is down roughly 6% from the previous year, but continues to express our overall positive view of the short duration portion of the high yield market. We continue to believe that the yield-to-call portion of short duration offers better relative value, however we are constantly evaluating this relative value landscape. Although the current technical backdrop remains fairly weak, the prolonged low interest rate environment and the active primary market continues to encourage companies to proactively address debt maturing in excess of three years. Additionally, fundamentals of high yield companies (excluding the energy sector) remain strong and default expectations remain benign, providing an attractive backdrop for the Short Duration Fund.

- AXA IM FIXED INCOME INVESTMENT STRATEGIES – US CORPORATE BONDS**
1 January 2014 to 31 December 2014

The AXA IM Fixed Income Investment Strategies - US Corporate Bonds Fund out-performed its performance indicator, the Barclays Capital US Corporate Intermediate index in 2014. The portfolio's relative out-performance during the year was primarily driven by a positive security selection effect. The portfolio's out-performance was also driven to a lesser extent by a positive yield curve effect as the performance indicator Treasury curve flattened. The positive factors discussed above were partially offset by the negative impact of cash drag during the year.

For the full year of 2014, the US intermediate portion of the corporate bonds asset class generated a strong total return but a weaker excess return as spreads widened slightly. During 2014, the Barclays Capital US Intermediate Corporate index posted a total return of positive 4.35% and an excess return of positive 0.78%. During the full year period, within the Intermediate Corporate Index the Utility sector (positive 157 bps of excess return) out-performed both the Financial Institutions (positive 107 bps of excess return) and the Industrial (positive 49 bps of excess return) sectors. The average OAS of the Barclays Capital US Corporate Intermediate index stood at 99 bps as of the end of 2013 and increased to 107 bps as of December 31, 2014. The performance of US corporate bonds during 2014 was largely influenced by a flattening performance indicator Treasury curve, as yields increased in maturities inside of five years to maturity and decreased for maturities five years and longer. The central bank ended their quantitative easing policy, and the market began to debate the prospect of the Fed beginning to increase the fed funds rate. Although spreads were slightly wider, the US corporate bond asset class continued to benefit from a stable economic backdrop and strong technical demand as investors continued to search for yield in a low interest rate environment.

Directors' Report

Performance Commentary - 2014 (continued)

The portfolio finished 2014 with 217 positions. As of year-end, the average yield to maturity of the portfolio stood at 2.65% versus the performance indicator yield to maturity of 2.54%. The average option adjusted spread of the portfolio as of year-end was 119 bps versus the performance indicator average OAS of 107. The portfolio's average effective duration was 4.39 as of year-end 2014, which matched the performance indicator. The portfolio's sector allocation maintains a slight overweight to the Financial Institutions sector. Within the broad Industrial sector, the portfolio remains overweight the Real Estate, Media, Automotive and Service sectors, and underweight several of the more defensive sectors including Consumer Goods, Healthcare, and Capital Goods. The portfolio maintains a relative overweight to the lower rated triple-B portion of the market.

The average S&P credit rating of the portfolio was BBB+ as of year-end versus the performance indicator's average of A-. The portfolio continued to benefit from active participation in the new issue market throughout 2014.

- AXA IM FIXED INCOME INVESTMENT STRATEGIES – US LIBOR PLUS**
1 January 2014 to 31 December 2014

US macroeconomics numbers continue to be good in 2014, a proof that the gradual recovery continued. The housing market is very close to the long term trend and could likely to increase slowly, in the 3%-5% per year.

In that context, the US Non-Agency market started 2014 with the same trend as it finished 2013. During the year, prices were relatively very stable even if the Fed tapered the QE3. The macroeconomic environment is fully priced in this sector and market participants waited for the final word concerning the Countrywide case (which was finally approved recently).

The legacy RMBS sector returned 8%-10% in 2014 and could return 5%-7% in 2015. Assets with a levered profile combining with a little carry could possibly underperform in 2015 after years of overperformance.

2014 performance of Libor plus FIIS I USD was 44.84%.

- AXA IM FIXED INCOME INVESTMENT STRATEGIES – EUROPE SHORT DURATION HIGH YIELD**
1 January 2014 to 31 December 2014

The year in review began in uncertain fashion, as the US Federal Reserve commenced tapering of its asset purchase programme. The move prompted heightened volatility and currency weakness in emerging markets, while escalating tensions between Russia and Ukraine only heightened investor nervousness. Unsurprisingly, high yield markets were subdued during this time, as investors looked for safe havens.

However, as concerns began to recede at the end of Q1, European high yield began to rally as investors resumed their hunt for yield. This positive momentum continued into the second half of the year, with strong primary market issuance and robust demand, creating a positive technical environment that fuelled market performance. With confidence levels high, lower-rated, riskier areas of the high yield market led returns during this time.

Short duration funds saw particularly strong inflows over this period and, as yields were driven down, the majority of callable bonds traded to the first call. For this reason the duration of the fund fell to lows of around 1.1 and with the gross redemption yield to worst dipping under 3%.

In July however, bond markets were impacted by news of Argentina being forced into a selective default, the collapse of Portugal's Banco Espirito Santo (BES) and renewed tensions in Russia. This saw an increase in high yield market volatility and a widening of spreads. Then, in September, US high yield credit sold off sharply on concerns that prices were overheated. In Europe, the rapid collapse of Phones4U added to the negative sentiment. The fund lost approximately 40 basis points through exposure to the Phones4U senior secured bond.

Directors' Report

Performance Commentary - 2014 (continued)

These stock specific events and geopolitical risks combined with a softer period of economic performance in Europe with weak German data adding to the uncertainty and diluting the more positive outlooks from the beginning of the year. Government bonds continue to chart new lows in yield and investment grade spreads remained stable. But, while the higher rated end of the high yield market held up relatively well, the weaker end of the market was punished. Some bonds, for example in the retail space, sold off for fundamental reasons but in many cases it was more a change in market risk tolerance and sentiment.

Within the short duration market specifically this led to a meaningful outperformance by the BB rated fixed maturity sector and an underperformance of, typically weaker rated, yield to call bonds. A fall in the price of the fund of approximately 2% to the lows in the middle of October caused these yield to call bond to extend duration a little moving the fund duration to 2 and the yield back over 5%. This is a relatively significant move but needs to be put into context. Upon launch of the fund in 2011 we anticipated that the duration of the fund would sit between 1.75 and 2.25. The fund had moved back into a more typical range from a rather too short duration position which is a function of the stock of relatively high coupon bonds in a much lower yield market.

In the final two months, as market moves were interpreted as overdone, the market regained its composure and began to gradually rally back, even if flows into the sector remained relatively weak. The European market saw only a modest impact from the sharp falls in the oil price and subsequent secondary effects in Emerging markets and the US High Yield market where there is a significant exposure to oil related bonds. Europe has relatively few energy related bonds and, although it will take a time to come though, a fall in the oil price should be beneficial for growth generally.

We believe the Phones4u default is an idiosyncratic event rather than the start of a trend for Europe. We anticipate default rates remaining around the lower levels leaving the current market yield as an attractive entry point with yield to call paper offering a significant premium to bullet short maturity debt. The cost of debt continues to fall, increasing the free cash flow of companies and increasing the ability to service that debt even with anaemic growth. With the ECB continuing to look for ways of loosening policy and QE heavily anticipated this low yield environment looks unlikely to change in the short to medium term.

Fund Events

As of 31 December 2014, the Fund consists in 4 activated Sub-Funds which are presented to you here above.

Please note that the last version of the Prospectus is dated November 2013.

Management Company Events

We present to you hereafter the events occurred during the financial year ending on 31 December 2014 within the Board of Directors of the Management Company, AXA Funds Management S.A.:

- Mr. Jean-Louis Laforge has been appointed as Director of the Company by the annual general shareholders' meeting on 25 March 2014.
- On July 28, 2014, the Management Company has been agreed by the *Commission de Surveillance du Secteur Financier* (CSSF) as Alternative Investment Fund Manager (AIFM) in connexion with the entry into force of the law of 12 July 2013 under Article 5 of Chapter 2 on alternative investment fund managers and implementing Directive 2011/61/EU.
- On October 10, 2014, Mr. Sean O'Driscoll has been appointed as Director and General Manager of the Company in replacement of Mr. Christof Jansen, resigning.

Directors' Report

Board of Directors

As 31 December 2014, the share capital amount of the Management Company was 925,345.84 EUR and the Board of Directors of the Management Company was composed as follows:

- Mr. Michael Reinhard, as Chairman,
- Mr. Bruno Durieux,
- Mr. Steve Gohier,
- Mr. Laurent Jaumotte,
- Mr. Jean-Louis Laforge,
- Mr. Sean O'Driscoll,
- Mrs. Tatiana Pécastaing-Pierre.



Sean O'Driscoll

The Board of the Management Company
Luxembourg, 22 April 2015



Steve Gohier

Note : The figures stated in this report are historical and not necessarily indicative of future performance.



Audit Report

To the Unitholders of
AXA IM Fixed Income Investment Strategies

We have audited the accompanying financial statements of AXA IM Fixed Income Investment Strategies and of each of its sub-funds, which comprise the statement of net assets and the schedule of investments and other net assets as at 31 December 2014 and the statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the Management Company for the financial statements

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements and for such internal control as the Board of Directors of the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the “Réviseur d’entreprises agréé”

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier”. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the “Réviseur d’entreprises agréé”, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the “Réviseur d’entreprises agréé” considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the Management Company, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of AXA IM Fixed Income Investment Strategies and of each of its sub-funds as of 31 December 2014, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

*PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg
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Emphasis of Matter

We draw attention to Note 2 d) to the Financial Statements relating to the valuation of certain assets. This note explains that, in the absence of a liquid market, the assets of AXA IM Fixed Income Investment Strategies - US Libor Plus have been subject to a valuation process described therein. Its exposure as at 31 December 2014 to assets subject to such valuation process is further disclosed in Note 2 d) to the Financial Statements. Our opinion is not qualified in respect of this matter.

Other matters

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 22 April 2015



Didier Primé

Statement of Net Assets as at 31 December 2014

	Combined	AXA IM Fixed Income Investment Strategies US Short Duration High Yield	AXA IM Fixed Income Investment Strategies US Corporate Bonds
	USD	USD	USD
ASSETS			
Investment portfolio at cost (note 2e)	12,667,100,629	10,710,351,617	824,607,252
Unrealised appreciation/(depreciation) on investment	(233,770,956)	(183,827,815)	10,787,058
Investment portfolio at market value (note 2d)	12,433,329,673	10,526,523,802	835,394,310
Cash and cash equivalent	503,560,882	466,823,549	26,463,032
Receivables resulting from sales of investments	244	-	-
Receivables resulting from subscriptions	147,447,770	96,476,865	12,878,446
Interest accruals	223,671,565	190,448,353	8,743,570
Accrued securities lending income	144,912	104,908	2,874
Net unrealised appreciation on open futures contracts (notes 2h, 12)	20,047	-	20,047
Other receivables	343,190	218,743	2,135
Total assets	13,308,518,283	11,280,596,220	883,504,414
LIABILITIES			
Bank overdraft	6,970,529	-	-
Payables resulting from purchases of investments	17,977,541	9,958,935	8,018,606
Payables resulting from redemptions	95,642,977	80,777,009	3,576,432
Net unrealised depreciation on forward foreign exchange contracts (notes 2g, 11)	116,637,168	110,619,382	3,842,933
Accrued expenses	9,348,426	8,003,478	418,937
Dividend payable	1,232,323	1,212,737	19,586
Other payables	205,965	-	15,553
Total liabilities	248,014,929	210,571,541	15,892,047
NET ASSET VALUE	13,060,503,354	11,070,024,679	867,612,367

The accompanying notes form an integral part of these financial statements.

Statement of Net Assets as at 31 December 2014

AXA IM Fixed Income Investment Strategies US Libor Plus	AXA IM Fixed Income Investment Strategies Europe Short Duration High Yield
USD	EUR
104,085,471	845,123,953
(59,946,545)	(644,211)
44,138,926	844,479,742
1,349,456	7,336,758
244	-
117	31,314,191
108,571	20,034,483
-	30,523
-	-
4,377	96,950
45,601,691	903,292,647
-	5,730,193
-	-
-	9,280,676
134,462	1,677,324
-	761,237
-	-
611	156,028
135,073	17,605,458
45,466,618	885,687,189

The accompanying notes form an integral part of these financial statements.

Statement of Operations and Changes in Net Assets for the year ended 31 December 2014

	Combined USD	AXA IM Fixed Income Investment Strategies US Short Duration High Yield USD	AXA IM Fixed Income Investment Strategies US Corporate Bonds USD
NET ASSET VALUE AT THE BEGINNING OF THE YEAR	17,507,322,040 *	15,769,258,192	518,193,440
INCOME			
Interest on investment portfolio, net	802,449,631	701,135,726	21,060,104
Interest on current accounts	426,165	354,255	13,178
Securities lending income (note 15)	1,676,559	1,234,363	48,106
Total income	804,552,355	702,724,344	21,121,388
EXPENSES			
Redex fees (note 7)	6,637	-	6,637
Securities lending expenses (note 15)	586,796	432,027	16,837
Transaction fees (note 10)	418,187	384,357	6,981
Accounting fees	2,515,485	2,179,314	102,282
Custody fees (note 9)	1,112,217	925,482	43,545
Distribution fees (note 5)	1,426,991	789,363	69,881
General administration fees (note 9)	471,644	408,614	19,177
Hedging fees (note 8)	2,385,148	2,320,331	34,979
Legal fees	94,328	81,723	3,836
Management fees (note 6)	105,023,667	91,643,395	2,611,714
Professional fees	62,886	54,482	2,558
Publication and printing fees	62,886	54,482	2,558
Registrar and transfer agent fees (note 9)	3,380,133	2,928,403	137,441
Regulatory fees	15,717	13,621	637
Taxation (note 4)	3,122,310	2,651,406	129,826
Total expenses	120,685,032	104,867,000	3,188,889
NET INCOME FROM INVESTMENTS FOR THE YEAR	683,867,323	597,857,344	17,932,499
Net realised gain/(loss)			
- on sales of investments (note 2f)	(158,206,711)	(140,294,303)	4,337,501
- on spot foreign exchange	367,940,729	355,486,207	2,549,456
- on forward foreign exchange contracts (notes 2g, 11)	(1,193,834,696)	(1,153,619,140)	(15,040,381)
- on futures (notes 2h, 12)	(15,045)	-	(15,045)
Net realised gain/(loss) for the year	(984,115,723)	(938,427,236)	(8,168,469)
Net change in unrealised appreciation/(depreciation)			
- on investments (note 2f)	(339,516,726)	(345,676,394)	1,102,034
- on forward foreign exchange contracts (notes 2g, 11)	(178,119,892)	(173,733,489)	(6,399,680)
- on futures (notes 2h, 12)	(244,633)	-	(244,633)
Net change in net assets for the year resulting from operations	(818,129,651)	(859,979,775)	4,221,751
Net proceeds from subscriptions/redemptions	(3,196,015,368)	(3,442,391,426)	343,818,877
Equalisation (note 3)	(80,375,010)	(71,037,312)	6,660,657
Dividends paid (note 14)	(352,298,657)	(325,825,000)	(5,282,358)
NET ASSET VALUE AT THE END OF THE YEAR	13,060,503,354	11,070,024,679	867,612,367

* The opening balance was combined at the exchange ruling as at 30 December 2014. With the exchange rates prevailing as at 30 December 2013, this amount was equal to 17,667,396,012 USD. Please refer to note 2b) for more details.

The accompanying notes form an integral part of these financial statements.

Statement of Operations and Changes in Net Assets for the year ended 31 December 2014

AXA IM Fixed Income Investment Strategies US Libor Plus	AXA IM Fixed Income Investment Strategies Europe Short Duration High Yield
USD	EUR
39,686,653	970,181,858
2,537,341	63,887,592
1,489	47,057
-	323,966
2,538,830	64,258,615
-	-
-	113,388
1,533	20,811
7,350	186,229
3,192	115,087
-	466,722
1,377	34,918
2,271	22,662
274	6,983
22,969	8,833,519
183	4,655
183	4,655
9,877	250,245
45	1,162
4,622	276,587
53,876	10,337,623
2,484,954	53,920,992
(7,474,919)	(12,145,928)
186,910	7,988,907
(946,440)	(19,917,474)
-	-
(8,234,449)	(24,074,495)
21,205,194	(13,274,263)
(280,621)	1,885,722
-	-
15,175,078	18,457,956
-	(80,103,844)
-	(13,151,608)
(9,395,113)	(9,697,173)
45,466,618	885,687,189

The accompanying notes form an integral part of these financial statements.

Statistics - Total Net Assets

	Currency	Total Net Assets as at 31 December 2014	Total Net Assets as at 31 December 2013	Total Net Assets as at 31 December 2012
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	USD	11,070,024,679	15,769,258,192	13,365,177,105
AXA IM Fixed Income Investment Strategies - US Corporate Bonds	USD	867,612,367	518,193,440	561,504,350
AXA IM Fixed Income Investment Strategies - US Libor Plus	USD	45,466,618	39,686,653	29,006,552
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield	EUR	885,687,189	970,181,858	326,801,579

Statistics - Number of Units and Net Asset Value per Unit

	Number of Units as at 31 December 2014	Net Asset Value per Unit in local currency as at 31 December 2014	Net Asset Value per Unit in local currency as at 31 December 2013	Net Asset Value per Unit in local currency as at 31 December 2012
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield				
A Capitalisation EUR Hedged	5,487,710.203	159.19	157.99	150.97
A Capitalisation USD	7,743,541.700	169.86	168.40	160.35
A Distribution EUR Hedged	24,860,079.166	85.01	89.83	91.07
A Distribution GBP Hedged	501,673.176	104.27	109.83	111.24
A Distribution USD	12,161,522.164	90.67	95.70	96.88
A Distribution monthly USD	3,789,802.056	95.50	-	-
B Capitalisation CHF Hedged	1,389,261.762	119.58	119.34	114.60
B Capitalisation EUR Hedged	2,181,835.835	160.72	160.01	153.36
B Capitalisation GBP Hedged	50,617.716	99.58	-	-
B Capitalisation USD	2,010,916.094	144.92	144.10	137.63
B Distribution EUR Hedged	1,513,915.800	88.14	93.15	94.56
B Distribution GBP Hedged	85,259.366	92.08	96.99	97.81
B Distribution USD	607,693.039	97.23	102.66	103.96
E Capitalisation EUR Hedged	568,667.928	118.88	119.00	114.77
E Capitalisation USD	459,853.282	115.61	115.70	111.20
F Capitalisation CHF Hedged	1,673,654.828	118.18	118.30	113.95
F Capitalisation EUR Hedged	3,506,818.042	138.73	138.51	133.12
F Capitalisation USD	9,043,295.678	139.05	138.66	132.83
F Distribution EUR Hedged	4,123,873.697	87.53	92.55	93.95
I Capitalisation EUR Hedged	2,751,329.380	147.11	146.84	141.10
I Capitalisation USD	956,528.598	160.25	159.74	152.96
I Distribution USD	1,457,800.997	91.94	97.09	98.36
Z Capitalisation CHF Hedged	5,933.659	99.22	-	-
Z Capitalisation EUR Hedged	103,279.045	100.64	100.24	-
Z Capitalisation USD	264,206.980	100.77	100.26	-
Z Distribution EUR Hedged	36,897.000	101.39	100.24	-
AXA IM Fixed Income Investment Strategies - US Corporate Bonds				
A Capitalisation CHF Hedged	162,150.368	108.94	104.73	104.83
A Capitalisation EUR Hedged	606,879.667	131.78	126.34	126.27
A Capitalisation EUR Hedged Redex	88,082.367	110.01	108.10	105.95
A Capitalisation USD	1,737,539.653	177.56	170.02	169.18
A Distribution JPY Hedged	48,659.378	9,890.52	-	-
A Distribution USD	1,079,496.122	122.71	121.91	126.45
E Capitalisation EUR Hedged	36,885.912	110.09	106.63	107.54
E Capitalisation USD	73,691.769	108.38	104.82	105.32
F Capitalisation CHF Hedged	3,236.463	107.24	103.55	104.03
F Capitalisation CHF Hedged Redex	-	-	-	106.35
F Capitalisation EUR Hedged	394,917.284	117.18	112.85	113.26
F Capitalisation USD	1,368,905.655	117.46	113.03	113.03
I Capitalisation EUR Hedged	155,472.555	113.00	108.61	108.67
I Capitalisation USD	166,424.331	134.58	129.12	128.72
I Distribution EUR Hedged	12,164.992	96.56	95.67	-
I Distribution USD	176,809.711	99.92	99.21	102.92
Z Capitalisation EUR Hedged	17,437.573	104.29	100.12	-
Z Capitalisation USD	2,175.000	101.09	-	-

Statistics - Number of Units and Net Asset Value per Unit

	Number of Units as at 31 December 2014	Net Asset Value per Unit in local currency as at 31 December 2014	Net Asset Value per Unit in local currency as at 31 December 2013	Net Asset Value per Unit in local currency as at 31 December 2012
AXA IM Fixed Income Investment Strategies - US Libor Plus				
A Distribution EUR Hedged	809,612.365	7.58	6.41	4.78
A Distribution USD	3,054,796.855	8.84	7.48	5.56
I Distribution EUR Hedged	12,669.691	8.79	7.44	5.55
I Distribution USD	1,199,639.881	9.05	7.66	5.69
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield				
A Capitalisation EUR	1,099,955.442	123.25	121.31	114.88
A Capitalisation USD Hedged	49,652.750	123.89	121.84	115.02
A Distribution EUR	501.203	96.19	100.69	-
B Capitalisation CHF Hedged	189,546.431	107.74	106.64	101.54
B Capitalisation EUR	1,838,801.275	121.99	120.43	114.40
B Capitalisation USD Hedged	128,348.417	114.16	112.60	106.65
B Distribution EUR	1,543,340.143	98.14	102.80	103.31
E Capitalisation EUR	774,473.145	119.33	118.56	113.34
E Capitalisation USD Hedged	4,620.531	101.19	100.47	-
F Capitalisation CHF Hedged	93,602.979	105.48	104.72	-
F Capitalisation EUR	1,643,201.236	120.75	119.55	113.90
F Capitalisation USD Hedged	329,741.678	107.85	106.86	101.49
F Distribution CHF	17,755.000	95.81	100.62	-
F Distribution EUR	62,066.009	96.22	100.80	-
M Capitalisation EUR	23,707.430	125.26	122.73	115.61
Z Capitalisation EUR	11,924.790	99.48	-	-

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				USD Bonds (continued)			
USD Bonds							
99 Cents Only Stores 11% 15/12/2019	23,339,000	24,797,688	0.22	Axalta Coating Sys/Dutch 7.375% 01/05/2021	12,250,000	13,046,250	0.12
Academy Ltd / Academy Finance Corp 9.25% 01/08/2019	33,757,000	35,613,635	0.32	Bankrate Inc 6.125% 15/08/2018	29,000,000	27,115,000	0.24
Aercap Aviation Solution 6.375% 30/05/2017	26,886,000	28,566,375	0.26	Berry Plastics Corp 9.75% 15/01/2021	42,599,000	47,284,890	0.43
Aercap Ireland Cap Ltd 2.75% 15/05/2017	29,977,000	29,414,931	0.27	Bev Pack Holdings 5.625% 15/12/2016	26,000,000	25,610,000	0.23
Aercap Ireland Cap Ltd 3.75% 15/05/2019	27,305,000	27,134,344	0.25	Bi Lo Llc/Bi Lo Fin Corp 9.25% 15/02/2019	42,091,000	38,513,265	0.35
AES Corp 8% 15/10/2017	11,060,000	12,442,500	0.11	Big Heart Pet Brands Company 7.625% 15/02/2019	80,185,000	79,198,724	0.72
AES Corp 9.75% 15/04/2016	28,956,000	31,562,040	0.29	Biomet Inc Company 6.5% 01/08/2020	77,955,000	83,606,738	0.76
Aguila 3 SA 7.875% 31/01/2018	63,781,000	61,867,570	0.56	BMC Software Finance Inc 7.25% 01/06/2018	18,021,000	17,525,422	0.16
Ahern Rentals Inc 9.5% 15/06/2018	40,145,000	41,449,712	0.37	Bombardier Inc 4.25% 15/01/2016	86,445,000	87,741,675	0.79
Air Lease Corp FRN 01/04/2017	24,175,000	26,109,000	0.24	Bombardier Inc 4.75% 15/04/2019	67,548,000	67,885,740	0.61
Aircastle Ltd 6.75% 15/04/2017	46,088,000	49,429,380	0.45	Brightstar Corp Company 9.5% 01/12/2016	9,910,000	10,430,275	0.09
Alliance Data Systems Co Company 5.25% 01/12/2017	19,011,000	19,676,385	0.18	Cablevision Systems Corp 7.75% 15/04/2018	11,720,000	12,935,950	0.12
Alliance Data Systems Corp 6.375% 01/04/2020	74,844,000	76,808,655	0.69	Cablevision Systems Corp 8.625% 15/09/2017	101,536,000	113,212,640	1.02
Ally Financial Inc 2.75% 30/01/2017	22,523,000	22,410,385	0.20	Capella Healthcare Company 9.25% 01/07/2017	49,263,000	51,264,309	0.46
Ally Financial Inc 3.25% 29/09/2017	49,232,000	49,355,080	0.45	Carrizo Oil + Gas Inc 8.625% 15/10/2018	32,173,000	32,333,865	0.29
Ally Financial Inc 3.5% 18/07/2016	17,737,000	17,980,884	0.16	Case New Holland Inc 7.875% 01/12/2017	80,924,000	89,421,020	0.81
Ally Financial Inc 3.5% 27/01/2019	41,481,000	40,858,785	0.37	Cco Hldgs Llc/Cap Corp 8.125% 30/04/2020	17,832,000	18,812,760	0.17
Ally Financial Inc 3.75% 18/11/2019	31,325,000	30,996,088	0.28	CCO Holdings Capital Corp 7.25% 30/10/2017	92,799,000	96,510,960	0.87
Ally Financial Inc 5.5% 15/02/2017	28,855,000	30,369,888	0.27	Cdw Llc 8.5% 01/04/2019	73,251,000	77,554,496	0.70
Alphabet Holding Co Inc 7.75% 01/11/2017	80,722,000	68,629,844	0.62	Cemex SA ADR 9% 11/01/2018	104,104,000	108,852,704	0.98
AMC Entertainment Inc 9.75% 01/12/2020	59,116,000	64,584,230	0.58	Cemex Sab De Cv 9.5% 15/06/2018	18,775,000	20,700,470	0.19
Arcelormittal 5% 25/02/2017	98,621,000	102,196,011	0.92	Centene Corp 5.75% 01/06/2017	45,271,000	48,213,615	0.44
Arcelormittal 6.125% 01/06/2018	32,455,000	34,483,438	0.31	CenturyLink Inc 6% 01/04/2017	23,628,000	25,488,705	0.23
Ashland Inc 3.875% 15/04/2018	44,202,000	44,699,272	0.40	Chaparral Energy Inc 9.875% 01/10/2020	12,136,000	8,313,160	0.08
Ashland Inc Sr 3% 15/03/2016	49,916,000	50,539,950	0.46	Chesapeake Energy Corp 6.5% 15/08/2017	25,563,000	27,416,318	0.25
Aviation Capital Group 4.625% 31/01/2018	24,436,000	25,397,386	0.23	Chesapeake Energy Corp FRN 15/04/2019	56,262,000	55,277,415	0.50
Avis Budget Car/Finance 4.875% 15/11/2017	52,197,000	54,023,895	0.49	Chrysler Gp/Cg Co Issuer 8% 15/06/2019	48,445,000	51,472,812	0.46

The accompanying notes form an integral part of these financial statements.

*Please refer to note 2d) for more information on valuation of Investments.

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Bonds (continued)				USD Bonds (continued)			
Chs/Community Health Sys 8% 15/11/2019	21,170,000	22,651,900	0.20	General Motors Finl Co 2.625% 10/07/2017	30,044,000	30,176,975	0.27
CIT Group Inc 4.25% 15/08/2017	94,757,000	96,889,032	0.88	General Motors Finl Co 3% 25/09/2017	21,209,000	21,474,749	0.19
CIT Group Inc 5% 15/05/2017	48,000,000	49,920,000	0.45	General Motors Finl Co 3.5% 10/07/2019	11,308,000	11,545,626	0.10
Cnh Capital Llc 3.625% 15/04/2018	38,700,000	38,313,000	0.35	Genesis Energy Lp/Genesi 7.875% 15/12/2018	41,472,000	42,094,080	0.38
Cnh Capital Llc 3.875% 01/11/2015	40,434,000	40,838,340	0.37	Glp Capital Lp / Fin li 4.375% 01/11/2018	22,640,000	23,149,400	0.21
Cnh Capital Llc 6.25% 01/11/2016	65,234,000	68,658,785	0.62	Hanesbrands Inc 6.375% 15/12/2020	78,934,000	84,015,376	0.76
Cnh Industrial Capital 3.25% 01/02/2017	19,666,000	19,567,670	0.18	HCA Holdings Inc 7.75% 15/05/2021	60,376,000	64,451,380	0.58
Cnh Industrial Capital 3.375% 15/07/2019	67,016,000	64,502,900	0.58	HCA Inc 3.75% 15/03/2019	78,159,000	78,549,795	0.71
Commercial Metals Co 7.35% 15/08/2018	5,429,000	5,890,465	0.05	HD Supply Inc 11% 15/04/2020	65,884,000	75,437,180	0.68
Concho Resources Inc 7% 15/01/2021	18,300,000	19,260,750	0.17	Healthsouth Corp 8.125% 15/02/2020	24,441,000	25,571,396	0.23
Constellation Brands Inc 7.25% 01/09/2016	24,024,000	26,066,040	0.24	Hertz Corp 4.25% 01/04/2018	23,911,000	23,851,222	0.22
Constellation Brands Inc 7.25% 15/05/2017	31,086,000	34,330,601	0.31	Hertz Corp 6.75% 15/04/2019	63,786,000	66,337,440	0.60
Covanta Holding Corp 7.25% 01/12/2020	28,199,000	30,102,432	0.27	Hertz Corp 7.375% 15/01/2021	24,094,000	25,419,170	0.23
Crestwood Midstream Part 7.75% 01/04/2019	44,525,000	45,638,125	0.41	Hilcorp Energy I/Hilcorp 7.625% 15/04/2021	11,021,000	11,131,210	0.10
Csc Holdings Llc 7.875% 15/02/2018	7,000,000	7,875,000	0.07	Hilcorp Energy I/Hilcorp 8% 15/02/2020	9,070,000	9,296,750	0.08
D.R. Horton Inc 3.625% 15/02/2018	66,661,000	67,744,241	0.61	Hologic Inc 6.25% 01/08/2020	19,398,000	20,270,910	0.18
Digicel Limited 8.25% 01/09/2017	42,491,000	43,234,592	0.39	Huntsman International L 8.625% 15/03/2021	3,355,000	3,615,012	0.03
Dish Dbs Corp 4.25% 01/04/2018	107,755,000	110,448,875	1.00	Icahn Enterprises/Fin Company 3.5% 15/03/2017	84,542,000	84,542,000	0.76
Dynegy Finance I/li Inc 6.75% 01/11/2019	25,220,000	25,629,825	0.23	Igate Corp 4.75% 15/04/2019	7,635,000	7,673,175	0.07
Echostar DBS Corp 4.625% 15/07/2017	90,225,000	93,608,438	0.85	Igloo Holdings Corp 8.25% 15/12/2017	24,657,000	24,826,517	0.22
El Paso Llc 7% 15/06/2017	42,833,000	47,437,548	0.43	Immucor Inc 11.125% 15/08/2019	39,277,000	42,615,545	0.38
EP Energy/Ep Finance Inc 9.375% 01/05/2020	41,177,000	41,691,712	0.38	Ineos Finance Plc 7.5% 01/05/2020	13,650,000	14,383,688	0.13
FMG Resources 6.875% 01/02/2018	35,664,889	32,365,887	0.29	Ineos Finance Plc 8.375% 15/02/2019	51,891,000	55,458,506	0.50
FMG Resources Ltd 8.25% 01/11/2019	86,344,000	78,680,970	0.71	Ineos Group Holdings SA 6.125% 15/08/2018	49,040,000	47,323,600	0.43
Fresenius Medical Care US Company 6.875% 15/07/2017	31,958,000	35,073,905	0.32	Infor US Inc 11.5% 15/07/2018	79,346,000	87,082,235	0.79
Frontier Communications 8.25% 15/04/2017	45,250,000	50,566,875	0.46	Infor US Inc 9.375% 01/04/2019	71,374,000	76,994,702	0.70
General Motors Co 3.25% 15/05/2018	21,067,000	21,146,001	0.19	Intelsat Jackson Hldg 7.25% 01/04/2019	106,023,000	110,990,178	1.00
				Intelsat Jackson Hldg 7.25% 15/10/2020	21,927,000	23,242,620	0.21

The accompanying notes form an integral part of these financial statements.

*Please refer to note 2d) for more information on valuation of Investments.

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Bonds (continued)				USD Bonds (continued)			
Intelsat Luxembourg SA 6.75% 01/06/2018	102,587,000	105,151,675	0.95	Linn Energy Llc/Fin Corp 8.625% 15/04/2020	73,914,000	65,090,516	0.59
Interactive Data Corp 5.875% 15/04/2019	20,608,000	20,453,440	0.18	Manitowoc Company Inc 8.5% 01/11/2020	55,341,000	60,044,985	0.54
Interline Brands Inc 1% 15/11/2018	28,097,000	29,572,092	0.27	Medassets Inc 8% 15/11/2018	16,555,000	17,134,425	0.15
International Wire Group 8.5% 15/10/2017	23,245,000	24,465,362	0.22	MGM Resorts Intl 1% 01/11/2016	25,334,000	28,374,080	0.26
Intl Lease Finance Corp 3.875% 15/04/2018	32,823,000	32,884,543	0.30	MGM Resorts Intl 11.375% 01/03/2018	60,166,000	71,447,125	0.65
Intl Lease Finance Corp 8.75% 15/03/2017	53,809,000	59,727,990	0.54	Mgm Resorts Intl 7.625% 15/01/2017	49,145,000	53,076,600	0.48
Intl Lease Finance Corp FRN 15/06/2016	18,686,000	18,732,715	0.17	Michaels Finco Holdings Inc 7.5% 01/08/2018	1,781,000	1,821,072	0.02
Iron Mountain Inc 7.75% 01/10/2019	27,880,000	29,971,000	0.27	MMI International Ltd 8% 01/03/2017	28,372,000	28,442,930	0.26
Iron Mountain Inc 8.375% 15/08/2021	5,852,000	6,100,710	0.06	NBTY Inc 9% 01/10/2018	60,848,000	61,760,720	0.56
Jabil Circuit Inc 7.75% 15/07/2016	16,305,000	17,548,256	0.16	NCL Corp Ltd 5% 15/02/2018	29,903,000	30,052,515	0.27
Jaguar Holding Co/Merger 9.5% 01/12/2019	43,025,000	45,767,844	0.41	Ncl Corp Ltd 5.25% 15/11/2019	16,875,000	17,085,938	0.15
Jarden Corp 7.5% 01/05/2017	86,111,000	95,152,655	0.86	New Academy Finance Co 8% 15/06/2018	48,770,000	48,404,225	0.44
JBS Fin II Ltd 8.25% 29/01/2018	79,949,000	82,179,177	0.74	Novelis Inc 8.375% 15/12/2017	104,740,000	108,798,675	0.98
JBS USA Llc 8.25% 01/02/2020	30,754,000	32,637,682	0.29	NRG Energy Inc 8.25% 01/09/2020	36,100,000	38,717,250	0.35
JM Huber Corp 9.875% 01/11/2019	20,098,000	22,107,800	0.20	Nufarm Australia Limited 6.375% 15/10/2019	14,098,000	14,256,602	0.13
Kenan Advantage Group 8.375% 15/12/2018	30,367,000	31,429,845	0.28	Numericable Group SA 4.875% 15/05/2019	113,810,000	113,240,951	1.03
Kinder Morgan Llc 6% 15/01/2018	12,771,000	13,905,065	0.13	Nxp Funding Llc 3.5% 15/09/2016	58,641,000	59,374,012	0.54
Kodiak Oil + Gas Corp 8.125% 01/12/2019	24,580,000	24,948,700	0.23	Nxp Funding Llc 3.75% 01/06/2018	32,830,000	32,994,150	0.30
Koppers Inc 7.875% 01/12/2019	21,671,000	22,266,952	0.20	Oasis Petroleum Inc 7.25% 01/02/2019	20,520,000	19,545,300	0.18
Kraton Polymers Llc/Cap 6.75% 01/03/2019	31,645,000	32,455,903	0.29	Party City Holdings Inc 8.875% 01/08/2020	54,392,000	58,607,380	0.53
Laredo Petroleum Inc 9.5% 15/02/2019	57,747,000	57,747,000	0.52	Penn Virginia Resource 8.375% 01/06/2020	41,227,000	44,215,958	0.40
Level 3 Communications 8.875% 01/06/2019	11,430,000	12,175,236	0.11	Petco Animal Supplies In 9.25% 01/12/2018	48,719,000	51,154,950	0.46
Level 3 Financing Inc 8.125% 01/07/2019	98,632,000	104,981,435	0.95	Petco Holdings Inc 8.5% 15/10/2017	51,597,000	52,499,948	0.47
Level 3 Financing Inc 8.625% 15/07/2020	6,450,000	6,990,188	0.06	Pinnacle Entertainment 7.5% 15/04/2021	8,609,000	9,017,928	0.08
Level 3 Financing Inc FRN 15/01/2018	24,820,000	25,037,175	0.23	Pinnacle Entertainment 8.75% 15/05/2020	38,575,000	41,082,375	0.37
Levi Strauss & Co 7.625% 15/05/2020	90,383,000	95,354,065	0.86	PPL Energy Supply Llc 6.5% 01/05/2018	64,038,000	67,253,348	0.61
Limited Brands Inc 6.9% 15/07/2017	51,262,000	56,644,510	0.51	QEP Resources Inc 6.5% 01/09/2016	23,423,000	23,774,345	0.21
				Range Resources Corp 6.75% 01/08/2020	10,451,000	10,921,295	0.10

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Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Bonds (continued)				USD Bonds (continued)			
Realogy Corp 9% 15/01/2020	27,190,000	29,909,000	0.27	Sprint Nextel Corp 6% 01/12/2016	88,880,000	92,824,050	0.84
Realogy Group Llc 3.375% 01/05/2016	46,093,000	46,208,232	0.42	Sprint Nextel Corp 9.125% 01/03/2017	100,672,000	110,985,846	1.00
Realogy Group Llc 4.5% 15/04/2019	19,285,000	19,285,000	0.17	Standard Pacific Corp 1.75% 15/09/2016	54,645,000	62,158,688	0.56
Realogy Group Llc 7.625% 15/01/2020	36,747,000	39,503,025	0.36	Steel Dynamics Inc 7.625% 15/03/2020	30,737,000	32,197,008	0.29
Regency Energy Part/Fina 8.375% 01/06/2019	44,986,000	47,347,765	0.43	Sthi Holding Corp 8% 15/03/2018	46,120,000	48,426,000	0.44
Reynolds Group Issuer Inc/Reynold 7.125% 15/04/2019	101,453,000	105,257,488	0.95	Syniverse Holdings Inc 9.125% 15/01/2019	30,136,000	31,567,460	0.29
Reynolds Group Issuer Inc/Reynold 7.875% 15/08/2019	53,706,000	56,794,095	0.51	T Mobile USA Inc 6.464% 28/04/2019	53,300,000	55,565,250	0.50
Rite Aid Corp 8% 15/08/2020	38,787,000	41,599,058	0.38	Targa Resources Partners 4.125% 15/11/2019	38,862,000	37,890,450	0.34
Rite Aid Corp 9.25% 15/03/2020	103,267,000	112,819,198	1.02	Taylor Morrison 7.75% 15/04/2020	40,597,000	43,337,298	0.39
Rjs Power Holdings Llc 5.125% 15/07/2019	30,076,000	29,850,430	0.27	Telesat Canada 6% 15/05/2017	89,956,000	91,800,098	0.83
RSI Home Products Inc 6.875% 01/03/2018	51,053,000	53,350,385	0.48	Tenet Healthcare Corp 5% 01/03/2019	46,540,000	46,714,525	0.42
Sally Holdings 6.875% 15/11/2019	56,472,000	60,283,860	0.54	Tenet Healthcare Corp 8% 01/08/2020	46,138,000	49,021,625	0.44
Schaeffler Finance BV 7.75% 15/02/2017	98,679,000	107,806,808	0.97	Tesoro Corp 4.25% 01/10/2017	57,283,000	59,287,905	0.54
Schaeffler Holding Finance BV 6.875% 15/08/2018	53,829,126	56,251,437	0.51	Tesoro Logistics Lp/Corp 5.5% 15/10/2019	23,295,000	23,236,762	0.21
Scientific Games Intl Inc 8.125% 15/09/2018	19,407,000	16,592,985	0.15	Tmx Finance Llc/Titlemax Fin 8.5% 15/09/2018	47,523,000	39,206,475	0.35
Sealed Air Corp 8.375% 15/09/2021	10,160,000	11,404,600	0.10	Tops Holding Corporation and Tops Markets 8.875% 15/12/2017	41,205,000	42,338,138	0.38
Sensata Technologies BV 6.5% 15/05/2019	50,520,000	52,667,100	0.48	TransDigm Inc 7.5% 15/07/2021	68,522,000	73,318,540	0.66
Sequa Corp 7% 15/12/2017	34,725,000	31,426,125	0.28	Transunion Holding Co 8.125% 15/06/2018	42,600,000	43,771,500	0.40
Service Corp Intl 7% 15/06/2017	9,947,000	10,742,760	0.10	TransUnion Holding Co 9.625% 15/06/2018	56,751,000	58,151,331	0.53
Sesi Llc 7.125% 15/12/2021	26,721,000	25,785,765	0.23	Tutor Perini Corp 7.625% 01/11/2018	8,951,000	9,309,040	0.08
Shea Homes Lp 8.625% 15/05/2019	71,480,000	75,411,400	0.68	Ultra Petroleum Corp 5.75% 15/12/2018	27,942,000	25,916,205	0.23
Sm Energy Co 6.625% 15/02/2019	14,155,000	13,942,675	0.13	Unisys Corp 6.25% 15/08/2017	18,627,000	19,511,782	0.18
Smithfield Foods Inc 7.75% 01/07/2017	58,978,000	65,760,470	0.59	United Rentals North America Inc 8.375% 15/09/2020	73,320,000	79,002,300	0.71
Sophia Lp/Fin Inc 9.75% 15/01/2019	52,517,000	56,258,836	0.51	United Surgical Partners Company 9% 01/04/2020	43,847,000	47,299,951	0.43
Speedy Cash Intermediate Hldgs Corp 1.75% 15/05/2018	43,573,000	42,919,405	0.39	US Foods Inc 8.5% 30/06/2019	97,955,000	103,949,846	0.94
Speedy Group Holdings Co 12% 15/11/2017	12,000,000	11,940,000	0.11	Valeant Pharmaceuticals 6.875% 01/12/2018	22,861,000	23,666,850	0.21
Spirit Aerosystems Inc 6.75% 15/12/2020	23,076,000	24,575,940	0.22	Whiting Petroleum Corp 5% 15/03/2019	41,350,000	38,869,000	0.35
Sprint Communications 8.375% 15/08/2017	13,617,000	14,740,402	0.13				

The accompanying notes form an integral part of these financial statements.

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Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Bonds (continued)				USD Bonds (continued)			
Whiting Petroleum Corp 6.5% 01/10/2018	34,113,000	33,601,305	0.30	Univision Communications 6.875% 15/05/2019	60,068,000	62,620,890	0.57
Windstream Corp 7.75% 15/10/2020	19,042,000	19,708,470	0.18	Valeant Pharmaceuticals 6.75% 15/08/2018	108,347,000	115,118,689	1.05
Windstream Corp 7.875% 01/11/2017	39,981,000	43,529,314	0.39	Valeant Pharmaceuticals 7% 01/10/2020	35,560,000	37,693,600	0.34
Windstream Corp 8.125% 01/09/2018	32,028,000	33,389,190	0.30			352,135,252	3.20
WireCo Worldgroup Inc 9.5% 15/05/2017	47,941,000	48,420,410	0.44	TOTAL OTHER TRANSFERABLE SECURITIES		352,135,252	3.20
Wpx Energy Inc Sr 5.25% 15/01/2017	44,631,000	45,300,465	0.41	Total Investment in Securities		10,526,523,802	95.09
Wynn Las Vegas Llc/Corp 7.75% 15/08/2020	46,846,000	49,949,548	0.45	Cash and cash equivalent		466,823,549	4.22
Wynn Las Vegas Llc/Corp 7.875% 01/05/2020	7,325,000	7,727,875	0.07	Other Net Assets		76,677,328	0.69
Zayo Group Llc 1.125% 01/07/2020	47,715,000	53,858,306	0.49	TOTAL NET ASSETS		11,070,024,679	100.00
Zayo Group Llc/Zayo Cap 8.125% 01/01/2020	7,310,000	7,776,012	0.07				
		10,174,388,550	91.89				
TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET		10,174,388,550	91.89				
II. OTHER TRANSFERABLE SECURITIES (*)							
USD Bonds							
Aviation Capital Group 3.875% 27/09/2016	20,299,000	20,821,009	0.19				
Brightstar Corp 7.25% 01/08/2018	12,315,000	13,207,838	0.12				
Capsugel SA 7% 15/05/2019	34,355,000	34,934,741	0.32				
Cleanwire Comm/Finance 14.75% 01/12/2016	23,315,000	28,094,575	0.25				
Seagate Hdd Cayman 3.75% 15/11/2018	38,536,000	39,643,910	0.36				

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*Please refer to note 2d) for more information on valuation of Investments.

(*) This classification regroups the securities that are not admitted to an official exchange listing or not dealt in on another regulated market.

Classification as at 31 December 2014

Economical Classification of Schedule of Investments

	% of Net Assets
Industrial	48.96
Financial Services	17.28
Energy and Water Supply	4.83
Communications	4.24
Oil and Gas	2.34
Building Materials and Products	2.33
Technology	2.20
Media	1.86
Food and Beverages	1.28
Pharmaceuticals and Biotechnology	1.26
Metals and Mining	1.02
Lodging	0.91
Financial, Investment and Other Diversified Companies	0.90
Retail	0.83
Traffic and Transportation	0.73
Consumer, Non-cyclical	0.71
Diversified Services	0.62
Miscellaneous Manufacture	0.61
Automobiles	0.60
Consumer, Cyclical	0.54
Electrical Appliances and Components	0.29
Aerospace and Defence	0.28
Real Estate	0.27
Entertainment	0.15
Basic Materials	0.05
	95.09

Geographical Classification of Schedule of Investments and Other Net Assets

Allocation Criteria: Geographical	Investment MM US\$	Percentage of Total Net Asset Value (%)	Market Value in Sub- Fund Currency
Australia	125.30	1.13	125,303,459
Canada	247.43	2.24	247,427,513
Cayman Islands	121.82	1.10	121,823,087
France	113.24	1.02	113,240,951
Ireland	56.55	0.51	56,549,275
Jamaica	43.23	0.39	43,234,592
Luxembourg	545.80	4.93	545,799,833
Malaysia	28.44	0.26	28,442,930
Mexico	129.55	1.17	129,553,174
The Netherlands	350.71	3.17	350,706,132
United Kingdom	69.84	0.63	69,842,194
United States of America	8,694.60	78.54	8,694,600,662
Others	543.50	4.91	543,500,877
	11,070.01	100.00	11,070,024,679

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				USD Bonds (continued)			
USD Bonds							
21St Century Fox America Company 4.5% 15/02/2021	4,800,000	5,257,022	0.61	Barrick Gold Corp 4.1% 01/05/2023	4,285,000	4,173,024	0.48
Abbvie Inc 1.75% 06/11/2017	1,333,000	1,331,619	0.15	Bayer Us Finance Llc 3.375% 08/10/2024	2,765,000	2,815,926	0.32
ABN Amro Bank NV 4.25% 02/02/2017	3,850,000	4,063,309	0.47	BB&T Corp 1.6% 15/08/2017	4,000,000	3,998,216	0.46
Ace Ina Holdings 5.6% 15/05/2015	2,060,000	2,095,619	0.24	Bb+T Corporation 2.45% 15/01/2020	6,860,000	6,831,161	0.79
Acuity Brands Lighting Inc 6% 15/12/2019	1,000,000	1,108,380	0.13	Bear Stearns Cos Inc 7.25% 01/02/2018	5,000,000	5,762,960	0.66
Adobe Systems Inc 4.75% 01/02/2020	4,350,000	4,774,756	0.55	Becton Dickinson 3.734% 15/12/2024	5,000,000	5,152,085	0.59
Aercap Ireland Cap Ltd 4.5% 15/05/2021	4,000,000	4,055,000	0.47	Berkshire Hathaway Energ 2.4% 01/02/2020	3,000,000	2,986,533	0.34
AES Corp 9.75% 15/04/2016	1,000,000	1,090,000	0.13	Berkshire Hathaway Energy 2% 15/11/2018	4,300,000	4,290,587	0.49
Aircastle Ltd 6.75% 15/04/2017	2,250,000	2,413,125	0.28	Black Hills Corp 4.25% 30/11/2023	3,429,000	3,655,564	0.42
Altria Group Inc 4% 31/01/2024	2,582,000	2,694,015	0.31	Blackstone Holdings Fin Co Llc 5.875% 15/03/2021	4,350,000	5,034,960	0.58
Altria Group Inc 9.25% 06/08/2019	1,832,000	2,354,602	0.27	Boeing Co 4.875% 15/02/2020	3,000,000	3,381,594	0.39
American Express Co 1.55% 22/09/2017	5,000,000	5,010,265	0.58	BP Capital Plc 3.561% 01/11/2021	3,600,000	3,704,922	0.43
American Express Co 7% 19/03/2018	5,168,000	5,979,319	0.69	BPCE SA 5.7% 22/10/2023	4,247,000	4,570,749	0.53
American Intl Group 2.3% 16/07/2019	5,000,000	5,004,490	0.58	Branch Banking + Trust 1.35% 01/10/2017	4,000,000	3,978,864	0.46
Anheuser Busch InBev Worldwide 7.75% 15/01/2019	3,525,000	4,269,684	0.49	Brandywine Oper Partners 3.95% 15/02/2023	4,000,000	4,036,696	0.47
Aon Plc 3.5% 14/06/2024	3,028,000	3,041,263	0.35	Broadcom Corp 2.7% 01/11/2018	5,900,000	6,040,532	0.70
Apple Inc 3.45% 06/05/2024	5,740,000	6,013,758	0.69	Broadridge Financial Sol 3.95% 01/09/2020	2,714,000	2,824,221	0.33
Arcelormittal 5% 25/02/2017	2,800,000	2,901,500	0.33	Burlington Northern Santa Fe 3.45% 15/09/2021	3,500,000	3,653,006	0.42
Ashland Inc 3.875% 15/04/2018	2,921,000	2,953,861	0.34	Burlington Northern Santa Fe 3.5% 15/03/2022	4,070,000	4,068,881	0.47
Assoc Banc Corp 2.75% 15/11/2019	5,106,000	5,101,522	0.59	Cadence Design Sys Inc 4.375% 15/10/2024	3,025,000	3,075,926	0.35
Aviation Capital Group 7.125% 15/10/2020	2,500,000	2,877,402	0.33	Capital One Fin Corp 6.15% 01/09/2016	2,828,000	3,040,832	0.35
Avnet Inc 4.875% 01/12/2022	5,600,000	5,947,099	0.69	CBS Corp 5.75% 15/04/2020	5,175,000	5,900,499	0.68
Bank of America Corp 2.6% 15/01/2019	6,825,000	6,869,533	0.79	Cdk Global Inc 3.3% 15/10/2019	3,128,000	3,114,844	0.36
Bank of America Corp 2.65% 01/04/2019	2,000,000	2,014,452	0.23	Cimarex Energy Co 4.375% 01/06/2024	840,000	800,100	0.09
Bank of America Corp 4.1% 24/07/2023	3,914,000	4,122,080	0.48	Cimarex Energy Co 5.875% 01/05/2022	1,695,000	1,779,750	0.21
Bank of America Corp 5.625% 01/07/2020	6,275,000	7,154,360	0.82	Citigroup Inc 2.5% 29/07/2019	3,900,000	3,905,175	0.45
Bank of America Corp 6.875% 25/04/2018	2,000,000	2,298,134	0.26	Citigroup Inc 3.375% 01/03/2023	2,080,000	2,100,093	0.24
Bank Of Montreal 0.8% 06/11/2015	6,000,000	6,012,834	0.69	Citigroup Inc 4.45% 10/01/2017	5,500,000	5,814,782	0.67
Barclays Plc 2.75% 08/11/2019	5,290,000	5,282,197	0.61	City National Corp 5.25% 15/09/2020	1,200,000	1,336,127	0.15

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Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Bonds (continued)				USD Bonds (continued)			
Cnh Capital Llc 6.25% 01/11/2016	2,500,000	2,631,250	0.30	First American Financial 4.6% 15/11/2024	5,015,000	5,088,685	0.59
Comcast Corp 5.7% 15/05/2018	1,250,000	1,407,574	0.16	Ford Motor Credit Co Llc 4.25% 03/02/2017	8,770,000	9,210,333	1.07
Comerica Bank 5.75% 21/11/2016	5,054,000	5,476,378	0.63	Freeport Mcmoran Inc 4.55% 14/11/2024	2,780,000	2,707,909	0.31
Conocophillips 6% 15/01/2020	3,000,000	3,485,643	0.40	GATX Corp 4.75% 15/05/2015	3,565,000	3,615,227	0.42
Costco Wholesale Corp 0.65% 07/12/2015	3,877,000	3,882,730	0.45	General Electric Capital Corp 5.4% 15/02/2017	5,000,000	5,427,935	0.63
Credit Agricole SA 2.625% 03/10/2018	7,425,000	7,550,928	0.87	General Motors Finl Co 3.5% 10/07/2019	3,765,000	3,844,118	0.44
Cvs Health Corp 2.25% 12/08/2019	2,971,000	2,958,222	0.34	Georgia Power Company 5.4% 01/06/2018	1,530,000	1,712,035	0.20
D.R. Horton Inc 3.625% 15/02/2018	3,915,000	3,978,619	0.46	Georgia Power Company 5.7% 01/06/2017	3,500,000	3,858,684	0.44
Daimler Finance North America Llc 2.25% 31/07/2019	5,400,000	5,382,758	0.62	Gilead Sciences Inc 4.4% 01/12/2021	5,000,000	5,516,650	0.64
DCP Midstream Operating Company 2.7% 01/04/2019	2,195,000	2,148,407	0.25	Goldman Sachs Group Inc 2.625% 31/01/2019	4,057,000	4,079,780	0.47
DirectTV Holdings Llc 3.55% 15/03/2015	5,037,000	5,067,620	0.58	Goldman Sachs Group Inc 3.625% 07/02/2016	1,750,000	1,796,279	0.21
Discover Bank 4.2% 08/08/2023	3,685,000	3,869,615	0.45	Goldman Sachs Group Inc 4% 03/03/2024	3,996,000	4,148,475	0.48
Dow Chemical Co 8.55% 15/05/2019	4,150,000	5,159,537	0.59	Harley-Davidson Funding Corp 6.8% 15/06/2018	2,300,000	2,666,868	0.31
Duke Energy Progress Inc 1St Mortgage 5.25% 15/12/2015	2,648,000	2,765,163	0.32	Heineken NV 1.4% 01/10/2017	4,020,000	3,996,724	0.46
Duke Realty Lp 6.5% 15/01/2018	3,332,000	3,751,176	0.43	Hess Corp 8.125% 15/02/2019	3,000,000	3,568,737	0.41
Eastman Chemical Company 3.6% 15/08/2022	4,174,000	4,229,644	0.49	Hospitality Properties T 4.5% 15/03/2025	6,157,000	6,202,919	0.71
Ecolab Inc 4.35% 08/12/2021	2,500,000	2,724,605	0.31	Howard Hughes Medical In 3.5% 01/09/2023	2,912,000	3,047,353	0.35
Energy Transfer Partners 5.2% 01/02/2022	3,300,000	3,531,640	0.41	HSBC USA Inc 5% 27/09/2020	2,600,000	2,848,997	0.33
Enterprise Products Operating 5.2% 01/09/2020	3,600,000	3,970,001	0.46	Huntington National Bank 2.2% 01/04/2019	5,400,000	5,366,542	0.62
Eog Resources Inc 2.45% 01/04/2020	2,780,000	2,765,194	0.32	Huntington National Bank 6.6% 15/06/2018	1,000,000	1,107,052	0.13
Erac USA Fin Co 3.85% 15/11/2024	4,580,000	4,648,521	0.54	Hyundai Capital Services Inc 4.375% 27/07/2016	3,500,000	3,657,640	0.42
Exelon Generation Co Llc 6.2% 01/10/2017	5,000,000	5,557,180	0.64	Indiana Michigan Power Co 7% 15/03/2019	3,100,000	3,663,410	0.42
Express Scripts Holding Co 4.75% 15/11/2021	4,500,000	4,969,084	0.57	ING Bank NV 2.5% 01/10/2019	6,140,000	6,171,805	0.71
Fidelity National Financial Inc 6.6% 15/05/2017	1,500,000	1,649,901	0.19	Ingredion Inc 3.2% 01/11/2015	1,500,000	1,525,539	0.18
Fidelity National Information Services Inc 3.875% 05/06/2024	4,702,000	4,753,148	0.55	John Deere Capital Corp 1.95% 04/03/2019	3,500,000	3,472,346	0.40
Fifth Third Bancorp 3.625% 25/01/2016	7,675,000	7,883,568	0.91	JP Morgan Chase & Co 4.5% 24/01/2022	3,800,000	4,143,733	0.48
Fifth Third Bank Cincinnati 4.75% 01/02/2015	2,800,000	2,809,400	0.32	JP Morgan Chase Bank 4.625% 10/05/2021	3,100,000	3,412,613	0.39
				Kaiser Foundation Hospital 3.5% 01/04/2022	1,050,000	1,083,633	0.12

The accompanying notes form an integral part of these financial statements.

*Please refer to note 2d) for more information on valuation of Investments.

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Bonds (continued)				USD Bonds (continued)			
Kerr Mcgee Corp 6.95% 01/07/2024	3,100,000	3,771,324	0.43	Norfolk Southern Corp 5.75% 01/04/2018	5,500,000	6,172,276	0.71
Key Bank 1.65% 01/02/2018	7,034,000	7,006,933	0.81	Omnicom Group Inc 3.65% 01/11/2024	2,366,000	2,369,036	0.27
Kroger Co/The 2.95% 01/11/2021	1,897,000	1,882,585	0.22	Omnicom Group Inc 4.45% 15/08/2020	2,600,000	2,796,308	0.32
Laboratory Corporation of American Holdings 4% 01/11/2023	2,405,000	2,468,449	0.28	Oracle Corp 3.4% 08/07/2024	8,000,000	8,176,600	0.95
Lexington Realty Trust Company 4.4% 15/06/2024	4,250,000	4,300,154	0.50	Orange SA 2.75% 14/09/2016	5,308,000	5,435,923	0.63
LyondellBasell Industries NV 6% 15/11/2021	4,200,000	4,837,018	0.56	Packaging Corp Of Americ 4.5% 01/11/2023	2,875,000	3,013,770	0.35
M&I Marshall & Ilsley Bank 4.85% 16/06/2015	1,500,000	1,527,465	0.18	Pennantpark Investment C 4.5% 01/10/2019	5,000,000	5,008,330	0.58
Macquarie Bank Ltd 3.45% 27/07/2015	4,200,000	4,262,643	0.49	Pentair Finance SA 1.875% 15/09/2017	1,231,000	1,228,864	0.14
Macy's Retail Holdings Inc 2.875% 15/02/2023	1,923,000	1,868,710	0.22	Petro Canada 6.5% 15/05/2018	3,000,000	3,378,777	0.39
Macy's Retail Holdings Inc 5.9% 01/12/2016	2,508,000	2,722,991	0.31	Plains Exploration & Production 6.875% 15/02/2023	2,675,000	2,982,625	0.34
Manulife Financial Corp 3.4% 17/09/2015	6,025,000	6,135,167	0.71	PNC Bank 1.3% 03/10/2016	4,000,000	4,021,740	0.46
Marathon Petroleum Corp 3.625% 15/09/2024	4,555,000	4,467,498	0.51	PNC Preferred Funding Trust FRN Perp.	1,000,000	945,000	0.11
Masco Corp 5.95% 15/03/2022	975,000	1,087,125	0.13	Protective Life Corp 7.375% 15/10/2019	2,500,000	3,008,418	0.35
Maxim Integrated Product 2.5% 15/11/2018	3,231,000	3,223,394	0.37	Prudential Financial Inc 4.5% 15/11/2020	4,000,000	4,340,704	0.50
Medtronic Inc 3.5% 15/03/2025	6,809,000	6,944,642	0.80	Public Service Colorado 1St Mortgage 3.2% 15/11/2020	1,865,000	1,940,008	0.22
Merck & Co Inc 5% 30/06/2019	4,200,000	4,736,344	0.55	Rabobank Nederland 3.875% 08/02/2022	2,850,000	3,039,554	0.35
Metropolitan Edison Co 4% 15/04/2025	2,945,000	3,006,150	0.35	Realty Income Corp 6.75% 15/08/2019	3,983,000	4,691,675	0.54
Mid America Apartment Community 4.3% 15/10/2023	4,500,000	4,738,329	0.55	Roche Holding Inc 1.35% 29/09/2017	8,625,000	8,607,138	1.00
Morgan Stanley 2.5% 24/01/2019	2,973,000	2,975,378	0.34	Rogers Communications Inc 6.8% 15/08/2018	4,500,000	5,193,675	0.60
Morgan Stanley 6.25% 28/08/2017	3,000,000	3,333,231	0.38	Roper Industries Inc 3.125% 15/11/2022	4,166,000	4,058,251	0.47
Morgan Stanley GMTN 5.5% 26/01/2020	3,800,000	4,275,194	0.49	Roper Industries Inc 6.25% 01/09/2019	1,399,000	1,612,388	0.19
Mosaic Co 4.25% 15/11/2023	3,054,000	3,224,990	0.37	Rowan Companies Inc 4.75% 15/01/2024	3,350,000	3,164,176	0.36
Motiva Enterprises Llc 5.75% 15/01/2020	2,500,000	2,789,272	0.32	Royal Bank of Scotland Plc 5.125% 28/05/2024	3,760,000	3,827,492	0.44
National Rural Utilities Cooperative Fin 5.45% 10/04/2017	2,760,000	3,015,800	0.35	Ryder System Inc 2.35% 26/02/2019	4,400,000	4,369,138	0.50
Nationwide Financial Services Inc 5.375% 25/03/2021	4,750,000	5,354,480	0.62	Ryder System Inc 3.15% 02/03/2015	1,850,000	1,857,241	0.21
Nisource Finance Corp 3.85% 15/02/2023	4,000,000	4,147,364	0.48	Seagate Hdd Cayman 4.75% 01/06/2023	4,265,000	4,479,359	0.52
Noble Energy Inc 8.25% 01/03/2019	2,628,000	3,150,720	0.36	Sempra Energy 2.3% 01/04/2017	3,750,000	3,819,322	0.44
				SES Global 3.6% 04/04/2023	1,082,000	1,100,302	0.13

The accompanying notes form an integral part of these financial statements.
*Please refer to note 2d) for more information on valuation of Investments.

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Bonds (continued)				USD Bonds (continued)			
SES Global Americas Holding 2.5% 25/03/2019	4,454,000	4,431,084	0.51	Walgreens Boots Alliance 3.8% 18/11/2024	3,310,000	3,378,593	0.39
Sky Plc 2.625% 16/09/2019	1,356,000	1,360,190	0.16	Walmart Stores Inc 3.25% 25/10/2020	6,500,000	6,798,122	0.78
Snap-On Inc 4.25% 15/01/2018	1,000,000	1,059,928	0.12	Walt Disney Co 1.1% 01/12/2017	4,500,000	4,473,472	0.52
Statoil ASA 3.125% 17/08/2017	2,215,000	2,306,745	0.27	Wea Finance Llc/Westfiel 3.75% 17/09/2024	5,000,000	5,078,085	0.59
Steel Dynamics Inc 5.125% 01/10/2021	3,670,000	3,738,812	0.43	Wells Fargo & Company 2.625% 15/12/2016	2,500,000	2,570,060	0.30
Sumitomo Mitsui Trust Bank 1.8% 28/03/2018	4,250,000	4,216,680	0.49	Wells Fargo & Company 3.5% 08/03/2022	6,600,000	6,890,004	0.79
Suntrust Bank 1.35% 15/02/2017	5,000,000	5,002,130	0.58	Wells Fargo Bank 6% 15/11/2017	6,750,000	7,567,661	0.87
SunTrust Banks Inc 3.5% 20/01/2017	3,700,000	3,857,564	0.44	Western Union Co 2.875% 10/12/2017	1,555,000	1,587,625	0.18
SVB Financial Group 5.375% 15/09/2020	3,700,000	4,165,294	0.48	Western Union Co 5.93% 01/10/2016	1,400,000	1,504,054	0.17
Svenska Handelsbanken AB 3.125% 12/07/2016	4,450,000	4,596,917	0.53	Whiting Petroleum Corp 5.75% 15/03/2021	2,575,000	2,375,438	0.27
Targa Resources Partners 6.875% 01/02/2021	3,035,000	3,110,875	0.36	Williams Partners Lp 3.35% 15/08/2022	2,350,000	2,246,250	0.26
Teck Resources Limited 3.75% 01/02/2023	4,400,000	3,946,224	0.45	Willis North America Inc 7% 29/09/2019	2,000,000	2,332,506	0.27
Teco Fin Inc 4% 15/03/2016	1,500,000	1,552,310	0.18	Wyndham Worldwide 4.25% 01/03/2022	4,268,000	4,361,841	0.50
Thermo Fisher Scientific 1.85% 15/01/2018	4,700,000	4,663,476	0.54			810,867,818	93.47
Thermo Fisher Scientific 3.3% 15/02/2022	1,919,000	1,929,445	0.22				
Thomson Reuters Corp 1.65% 29/09/2017	3,067,000	3,048,478	0.35	TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET		810,867,818	93.47
Time Warner Cable Inc 4.125% 15/02/2021	5,500,000	5,889,384	0.68	II. OTHER TRANSFERABLE SECURITIES (*)			
Time Warner Inc 3.15% 15/07/2015	3,000,000	3,042,612	0.35	USD Bonds			
Time Warner Inc 4.875% 15/03/2020	3,000,000	3,300,714	0.38	Goodman Funding PTY Ltd 6.375% 12/11/2020	4,800,000	5,526,960	0.64
Trans Canada Pipelines 3.75% 16/10/2023	5,000,000	5,009,500	0.58	JP Morgan Chase Bank 6% 05/07/2017	4,968,000	5,474,905	0.63
UDR Inc 4.25% 01/06/2018	4,245,000	4,542,120	0.52	KKR Group Finance Co 6.375% 29/09/2020	3,000,000	3,499,608	0.40
Verizon Communications 3% 01/11/2021	3,000,000	2,959,299	0.34				
Verizon Communications 3.45% 15/03/2021	6,338,000	6,475,370	0.75				
Verizon Communications 5.15% 15/09/2023	7,000,000	7,738,024	0.89				
Virginia Elec + Power Co 5.4% 30/04/2018	5,000,000	5,590,475	0.64				
Vodafone Group Plc 2.95% 19/02/2023	4,200,000	4,043,739	0.47				
Volkswagen Group America Company 2.125% 23/05/2019	4,000,000	3,978,532	0.46				
Volkswagen Intl Fin NV 2.125% 20/11/2018	3,429,000	3,422,108	0.39				
Wal Mart Stores Inc 1.125% 11/04/2018	3,000,000	2,965,302	0.34				

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*Please refer to note 2d) for more information on valuation of Investments.

(*) This classification regroups the securities that are not admitted to an official exchange listing or not dealt in on another regulated market.

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Bonds (continued)			
National City Bank 5.8% 07/06/2017	1,500,000	1,647,292	0.19
Post Apartment Homes Lp 3.375% 01/12/2022	5,130,000	5,058,426	0.58
PPL Capital Funding Inc 3.5% 01/12/2022	3,275,000	3,319,301	0.38
		24,526,492	2.82
TOTAL OTHER TRANSFERABLE SECURITIES		24,526,492	2.82
Total Investment in Securities		835,394,310	96.29
Cash and cash equivalent		26,463,032	3.05
Other Net Assets		5,755,025	0.66
TOTAL NET ASSETS		867,612,367	100.00

The accompanying notes form an integral part of these financial statements.
*Please refer to note 2d) for more information on valuation of Investments.

Classification as at 31 December 2014

Economical Classification of Schedule of Investments

	% of Net Assets
Financial Services	31.14
Industrial	24.22
Banks	9.80
Energy and Water Supply	8.14
Communications	5.13
Financial, Investment and Other Diversified Companies	2.26
Oil and Gas	2.13
Insurance	1.33
Building Materials and Products	1.20
Chemicals	1.14
Food and Beverages	1.13
Media	1.09
Real Estate	1.06
Traffic and Transportation	0.91
Technology	0.70
Pharmaceuticals and Biotechnology	0.64
Pipelines	0.58
Electrical Appliances and Components	0.48
Metals and Mining	0.48
Diversified Services	0.47
Automobiles	0.39
Consumer, Non-cyclical	0.35
Advertising	0.32
Healthcare	0.31
Mechanical Engineering and Industrial Equipments	0.31
Retail	0.31
Agriculture	0.27
	96.29

Geographical Classification of Schedule of Investments and Other Net Assets

Allocation Criteria: Geographical	Investment MM US\$	Percentage of Total Net Asset Value (%)	Market Value in Sub- Fund Currency
Australia	9.79	1.13	9,789,603
Canada	33.85	3.90	33,849,201
Cayman Islands	4.48	0.52	4,479,359
France	17.56	2.02	17,557,600
Ireland	4.06	0.47	4,055,000
Japan	4.22	0.49	4,216,680
Korea, Republic of	3.66	0.42	3,657,640
Luxembourg	5.23	0.60	5,230,666
Norway	2.31	0.27	2,306,745
Sweden	4.60	0.53	4,596,917
The Netherlands	20.69	2.39	20,693,500
United Kingdom	21.26	2.45	21,259,803
United States of America	703.70	81.10	703,701,596
Others	32.22	3.71	32,218,057
	867.63	100.00	867,612,367

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
OTHER TRANSFERABLE SECURITIES (*)				USD Mortgage and Asset Backed Securities (continued)			
USD Mortgage and Asset Backed Securities				USD Mortgage and Asset Backed Securities (continued)			
Acacia Cdo 11 Ltd 1.491% 15/03/2047	3,428,742	171,780	0.38	C Bass Cbo XI Ltd 2.941% 15/09/2039	741,000	0	0.00
Ameriquet Mtg Secs Inc 0.85% 25/11/2033	681,320	539,129	1.19	Cederwoods Ltd 0.768% 25/02/2052	7,192,186	127,302	0.28
Ameriquet Mtg Secs Inc 1.745% 25/04/2034	529,493	383,612	0.84	Chase Fdg Loan Acquisition Tr 1.97% 25/05/2034	283,272	221,109	0.49
Ameriquet Mtg Secs Inc 1.893% 25/05/2034	114,398	76,052	0.17	Chase Funding Mortgage Loan 1.49% 25/07/2033	241,394	222,332	0.49
Ameriquet Mtg Secs Inc 1.97% 25/11/2034	794,752	464,908	1.02	Chase Funding Mortgage Loan 2.15% 25/11/2032	587,152	574,173	1.26
Ameriquet Mtg Secs Inc 2.645% 25/12/2033	62,863	41,792	0.09	Citigroup Funding Mortgage Loan Trust 1.77% 25/12/2033	2,500,000	2,206,280	4.86
Ameriquet Mtg Secs Inc 2.72% 25/04/2034	184,896	110,124	0.24	Citigroup Funding Mortgage Loan Trust B1 1.822% 25/08/2035	938,601	250,086	0.55
Ameriquet Mtg Secs Inc 2.928% 25/05/2034	687,881	256,355	0.56	Citigroup Funding Mortgage Loan Trust B2 1.822% 25/08/2035	14,955	2	0.00
Argent Secs Inc 2.345% 25/03/2034	435,309	366,186	0.81	Conseco Fin Home Equity LN Tr B1 5.417% 15/05/2033	503,698	300,003	0.66
Argent Secs Inc 3.95% 25/04/2034	175,484	104,518	0.23	Conseco Fin Home Equity LN Tr M1 1.917% 15/05/2033	897,784	710,416	1.56
Argent Secs Inc 4.278% 25/10/2033	66,299	65,372	0.14	Conseco Fin Securitizations 5.417% 15/04/2032	295,009	32,628	0.07
Asset Backed Fdg Corp 1.67% 25/07/2033	114,262	75,962	0.17	Conseco Fin Securitizations Co 2.917% 15/04/2032	722,622	723,387	1.59
Asset Backed Fdg Corp 1.895% 25/01/2034	127,426	84,713	0.19	Credit Suisse First Boston 2.42% 25/08/2032	112,437	74,748	0.16
Asset Backed Fdg Corp 2.568% 25/05/2033	100,587	66,870	0.15	Crédit Suisse First Boston Mortgage 2.265% 25/01/2033	151,662	85,125	0.19
Ayresome Cdo I Ltd 0.935% 08/12/2045	3,000,000	0	0.00	Crédit Suisse First Boston Mortgage 2.384% 25/11/2032	99,446	37,549	0.08
Bank of America Fdg Corp 2.634% 25/05/2035	1,653,087	374,206	0.82	Crédit Suisse First Boston Mtg 3.918% 25/06/2033	298,173	199,715	0.44
Bank of America Fdg Corp 6.75% 20/11/2032	129,409	126,174	0.28	Cwabs Inc 1.443% 25/05/2036	558,896	135,670	0.30
Bayview Finl Revolving Asset 6.17% 28/02/2040	3,416,777	377,896	0.83	Cwabs Inc 1.818% 25/06/2035	2,080,000	1,238,848	2.72
Bayview Finl Revolving Asset 7.17% 28/12/2040	3,747,838	414,511	0.91	Cwabs Inc 2.568% 25/10/2033	830,261	789,549	1.74
Bayview Finl Secs Co Llc 1.22% 28/08/2044	1,421,877	1,361,219	2.99	Cwabs Inc 2.793% 25/07/2033	36,011	25,726	0.06
Bayview Finl Secs Co Llc 1.42% 28/08/2044	710,939	673,533	1.48	Cwabs Inc 2.793% 25/12/2033	518,714	298,651	0.66
Bear Stearns Alt A Tr 1.743% 25/11/2034	283,791	6,536	0.01	Cwabs Inc 2.868% 25/01/2034	223,107	132,882	0.29
Bear Stearns Alt A Tr 1.88% 25/04/2034	246,965	237,907	0.52	Cwabs Inc 2.943% 25/09/2033	33,790	135	0.00
Bear Stearns Asst Bck Secs I 1.895% 25/12/2034	512,415	487,307	1.07	Cwabs Inc 4.8% 25/05/2032	20,991	20,860	0.05
Bear Stearns Asst Bck Secs I 1.968% 25/11/2034	173,494	53,249	0.12	Cwalt Inc 2.793% 25/02/2035	396,640	243,497	0.54
Bear Stearns Inc 4.226% 25/10/2025	85,823	83,151	0.18	Cwalt Inc 2.943% 25/10/2034	201,243	22,257	0.05
C Bass Cbo V Ltd 1.415% 25/01/2035	106,762	63,588	0.14	Empire Fdg Home Ln Owner Tr 7.46% 25/06/2024	410,139	41	0.00
				Empire Fdg Home Ln Owner Tr 7.49% 25/06/2024	254,303	25	0.00

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Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Mortgage and Asset Backed Securities (continued)				USD Mortgage and Asset Backed Securities (continued)			
Empire Fdg Home Ln Owner Tr 7.68% 25/06/2024	190,213	19	0.00	GSA Home Equity Trust 0.868% 25/03/2035	1,000,000	727,950	1.60
Empire Fdg Home Ln Owner Tr 7.73% 25/06/2024	6,495	1	0.00	Harborview Mortgage Loan Trust 1.318% 20/06/2035	1,255,295	782,000	1.72
Fieldstone Mortgage Investment Trust 2.75% 25/10/2035	1,430,000	666,333	1.47	Harborview Mortgage Loan Trust 1.98% 19/02/2034	639,336	96,204	0.21
Finance America Mortgage Loan Trust 2.268% 25/08/2034	188,714	173,842	0.38	Homebanc Mortgage Trust 0.968% 25/03/2035	614,505	440,223	0.97
First Franklin Mtg Ln Tr 2.45% 25/01/2035	226,961	15,728	0.03	Homestar Mortgage Acceptance 1.82% 25/06/2034	773,593	199,902	0.44
First Plus Home Loan Trust 7.32% 10/11/2023	82,302	8	0.00	Impac Cmb Tr 2.12% 25/09/2034	812,189	666,020	1.46
First Plus Home Loan Trust 7.52% 10/11/2023	284,381	28	0.00	Impac Cmb Tr 4.668% 25/10/2033	209,306	151,359	0.33
First Plus Home Loan Trust 7.64% 11/09/2023	278,023	220,000	0.48	Irwin Whole Loan Home Equity Trust 3.168% 25/06/2028	142,178	94,520	0.21
First Plus Home Loan Trust 7.67% 10/05/2024	227,229	23	0.00	Irwin Whole Loan Home Equity Trust 3.168% 25/11/2032	177,718	179,808	0.40
First Plus Home Loan Trust 7.81% 11/09/2023	2,095	0	0.00	JP Morgan Mortgage Acquisition Corp 1.143% 25/07/2035	1,600,000	1,421,608	3.13
First Plus Home Loan Trust 7.89% 10/05/2024	15,344	2	0.00	Keystone Owner 7.91% 25/01/2029	815,803	90,228	0.20
First Plus Home Loan Trust 7.93% 10/04/2023	104,561	10	0.00	Long Beach Mortgage Loan Trust 1.668% 25/02/2034	223,019	217,143	0.48
First Plus Home Loan Trust 8.1% 10/05/2024	140,175	14	0.00	Long Beach Mortgage Loan Trust 2.268% 25/02/2034	160,831	154,457	0.34
First Plus Home Loan Trust 8.13% 10/01/2024	272,468	27	0.00	Long Beach Mortgage Loan Trust 2.793% 25/08/2033	382,555	369,147	0.81
First Plus Home Loan Trust 8.19% 11/09/2023	250,586	25	0.00	Long Beach Mortgage Loan Trust 2.793% 25/10/2034	319,617	247,041	0.54
First Plus Home Loan Trust 8.5% 10/11/2023	86,176	9	0.00	Long Beach Mortgage Loan Trust 2.943% 25/07/2033	302,588	290,735	0.64
First Plus Home Loan Trust 8.52% 10/01/2024	105,225	11	0.00	Long Beach Mortgage Loan Trust 3.393% 25/08/2033	286,917	272,527	0.60
First Plus Home Loan Trust 8.54% 10/04/2023	74,350	7	0.00	Master Adj Rate Mortgage Trust 2.42% 25/03/2034	2,164,760	2,013,926	4.43
First Plus Home Loan Trust 8.58% 10/05/2024	96,851	10	0.00	Mellon Residential Fdg Corp 1.417% 15/08/2032	131,269	93,735	0.21
First Plus Home Loan Trust 9% 10/12/2024	459,729	46	0.00	Mellon Residential Fdg Corp 2.53% 15/08/2032	168,293	117,864	0.26
First Plus Home Loan Trust 9.2% 11/09/2023	20,312	2	0.00	Mellon Residential Fdg Corp 2.67% 15/06/2030	885,043	749,839	1.65
First Republic Mortgage Loan Trust 0.867% 15/11/2030	127,686	89,299	0.20	Morgan Stanley Abs Cap I 2.43% 25/09/2034	302,851	245,755	0.54
First Republic Mortgage Loan Trust 1.742% 15/11/2032	178,952	137,673	0.30	Morgan Stanley Abs Cap I 3.243% 25/03/2034	132,897	128,889	0.28
GS Mtg Secs Corp 1.418% 25/03/2035	993,405	3,974	0.01	Morgan Stanley Abs Cap I Inc 5.43% 25/03/2033	267,269	74,797	0.16
GS Mtg Secs Corp 1.7% 25/12/2034	332,725	38,344	0.08	Morgan Stanley Dean Witter Cap I Tr 3.768% 25/10/2032	193,802	16,396	0.04
GS Mtg Secs Corp 4.595% 25/08/2033	104,969	20,206	0.04	New Centy Home Equity Ln Tr 2.643% 25/11/2033	156,823	104,256	0.23
GS Mtg Secs Corp 4.877% 25/06/2034	692,217	9,951	0.02				

The accompanying notes form an integral part of these financial statements.

*Please refer to note 2d) for more information on valuation of Investments.

Schedule of Investments and Other Net Assets as at 31 December 2014 (in USD)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
USD Mortgage and Asset Backed Securities (continued)				USD Mortgage and Asset Backed Securities (continued)			
New Centy Home Equity Ln Tr 2.898% 25/10/2033	230,228	223,960	0.49	Structured Asset Secs Corp 2.45% 25/12/2033	215,839	40,598	0.09
Newcastle Cdo Viii1 Ltd 0.918% 25/11/2052	11,250,000	1,800,000	3.96	Structured Asset Secs Corp 2.519% 25/08/2034	295,169	51,280	0.11
Nomura Asset Accep Corp 1.318% 25/11/2034	457,101	131,273	0.29	Structured Asset Secs Corp 2.565% 25/12/2033	79,289	2,771	0.01
Nomura Asset Accep Corp 1.518% 25/11/2034	30,904	3	0.00	Structured Asset Secs Corp 2.85% 25/09/2033	45,843	4,911	0.01
Novastar Home Equity Ln Tr 2.945% 25/09/2033	884,846	816,479	1.80	Structured Asset Secs Corp 5.16% 25/03/2034	3,066,393	2,329,360	5.13
Novastar Mtg Fdg Tr 0.758% 25/01/2036	2,000,000	362,196	0.80	Terwin Mortgage Trust 1.618% 25/07/2034	330,115	219,460	0.48
Option One Mortgage Loan Trust 0.86% 25/05/2035	6,500,000	275,386	0.61	Terwin Mortgage Trust 2.518% 25/07/2034	181,563	23,917	0.05
Option One Mortgage Loan Trust 2.87% 25/05/2034	250,393	61,347	0.13	Washington Mutual Mortgage Pass Through 1.313% 25/11/2042	86,960	14,276	0.03
Option One Mortgage Loan Trust 2.945% 25/08/2032	50,222	28,146	0.06	Wells Fargo Home Equity Asset 1.32% 25/11/2035	923,000	737,462	1.62
Option One Mortgage Loan Trust 4.7% 25/06/2033	44,524	37,145	0.08	Wells Fargo Mortgage Backed Secs Tr 2.596% 25/07/2034	227,930	5,470	0.01
Park PI Secs Inc 1.82% 25/12/2034	3,500,000	3,355,580	7.39			44,138,926	97.08
Park PI Secs Inc 1.97% 25/12/2034	1,757,702	1,448,186	3.19	TOTAL OTHER TRANSFERABLE SECURITIES		44,138,926	97.08
Resi Fin Ltd Partnership 1.866% 10/02/2036	460,369	322,534	0.71	Total Investment in Securities		44,138,926	97.08
Residential Funding Sec Corp 3.95% 25/07/2041	1,329,285	1,239,164	2.73	Cash and cash equivalent		1,349,456	2.97
Resix Fin Ltd 15.666% 10/03/2035	534,473	578,781	1.27	Other Net Liabilities		(21,764)	(0.05)
Resix Fin Ltd 21.666% 10/03/2035	273,175	311,474	0.69	TOTAL NET ASSETS		45,466,618	100.00
Saco I Trust 1.893% 25/12/2035	1,155,088	1,082,739	2.38				
Semt B3 1.6% 20/04/2033	586,088	187,196	0.41				
Sequoia Mortgage Trust 1.65% 20/09/2032	294,308	110,983	0.24				
Sequoia Mortgage Trust 11 1.595% 20/12/2032	515,385	191,022	0.42				
Structured Adj Rate Mtg Loan Trust 0.62% 25/03/2035	229,892	4,205	0.01				
Structured Adj Rate Mtg Loan Trust 1.27% 25/10/2034	168,313	2	0.00				
Structured Asset Investment Loan Trust 2.795% 25/11/2033	63,702	60,118	0.13				
Structured Asset Investment Loan Trust 2.795% 25/11/2033	147,383	144,354	0.32				
Structured Asset Mortgage Investment 1.968% 19/10/2034	178,154	5,505	0.01				
Structured Asset Secs Corp	563,130	568,644	1.25				
Structured Asset Secs Corp 1.118% 25/04/2034	348,673	301,432	0.66				

The accompanying notes form an integral part of these financial statements.
*Please refer to note 2d) for more information on valuation of Investments.

Classification as at 31 December 2014

Economical Classification of Schedule of Investments

	% of Net Assets
Mortgage and Asset Backed Securities	97.08
	97.08

Geographical Classification of Schedule of Investments and Other Net Assets

Allocation Criteria: Geographical	Investment MM US\$	Percentage of Total Net Asset Value (%)	Market Value in Sub- Fund Currency
Cayman Islands	3.31	7.28	3,311,871
United States of America	40.83	89.80	40,827,055
Others	1.33	2.92	1,327,692
	45.47	100.00	45,466,618

Schedule of Investments and Other Net Assets as at 31 December 2014 (in EUR)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET				EUR Bonds (continued)			
CHF Bonds							
Aguila 3 SA 7.875% 31/01/2018	14,698,000	12,039,306	1.36	eAccess Ltd 8.375% 01/04/2018	8,681,000	9,175,817	1.04
Matterhorn Mobile SA 6.75% 15/05/2019	4,100,000	3,597,365	0.41	Eco-Bat Finance Plc 7.75% 15/02/2017	4,020,000	3,758,700	0.42
Matterhorn Mobile SA FRN 15/05/2019	1,333,333	1,117,208	0.13	Eileme 2 AB 11.75% 31/01/2020	8,050,000	9,197,125	1.04
Sunrise Communications 5.625% 31/12/2017	3,867,000	3,304,175	0.37	Eircom Finance Ltd 9.25% 15/05/2020	5,200,000	5,635,500	0.64
Sunrise Communications 7% 31/12/2017	7,336,000	6,321,656	0.71	Elior Finance and Co 6.5% 01/05/2020	3,282,500	3,591,186	0.41
		26,379,710	2.98	Europcar Groupe SA 9.375% 15/04/2018	9,350,000	9,747,375	1.10
EUR Bonds				Faurecia Emtn 9.375% 15/12/2016	9,981,000	11,393,791	1.29
Abengoa SA 9.625% 25/02/2015	8,300,000	8,351,875	0.94	Fiat Fin & Trade 6.875% 13/02/2015	2,000,000	2,013,252	0.23
Agrokor DD 9.875% 01/05/2019	10,060,000	10,976,013	1.24	Fiat Finance & Trade SA Emtn 7.375% 09/07/2018	3,395,000	3,872,127	0.44
Arcelormittal 5.875% 17/11/2017	3,000,000	3,323,463	0.38	Fiat Finance & Trade SA Gmtm 6.375% 01/04/2016	3,710,000	3,897,229	0.44
Arcelormittal FRN 03/06/2016	5,850,000	6,621,831	0.75	Freenet AG 7.125% 20/04/2016	8,578,000	9,150,796	1.03
Banco Espirito Santo SA 5.875% 09/11/2015	5,000,000	5,059,250	0.57	GCL Poly Energy Holdings 9.375% 15/04/2018	10,835,000	11,376,750	1.28
Barclays Bank Plc 6% 23/01/2018	3,750,000	4,299,086	0.49	GCS Holdco Finance I SA 6.5% 15/11/2018	8,100,000	8,515,125	0.96
Befesa ZC 8.875% 15/05/2018	10,600,000	11,209,500	1.27	Geo Debt Finance 7.5% 01/08/2018	7,000,000	5,950,000	0.67
Bite Finance International FRN 15/02/2018	10,048,000	9,245,717	1.04	Geo Travel Finance 1.375% 01/05/2019	3,317,143	2,414,880	0.27
Bormioli Rocco Holdings SA 1% 01/08/2018	11,256,000	10,845,156	1.22	GMAC Inc 7.5% 21/04/2015	5,450,000	5,538,628	0.63
Bulgarian Telecom 6.625% 15/11/2018	5,100,000	5,107,522	0.58	HeidelbergCement Finance 8% 31/01/2017	5,260,000	6,013,495	0.68
Cable Comm Syst NV 7.5% 01/11/2020	5,000,000	5,075,000	0.57	Ineos Finance Plc FRN 15/02/2019	3,000,000	3,066,000	0.35
Carlson Wagonlit BV 7.5% 15/06/2019	10,699,000	11,421,182	1.29	Ineos Group Holdings SA 6.5% 15/08/2018	8,928,000	8,797,651	0.99
Cerba European Lab Sas 7% 01/02/2020	4,000,000	4,290,000	0.48	Infor US Inc 1% 01/04/2019	12,643,000	13,780,870	1.56
Cerved Group SpA 6.375% 15/01/2020	4,290,000	4,572,539	0.52	Interxion Holding NV 6% 15/07/2020	7,400,000	7,807,000	0.88
Cerved Group SpA 8% 15/01/2021	5,233,000	5,667,339	0.64	Intl Personal Fin Plc 11.5% 06/08/2015	7,000,000	7,297,500	0.82
Chesapeake Energy Corp 6.25% 15/01/2017	11,750,000	12,308,125	1.39	Iron Mountain Inc 6.75% 15/10/2018	2,931,000	2,931,000	0.33
Cirsa Funding Luxembourg 8.75% 15/05/2018	7,849,000	8,084,470	0.91	Kerling Plc 1.625% 01/02/2017	11,326,000	11,465,310	1.29
Cnh Industrial 6.25% 09/03/2018	8,000,000	8,965,200	1.01	Kion Finance SA 6.75% 15/02/2020	12,000,000	12,984,000	1.47
CoNVatec Healthcare 1.875% 15/12/2018	2,100,000	2,226,000	0.25	Kraussmaffei Group GmbH 8.75% 15/12/2020	7,885,000	8,573,360	0.97
CoNVatec Healthcare 7.375% 15/12/2017	7,800,000	8,141,250	0.92	Labco SAS 8.5% 15/01/2018	11,809,000	12,340,405	1.39
				Loxam SAS 7.375% 24/01/2020	1,900,000	1,926,990	0.22
				Manutencoop Facility 8.5% 01/08/2020	5,000,000	4,250,000	0.48

The accompanying notes form an integral part of these financial statements.

*Please refer to note 2d) for more information on valuation of Investments.

Schedule of Investments and Other Net Assets as at 31 December 2014 (in EUR)

Description	Quantity/ Nominal Value	Market Value*	% of net assets	Description	Quantity/ Nominal Value	Market Value*	% of net assets
EUR Bonds (continued)				EUR Bonds (continued)			
Matterhorn Mobile Holdings 8.25% 15/02/2020	3,154,000	3,386,608	0.38	UPC Holding BV 8.375% 15/08/2020	8,500,000	9,137,500	1.03
Matterhorn Mobile SA FRN 15/05/2019	2,850,000	2,857,125	0.32	Verisure Holding AB 8.75% 01/09/2018	10,000,000	10,691,000	1.21
Nexans SA 5.75% 02/05/2017	4,700,000	5,077,880	0.57	Viridian Group Fundco II 11.125% 01/04/2017	4,790,000	5,144,077	0.58
Norcell Sweden Holding 1.75% 29/09/2019	4,810,000	5,363,150	0.61	Wepa Hygieneprodukte GmbH 6.5% 15/05/2020	5,645,000	6,134,879	0.69
Novalis SAS 6% 15/06/2018	9,734,000	10,211,959	1.15			538,390,018	60.80
Oberthur Tech 9.25% 30/04/2020	1,706,000	1,755,048	0.20	GBP Bonds			
Ote Plc Company 7.25% 12/02/2015	2,524,000	2,539,144	0.29	Arqiva Broadc Finance 9.5% 31/03/2020	9,554,000	13,473,888	1.52
Picard Bondco 9% 01/10/2018	5,352,670	5,634,381	0.64	Arrow Global Finance 7.875% 01/03/2020	1,500,000	1,976,321	0.22
PPC Finance Plc 4.75% 01/05/2017	5,000,000	4,303,500	0.49	Bakkavor Finance 2 Plc 8.25% 15/02/2018	10,500,000	13,767,093	1.55
Rottapharm Ltd 6.125% 15/11/2019	9,050,000	9,622,467	1.09	Bank of America Corp 5.25% 09/11/2016	1,500,000	2,037,459	0.23
Schaeffler Finance BV 4.25% 15/05/2018	4,000,000	4,119,400	0.47	Boparan Finance Plc 5.25% 15/07/2019	9,255,000	10,258,269	1.16
Schaeffler Finance BV 7.75% 15/02/2017	6,800,000	7,633,224	0.86	Cable & Wireless Intl Fin NV 8.625% 25/03/2019	1,730,000	2,517,251	0.28
SGD Group 5.625% 15/05/2019	6,651,000	6,517,980	0.74	Cabot Financial Lux SA 1.375% 01/10/2019	4,519,000	6,315,053	0.71
Smcp Sas 8.875% 15/06/2020	3,000,000	3,090,000	0.35	DFS Furniture Holdings Plc 7.625% 15/08/2018	8,068,000	10,710,679	1.21
Smurfit Kappa Acquisitions 5.125% 15/09/2018	5,000,000	5,506,250	0.62	Enterprise Inns Plc 6.5% 06/12/2018	2,159,000	2,863,917	0.32
Snai SpA 12% 15/12/2018	4,500,000	4,477,500	0.51	Findus Bondco SA 9.5% 01/07/2018	8,500,000	11,470,979	1.30
SPCM SA 5.5% 15/06/2020	11,397,000	12,084,011	1.36	Gala Electric Casinos Lt 11.5% 01/06/2019	2,100,000	2,793,981	0.32
Stena AB 6.125% 01/02/2017	1,000,000	1,045,000	0.12	Gala Group Finance Plc 8.875% 01/09/2018	5,580,000	7,480,396	0.84
Stork Technical Services 11% 15/08/2017	1,020,000	872,100	0.10	House Of Fraser Funding 8.875% 15/08/2018	10,000,000	13,495,269	1.52
Sunrise Communications 7% 31/12/2017	1,500,000	1,554,375	0.18	Infinis Plc 7% 15/02/2019	8,813,000	11,921,564	1.35
Techem Energy Met Serv 7.875% 01/10/2020	2,000,000	2,221,400	0.25	Jaguar Land Rover Automobile 8.25% 15/03/2020	8,400,000	11,873,311	1.34
Techem GmbH 6.125% 01/10/2019	7,070,000	7,568,435	0.85	JP Morgan Chase & Co FRN 30/05/2017	3,650,000	4,615,520	0.52
Telenet Finance Luxembourg 6.625% 15/02/2021	9,000,000	9,592,200	1.08	Kensington Group Plc FRN 21/12/2015	2,250,000	2,908,718	0.33
Thomas Cook Group Plc 6.75% 22/06/2015	14,500,000	14,749,372	1.66	Ladbrokes Group Fin Plc 7.625% 05/03/2017	9,490,000	13,171,676	1.49
Trionista Holdco GmbH 5% 30/04/2020	3,000,000	3,120,000	0.35	Lafarge SA Emtn 1% 30/05/2017	8,949,000	13,379,392	1.51
Trionista Topco GmbH 6.875% 30/04/2021	2,250,000	2,385,225	0.27	Lloyds Bank Plc 6.625% 30/03/2015	3,705,000	4,798,291	0.54
TVN Finance Corp III AB 7.375% 15/12/2020	2,350,000	2,609,205	0.29	Lowell Group Fin Plc 1.75% 01/04/2019	10,200,000	14,140,292	1.60
TVN Finance Corp III AB 7.875% 15/11/2018	8,084,000	8,405,743	0.95	Marlin Imdt Holdings 1.5% 01/08/2020	5,000,000	7,089,813	0.80
Unitymedia Kabelbw GmbH 9.5% 15/03/2021	6,000,000	6,727,500	0.76				

The accompanying notes form an integral part of these financial statements.

*Please refer to note 2d) for more information on valuation of Investments.

Schedule of Investments and Other Net Assets as at 31 December 2014 (in EUR)

Description	Quantity/ Nominal Value	Market Value*	% of net assets
GBP Bonds (continued)			
National Westminster Bank 7.875% 09/09/2015	8,170,000	10,909,213	1.23
New Look Bondco I Plc 8.75% 14/05/2018	9,675,000	13,041,203	1.47
Santander Uk Plc 6.5% 09/09/2015	1,175,000	1,557,745	0.18
Smiths Group Plc 7.25% 30/06/2016	74,000	102,385	0.01
Societe Generale 5.4% 30/01/2018	3,000,000	4,161,692	0.47
Telecom Italia SpA 5.625% 29/12/2015	5,950,000	7,887,761	0.89
Telecom Italia SpA 7.375% 15/12/2017	4,850,000	6,958,590	0.79
Thomas Cook Group Plc 7.75% 22/06/2017	1,600,000	2,122,915	0.24
Travelex Financing Plc 8% 01/08/2018	10,034,000	13,502,647	1.52
UPM Kymmene Corp 6.625% 23/01/2017	10,232,000	14,272,098	1.61
William Hill Plc Emtn 7.125% 11/11/2016	10,594,000	14,500,161	1.64
		272,075,542	30.71
TOTAL TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET			
		836,845,270	94.49
II. OTHER TRANSFERABLE SECURITIES (*)			
EUR Bonds			
Boardriders SA 8.875% 15/12/2017	4,849,000	4,339,855	0.49
		4,339,855	0.49
GBP Bonds			
Spirit Issuer 1% 28/12/2021	2,669,000	3,294,617	0.37
		3,294,617	0.37
TOTAL OTHER TRANSFERABLE SECURITIES			
		7,634,472	0.86
Total Investment in Securities			
		844,479,742	95.35
Cash and cash equivalent		7,336,758	0.83
Bank overdraft		(5,730,193)	(0.65)
Other Net Assets		39,600,882	4.47
TOTAL NET ASSETS			
		885,687,189	100.00

The accompanying notes form an integral part of these financial statements.

*Please refer to note 2d) for more information on valuation of Investments.

(*) This classification regroups the securities that are not admitted to an official exchange listing or not dealt in on another regulated market.

Classification as at 31 December 2014

Economical Classification of Schedule of Investments

	% of Net Assets
Banks	74.24
Entertainment	1.64
Paper and Forest Products	1.61
Automobiles	1.52
Building Materials and Products	1.51
Communications	1.49
Healthcare	1.39
Oil and Gas	1.39
Chemicals	1.36
Household Products and Wares	1.22
Pharmaceuticals and Biotechnology	1.09
Internet, Software and IT Services	1.04
Media	1.03
Engineering and Construction	0.94
Financial Services	0.88
Electrical Appliances and Components	0.57
Textiles, Garments and Leather Goods	0.49
Industrial	0.38
Mortgage and Asset Backed Securities	0.37
Commercial Services and Supplies	0.33
Retail	0.32
Governments and Supranational	0.29
Hotels, Restaurants and Leisure	0.24
Miscellaneous Manufacture	0.01
	95.35

Geographical Classification of Schedule of Investments and Other Net Assets

Allocation Criteria: Geographical	Investment MM US\$	Percentage of Total Net Asset Value (%)	Market Value in Sub- Fund Currency
Bulgaria	6.18	0.58	5,107,522
Croatia	13.28	1.24	10,976,013
Finland	17.27	1.61	14,272,098
France	116.14	10.84	95,976,523
Germany	55.52	5.18	45,881,595
Ireland	25.13	2.34	20,764,217
Italy	40.92	3.82	33,813,729
Japan	11.10	1.04	9,175,817
Luxembourg	235.18	21.94	194,359,356
Portugal	6.12	0.57	5,059,250
Spain	10.11	0.94	8,351,875
Sweden	45.15	4.21	37,311,223
The Netherlands	83.95	7.83	69,380,497
United Kingdom	312.65	29.18	258,377,053
United States of America	43.17	4.03	35,672,974
Others	49.86	4.65	41,207,447
	1,071.73	100.00	885,687,189

Notes to the Financial Statements as at 31 December 2014

Note 1 General

a) Fund's details

AXA IM Fixed Income Investment Strategies (the "Fund") has been established in Luxembourg as a mutual investment fund ("Fonds Commun de Placement") with separate Sub-Funds each constituting a separate portfolio of assets and liabilities. The Fund was created for an indefinite term in Luxembourg on 12 March 2004. The Fund is registered pursuant to Part I of the Law of 17 December 2010 (the "Law") on undertakings for collective investment for transferrable securities ("UCITS"), as amended.

The Management Company (AXA Funds Management S.A.) was incorporated on 21 November 1989 for an undetermined period of time and is registered in the register of commerce and companies of Luxembourg under the number B-32.223. Its Articles of Association were published in the "Mémorial" of 26 January 1990. The latest Consolidated Articles of Association have been filed in the register of commerce and companies of Luxembourg on 21 August 2014. The VAT number is LU 197 76 305.

The Management Company is registered pursuant to chapter 15 of the law of 17 December 2010, as amended.

The Board of Directors of the Management Company has confirmed its adherence to the ALFI's Code of conduct and to the standards of corporate governance described in this code.

b) 2014 Fund's Summary

During the year ended 31 December 2014, classes of units have been launched in the following Sub-Funds:

- **AXA IM Fixed Income Investment Strategies - US Short Duration High Yield**

- LU0931226079: Class « A » – Distribution monthly USD
- LU0211237499: Class « B » – Capitalisation GBP Hedged
- LU0997546303: Class « Z » – Capitalisation CHF Hedged

- **AXA IM Fixed Income Investment Strategies - US Corporate Bonds**

- LU0814377692: Class « A » – Distribution JPY Hedged
- LU0997546212: Class « Z » – Capitalisation USD

- **AXA IM Fixed Income Investment Strategies – Europe Short Duration High Yield**

- LU0997545594 : Class « Z » – Capitalisation EUR

c) Sub-Funds list

As at 31 December 2014, the Fund consists of 4 active Sub-Funds:

Sub-Funds	Currency
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	USD
AXA IM Fixed Income Investment Strategies - US Corporate Bonds	USD
AXA IM Fixed Income Investment Strategies - US Libor Plus*	USD
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield	EUR

*This Sub-Fund is closed for subscriptions.

Notes to the Financial Statements as at 31 December 2014

Note 1 General (continued)

d) Unit Classes list

The classes of units presented below correspond to the type of classes that may be available for Sub-Funds of the Fund. The section "Statistics - Number of Units and Net Asset Value per Unit" indicates for each Sub-Fund the available classes of units on the reporting date.

The Distribution and Capitalisation Units are as follows:

- Class « A » are dedicated for large Institutional Investors,
- Class « B » are dedicated for smaller Institutional Investors,
- Class « E » are dedicated for all investors,
- Class « F » are dedicated for all investors,
- Class « I » are dedicated for all other Institutional Investors, including funds of funds,
- Class « M » are dedicated for AXA Investment Managers or its subsidiaries,
- Class « Z » are dedicated for all investors.

The underlying investment objective of the redex class of units is, as for the other unit classes of the Sub-Fund, to achieve the investment objective of the Sub-Fund, while, only in the case of the relevant unit class to mitigate the Fund's exposure to an increase or decrease of interest rates curves. Such an overlay strategy will be managed through the tracking of listed derivatives.

Note 2 Significant Accounting Policies

a) Presentation of the Financial Statements

The financial statements have been prepared in accordance with generally accepted accounting principles in the Grand Duchy of Luxembourg.

b) Foreign Currency Translation

The accounting records and the financial statements are denominated in the reference currency of the relevant Sub-Fund.

Values expressed in a currency other than the reference currency of the Sub-Fund are translated into the reference currency of the Sub-Fund at the average of the last available buying and selling price for such currency.

Assets and Liabilities denominated in other currencies are translated into the respective currency of the portfolio at the rate of exchange at each balance sheet date.

For all Sub-Funds, the exchange rates applied for the Net Asset Value calculation and to combine all Sub-Funds Net Asset Value at year-end, are as follows:

As at 30/12/2014

1 USD =	0.98855	CHF
1 USD =	0.82206	EUR
1 USD =	0.64265	GBP

With exchange rates as at 31 December 2014, the Net Asset Value of the combined figures would have amounted to 13,054,829,616 EUR.

Notes to the Financial Statements as at 31 December 2014

Note 2 Significant Accounting Policies (continued)

b) Foreign Currency Translation (continued)

As at 31/12/2014

1 USD = 0.82641 EUR

c) Combined Figures

The combined Statement of Net Assets and the combined Statement of Operations and Changes in Net Assets are expressed in USD and are presented for information purposes only.

d) Valuation of Investments

The assets of the Fund will be valued as follows:

The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

Transferable securities which are admitted to an official exchange listing or dealt on another regulated market are valued at the closing price on such markets. If the investments are listed or traded on several markets, the closing price at the market, which constitutes the main market for such investments, will be determining.

Transferable securities not admitted to an official listing nor dealt on another regulated market are valued at the latest available price.

The financial statements are presented on the basis of the Net Asset Value calculated on 31 December 2014 with securities valued on 30 December 2014.

The value of money market instruments not listed or dealt in on any regulated market, stock exchange in another state or any other regulated market and with remaining maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money market instruments with a remaining maturity of 90 days or less are valued by the amortised cost method, which approximates market value. These amortisation/accretion interests are disclosed in interests on investment portfolio.

In managing the daily priced funds, the Board of Directors' principle is to ensure that portfolios are appropriately valued to give equal treatment to Unitholders.

Since 18 July 2007, the Board of Directors decided to close for subscriptions of AXA IM Fixed Income Investment Strategies - US Libor Plus. Moreover, the Board of Directors implemented a "Pricing methodology and Procedures" to address valuation concerns arising from current market and liquidity events relating to such asset classes/debt instruments included in certain Sub-Funds at year-end. Based on this "Pricing methodology and Procedures", current fair valuation pricing policy allows to price assets on a daily basis, using various pricing sources such as ABX index performance, data vendors and/or brokers prices as well as marked-to-model valuations.

Since 18 September 2009, the "Pricing methodology and Procedures" is partially adjusted extending the use of ABX prices in order to capture the effect of the rating downgrades. ABX Index is replacing Index modelling tool for the valuation of single B+ and lower rated assets, which is based on specific assumptions of yield and specific prepayment and default assumptions based on the historical collateral performance of the deal.

Notes to the Financial Statements as at 31 December 2014

Note 2 Significant Accounting Policies (continued)

d) Valuation of Investments (continued)

In 2014, the prices received from a large range of brokers, for certain investments of AXA IM Fixed Income Investment Strategies - US Libor Plus, significantly deviated from usual pricing sources used in the context of the "Pricing methodology and Procedures", and therefore conducted to reassess the pricing source used to fair value those investments.

As the prices of those investments started slowly to recover for some parts of the market, the use of ABX Index is not more systematic for many securities. Data vendors and brokers prices are now accepted as pricing sources of those investments in addition to the ABX and marked-to-model valuations.

Nevertheless, the Pricing methodology and Procedures remains, and such deviation from pricing sources are done on a case by case basis.

As at 31 December 2014, for AXA IM Fixed Income Investment Strategies - US Libor Plus, 97.08% of the Net Asset Value of the Sub-Fund has been valued using pricing procedures as described above.

e) Acquisition Cost of Investments

The acquisition cost of Investments expressed in currencies other than the reference currency of the Sub-Fund is translated into the reference currency of the Sub-Fund on the basis of the exchange rates prevailing on the purchase date.

f) Realised Gains /(Losses) on Sales of Investments

Realised gain/(loss) on sales of Investments are determined on the basis of the average cost of the Investments sold.

g) Valuation of the Forward Foreign Exchange Contracts

Outstanding forward foreign exchange contracts are valued at the closing date using the forward rates of exchange applicable to the outstanding life of the contract. All unrealised appreciation and depreciation are included in the Statement of Net Assets.

The Sub-Funds may use Forward Foreign Exchange Contracts as part of their investment policy for efficient portfolio management and/or for hedging purposes, under the conditions laid down in the prospectus and under the regulatory limits.

h) Valuation of Financial Futures

Outstanding futures contracts are valued at the closing date using the last available market price of the instrument. All unrealised appreciation/(depreciation) are included in the Statement of Net Assets.

i) Interest Income

Interests are recognised on a daily accrual basis, net of withholding tax, including recovered/confirmed withholding tax reclaims (interest on investment portfolio, interest on deposits and interest on call accounts and security lending income).

Notes to the Financial Statements as at 31 December 2014

Note 3 Equalisation on the issue and redemption of shares

Each Sub-Fund may follow the accounting practice of equalisation, to prevent the net undistributed income per unit from fluctuating solely by reason of purchases and redemptions of units. This is accomplished by maintaining an equalisation account for the Sub-Fund. The equalisation account is credited with that portion of the proceeds of purchased units representing the net undistributed income per unit of those units, and is debited with that portion of any redemption payment representing the net undistributed income per unit of the redeemed units.

Note 4 Taxation

The Fund is subject to Luxembourg law in respect of its tax status. Under legislation and regulations currently prevailing in Luxembourg, the Fund is subject to a capital tax on the net assets of each of its Sub-Funds at an annual rate of 0.05% for the assets related to units reserved for retail investors. This tax rate is reduced to 0.01% for the assets related to units reserved for institutional investors, calculated and payable quarterly on the basis of the value of the aggregate Net Value of the Sub-Fund or class at the end of the relevant quarter.

Note 5 Distribution Fees

The distribution fees are recorded under the caption "Distribution fees" within the Statement of Operations and Changes in Net Assets. They are calculated as a percentage of the Net Asset Value per unit class.

As at 31 December 2014, the maximum distribution fees applied are the following:

	Class A	Class B	Class E	Class F	Class I	Class M	Class Z
AXA IM Fixed Income Investment Strategies – US Short Duration High Yield	-	-	0.35%	-	-	-	-
AXA IM Fixed Income Investment Strategies – US Corporate Bonds	-	-	0.50%	-	-	-	-
AXA IM Fixed Income Investment Strategies – US Libor Plus	-	-	-	-	-	-	-
AXA IM Fixed Income Investment Strategies – Europe Short Duration High Yield	-	-	0.35%	-	-	-	-

Note 6 Management Fees

The Management Company is entitled to receive, from the assets of the relevant Sub-Funds, a management fee in an amount to be specifically determined for each Sub-Fund or class of units. The annual management fee is calculated as a percentage of the Net Asset Value of each Sub-Fund. The details and the percentage of this fee, per class of units, are described in the Full Prospectus and in the table here below. This fee is calculated and accrued daily and is payable monthly. The Management Company will remunerate the Investment Managers out of the management fee in accordance with the contracts signed with the different parties. The management fees are used in part to pay remuneration (trailer fees) for distribution activities concerning the Fund.

Notes to the Financial Statements as at 31 December 2014

Note 6 Management Fees (continued)

As at 31 December 2014, the effective rates are the following:

	Class A	Class B	Class E	Class F	Class I	Class M	Class Z
AXA IM Fixed Income Investment Strategies – US Short Duration High Yield							
Actual	0.45%	0.75%	1.00%	1.00%	1.00%	-	0.75%
Maximum	0.70%	0.75%	1.00%	1.00%	1.00%	-	0.75%
AXA IM Fixed Income Investment Strategies – US Corporate Bonds							
Actual	0.30%	-	0.75%	0.75%	0.50%	-	0.40%
Maximum	0.30%	-	0.75%	0.75%	0.50%	-	0.40%
AXA IM Fixed Income Investment Strategies – US Libor Plus							
Actual	0.05%	-	-	-	0.05%	-	-
Maximum	0.20%	-	-	-	0.35%	-	-
AXA IM Fixed Income Investment Strategies – Europe Short Duration High Yield							
Actual	0.45%	0.75%	1.00%	1.00%	-	-	0.75%
Maximum	0.75%	0.75%	1.00%	1.00%	-	-	0.75%

Note 7 Redex Fees

The Redex fees are payable to the Investment Manager in charge of the management of the Redex class and calculated as a percentage of the net assets of the relevant class.

The maximum annual fees linked to the reduction of the duration exposure of the Redex share classes applied is 0.05%.

Note 8 Hedging Fees

The Hedging fees are payable for executing hedging trades and maintaining currency hedging levels for the relevant share classes.

Note 9 Commissions of the Custodian, Registrar and Transfer Agent, Domiciliary, Administrative and Paying Agent

The Custodian fees are payable monthly and calculated on the basis of the Net Asset Value determined on the last Valuation Day of each month.

The Registrar and Transfer Agent as well as the Domiciliary, Administrative and Paying Agent are entitled to receive out of the net assets of all Sub-Funds a maximum fee of 0.06% per year, apart for Sub-Fund AXA IM Fixed Income Investment Strategies - US Corporate Bonds for which the fee amounts to 0.08%.

Note 10 Transaction Fees

The transaction fees are disclosed for each Sub-Fund in the Statement of Operations and Changes in Net Assets under the caption "Transaction fees". Those fees are detailed in the Additional Unaudited Appendix.

Notes to the Financial Statements as at 31 December 2014

Note 11 Forward Foreign Exchange Contracts

The unrealised appreciation/(depreciation) on forward foreign exchange contracts are disclosed in the Statement of Net Assets under the headings "Unrealised appreciation/(depreciation) on forward foreign exchange contracts".

As at 31 December 2014, the following contracts are outstanding:

AXA IM Fixed Income Investment Strategies - US Short Duration High Yield

Counterparty	Amount purchased		Amount sold		Maturity date	Unrealised appreciation/ (depreciation) in USD
Hedged unit classes						
National Australia Bank Ltd	CHF	393,399,192	USD	405,920,266	18/03/2015	(7,416,358)
National Australia Bank Ltd	EUR	5,180,799,404	USD	6,418,479,803	18/03/2015	(111,969,769)
National Australia Bank Ltd	GBP	70,887,085	USD	111,194,764	18/03/2015	(956,614)
National Australia Bank Ltd	USD	30,906,587	CHF	29,905,666	18/03/2015	612,867
National Australia Bank Ltd	USD	481,932,614	EUR	388,348,725	18/03/2015	9,201,487
National Australia Bank Ltd	USD	10,362,108	GBP	6,605,108	18/03/2015	90,353
						(110,438,034)
Not allocated to a specific unit class						
National Australia Bank Ltd	CHF	503,290	USD	510,451	31/12/2014	(1,332)
National Australia Bank Ltd	EUR	32,632,152	USD	39,998,860	31/12/2014	(303,470)
National Australia Bank Ltd	EUR	891,428	USD	1,085,447	05/01/2015	(1,035)
National Australia Bank Ltd	GBP	4,602	USD	7,142	05/01/2015	18
National Australia Bank Ltd	USD	15,493,193	EUR	12,639,766	31/12/2014	117,546
National Australia Bank Ltd	USD	6,758,484	EUR	5,550,432	05/01/2015	6,449
National Australia Bank Ltd	USD	132,098	GBP	84,526	31/12/2014	571
National Australia Bank Ltd	USD	38,008	GBP	24,487	05/01/2015	(95)
						(181,348)
					Total	(110,619,382)

AXA IM Fixed Income Investment Strategies - US Corporate Bonds

Counterparty	Amount purchased		Amount sold		Maturity date	Unrealised appreciation/ (depreciation) in USD
Hedged unit classes						
State Street	CHF	19,224,587	USD	19,836,869	18/03/2015	(362,826)
State Street	EUR	170,401,905	USD	211,133,019	18/03/2015	(3,705,316)
State Street	USD	1,247,701	CHF	1,208,803	18/03/2015	23,213
State Street	USD	11,929,057	EUR	9,634,325	18/03/2015	201,338
State Street	USD	1,039,776	JPY	123,800,906	18/03/2015	2,036
State Street	JPY	601,365,923	USD	5,041,225	18/03/2015	(374)
						(3,841,929)
Not allocated to a specific unit class						
State Street	CHF	24,093	USD	24,401	31/12/2014	(28)
State Street	EUR	263,842	USD	323,405	31/12/2014	(2,453)
State Street	EUR	280,067	USD	341,023	02/01/2015	(336)
State Street	USD	3,121	CHF	3,062	31/12/2014	23
State Street	USD	135,254	EUR	110,344	31/12/2014	1,026
State Street	USD	775,793	EUR	637,123	02/01/2015	764
						(1,004)
					Total	(3,842,933)

Notes to the Financial Statements as at 31 December 2014

Note 11 Forward Foreign Exchange Contracts (continued)

AXA IM Fixed Income Investment Strategies - US Libor Plus

Counterparty	Amount purchased		Amount sold		Maturity date	Unrealised appreciation/ (depreciation) in USD
Hedged unit classes						
State Street	EUR	7,033,132	USD	8,715,125	18/03/2015	(153,797)
State Street	USD	937,736	EUR	754,467	18/03/2015	19,335
Total						(134,462)

AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield

Counterparty	Amount purchased		Amount sold		Maturity date	Unrealised appreciation/ (depreciation) in EUR
Hedged unit classes						
State Street	CHF	32,197,072	EUR	26,812,368	18/03/2015	(18,447)
State Street	EUR	204,171	CHF	245,268	18/03/2015	63
State Street	EUR	361,335	USD	445,501	18/03/2015	(4,644)
State Street	USD	57,121,208	EUR	46,111,793	18/03/2015	813,292
Total						790,264
Not allocated to a specific unit class						
State Street	CHF	134,782	EUR	112,103	31/12/2014	(20)
Credit Suisse	EUR	15,834,072	CHF	19,090,000	30/01/2015	(43,013)
State Street	EUR	21,914	CHF	26,358	31/12/2014	(4)
Barclays Bank Plc Wholesale	EUR	7,417,842	CHF	8,920,000	27/03/2015	(6,205)
BNP Paribas SA	EUR	5,955,203	CHF	7,160,000	27/02/2015	(1,661)
Credit Suisse	EUR	103,911,082	GBP	81,990,000	30/01/2015	(915,385)
Barclays Bank Plc Wholesale	EUR	88,798,874	GBP	69,800,000	27/03/2015	(359,964)
BNP Paribas SA	EUR	102,004,593	GBP	80,801,000	27/02/2015	(1,253,401)
Barclays Bank Plc Wholesale	EUR	163,073	USD	200,000	27/03/2015	(1,215)
BNP Paribas SA	EUR	1,761,231	USD	2,200,000	27/02/2015	(46,345)
Credit Suisse	GBP	7,000,000	EUR	8,895,520	30/01/2015	54,173
Credit Suisse	USD	2,780,000	EUR	2,180,009	30/01/2015	104,667
State Street	USD	125,923	EUR	102,732	31/12/2014	785
Total						(2,467,588)
Total						(1,677,324)

Note 12 Futures

The unrealised appreciation/(depreciation) on futures is included in the Statement of Net Assets under the headings "Unrealised appreciation/(depreciation) on open futures contracts".

AXA IM Fixed Income Investment Strategies - US Corporate Bonds

Future type	Description	Currency	Quantity	Commitment	Type of collateral (Cash/Securities)	Amount of collateral in USD	Unrealised appreciation in USD
Redex unit classes							
Interest Rate	US 5YR NOTE (CBT) MAR15 31/03/2015	USD	(99)	(11,758,570)	Cash	280,237	20,047

The sole counterparty for the Futures transactions as at 31 December 2014 is Goldman Sachs International.

Notes to the Financial Statements as at 31 December 2014

Note 13 Changes in the Investment Portfolio

The Changes in the Investment Portfolio during the reporting year are available to the Unitholders at the address of the Custodian.

Note 14 Dividend Distribution

During the year ended 31 December 2014, the following interim dividends were paid:

Sub-Funds	Currency	Class	Dividend per Unit	Ex-date	Payment date
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	EUR	A Distribution Hedged	2.47	16/06/2014	18/06/2014
	GBP	A Distribution Hedged	3.01	16/06/2014	18/06/2014
	USD	A Distribution	2.63	16/06/2014	18/06/2014
	EUR	B Distribution Hedged	2.43	16/06/2014	18/06/2014
	GBP	B Distribution Hedged	2.53	16/06/2014	18/06/2014
	USD	B Distribution	2.68	16/06/2014	18/06/2014
	EUR	F Distribution Hedged	2.29	16/06/2014	18/06/2014
	USD	I Distribution	2.43	16/06/2014	18/06/2014
	EUR	Z Distribution Hedged	2.53	16/06/2014	18/06/2014
	EUR	A Distribution Hedged	3.02	15/12/2014	17/12/2014
	EUR	B Distribution Hedged	3.00	15/12/2014	17/12/2014
	EUR	F Distribution Hedged	2.86	15/12/2014	17/12/2014
	GBP	A Distribution Hedged	3.69	15/12/2014	17/12/2014
	GBP	B Distribution Hedged	3.12	15/12/2014	17/12/2014
	USD	A Distribution	3.23	15/12/2014	17/12/2014
	USD	B Distribution	3.32	15/12/2014	17/12/2014
	USD	I Distribution	3.03	15/12/2014	17/12/2014
	AXA IM Fixed Income Investment Strategies - US Corporate Bonds	USD	A Distribution	2.51	16/06/2014
USD		I Distribution	1.85	16/06/2014	18/06/2014
EUR		I Distribution Hedged	1.77	16/06/2014	18/06/2014
USD		A Distribution	2.08	15/12/2014	17/12/2014
EUR		I Distribution Hedged	1.61	15/12/2014	17/12/2014
USD		I Distribution	1.61	15/12/2014	17/12/2014
JPY		A Distribution Hedged	154.00	15/12/2014	17/12/2014
AXA IM Fixed Income Investment Strategies - US Libor Plus	EUR	A Distribution Hedged	0.41	17/03/2014	19/03/2014
	USD	A Distribution	0.48	17/03/2014	19/03/2014
	EUR	I Distribution Hedged	0.48	17/03/2014	19/03/2014
	USD	I Distribution	0.49	17/03/2014	19/03/2014
	EUR	A Distribution Hedged	0.39	16/06/2014	18/06/2014
	USD	A Distribution	0.46	16/06/2014	18/06/2014
	EUR	I Distribution Hedged	0.45	16/06/2014	18/06/2014
	USD	I Distribution	0.47	16/06/2014	18/06/2014
	EUR	A Distribution Hedged	0.29	15/09/2014	17/09/2014
	EUR	I Distribution Hedged	0.34	15/09/2014	17/09/2014
	USD	A Distribution	0.34	15/09/2014	17/09/2014
	USD	I Distribution	0.35	15/09/2014	17/09/2014
	EUR	A Distribution Hedged	0.45	15/12/2014	17/12/2014

Notes to the Financial Statements as at 31 December 2014

Note 14 Dividend Distribution (continued)

Sub-Funds	Currency	Class	Dividend per Unit	Ex-date	Payment date
AXA IM Fixed Income Investment Strategies - US Libor Plus (continued)	EUR	I Distribution Hedged	0.52	15/12/2014	17/12/2014
	USD	A Distribution	0.52	15/12/2014	17/12/2014
	USD	I Distribution	0.54	15/12/2014	17/12/2014
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield	EUR	A Distribution	2.77	16/06/2014	18/06/2014
	EUR	B Distribution	2.69	16/06/2014	18/06/2014
	CHF	F Distribution Hedged	2.49	16/06/2014	18/06/2014
	EUR	F Distribution	2.50	16/06/2014	18/06/2014
	EUR	A Distribution	3.38	15/12/2014	17/12/2014
	EUR	B Distribution	3.32	15/12/2014	17/12/2014
	CHF	F Distribution Hedged	3.10	15/12/2014	17/12/2014
	EUR	F Distribution	3.11	15/12/2014	17/12/2014

For Sub-Fund AXA IM Fixed Income Investment Strategies - US Short Duration High Yield, the Board of Directors approved by a Board resolution on 2 January 2014, 9 July 2014 and 14 October 2014 a monthly dividend distribution:

Sub-Funds	Currency	Class	Dividend per Unit	Ex-date	Payment date
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	USD	A Distribution	0.50	31/01/2014	05/02/2014
	USD		0.50	28/02/2014	05/03/2014
	USD		0.50	31/03/2014	03/04/2014
	USD		0.50	30/04/2014	06/05/2014
	USD		0.50	30/05/2014	04/06/2014
	USD		0.50	30/06/2014	03/07/2014
	USD		0.40	31/07/2014	05/08/2014
	USD		0.40	29/08/2014	03/09/2014
	USD		0.40	30/09/2014	03/10/2014
	USD		0.32	31/10/2014	05/11/2014
	USD		0.32	28/11/2014	03/12/2014
	USD		0.32	31/12/2014	06/01/2015

Note 15 Stock Lending

The Fund may lend positions of its securities portfolio to third parties. In general, lending may only be effected via recognised clearing houses, or through the intermediary of prime financial institutions that specialise in such activities and where collateral is received as guarantee.

Income from securities lending transactions are credited to the respective Sub-Fund after deduction of the costs of the Lending Agent and Custodian Bank of the Fund. The Management Company did not receive any commissions on securities lending transactions.

Notes to the Financial Statements as at 31 December 2014

Note 15 Stock Lending (continued)

As at 31 December 2014, the market value of the securities on loans open is as follows:

Sub-Fund's name	Currency	% of investments	Amount lent	Amount of collateral received securities	Amount of collateral received cash	Total collateral
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	USD	1.74%	183,407,960	195,706,660	-	195,706,660
AXA IM Fixed Income Investment Strategies - US Corporate Bonds	USD	0.69%	5,783,954	5,953,726	-	5,953,726
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield	EUR	5.24%	44,246,757	46,989,957	-	46,989,957

The counterparties for the securities lending transactions listed above are:

Barclays Bank Plc Wholesale, Citigroup Global Markets Limited, Goldman Sachs International London, Morgan Stanley, The Royal Bank of Scotland Plc London and Credit Suisse.

As at 31 December 2014, the securities lending income generated by the Fund is as follows:

Sub-Fund's name	Currency	Gross income of Securities Lending	Direct and indirect Costs and Fees of Securities Lending	Net income of Securities Lending
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	USD	1,234,363	432,027	802,336
AXA IM Fixed Income Investment Strategies - US Corporate Bonds	USD	48,106	16,837	31,269
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield	EUR	323,966	113,388	210,578

Additional Unaudited Appendix

TER (Total Expense Ratio)

Sub-Funds	Calculated TER (1)	Theoretical TER (2)	Ongoing charges (3)	Difference between Ongoing charges and TER (4)
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield				
A Capitalisation EUR Hedged	0.54%	0.54%	0.54%	0.00%
A Capitalisation USD	0.51%	0.51%	0.51%	0.00%
A Distribution EUR Hedged	0.54%	0.54%	0.54%	0.00%
A Distribution GBP Hedged	0.54%	0.54%	0.54%	0.00%
A Distribution USD	0.51%	0.51%	0.51%	0.00%
A Distribution monthly USD	0.51%	0.51%	0.51%	0.00%
B Capitalisation CHF Hedged	0.84%	0.84%	0.84%	0.00%
B Capitalisation EUR Hedged	0.84%	0.84%	0.84%	0.00%
B Capitalisation GBP Hedged	0.81%	0.84%	0.84%	0.00%
B Capitalisation USD	0.81%	0.81%	0.81%	0.00%
B Distribution EUR Hedged	0.84%	0.84%	0.84%	0.00%
B Distribution GBP Hedged	0.84%	0.84%	0.84%	0.00%
B Distribution USD	0.81%	0.81%	0.81%	0.00%
E Capitalisation EUR Hedged	1.47%	1.47%	1.48%	0.01%
E Capitalisation USD	1.45%	1.45%	1.45%	0.00%
F Capitalisation CHF Hedged	1.12%	1.12%	1.13%	0.01%
F Capitalisation EUR Hedged	1.12%	1.12%	1.13%	0.01%
F Capitalisation USD	1.10%	1.10%	1.10%	0.00%
F Distribution EUR Hedged	1.13%	1.12%	1.13%	0.01%
I Capitalisation EUR Hedged	1.09%	1.09%	1.09%	0.00%
I Capitalisation USD	1.06%	1.06%	1.06%	0.00%
I Distribution USD	1.06%	1.06%	1.06%	0.00%
Z Capitalisation CHF Hedged	0.87%	0.88%	0.88%	0.00%
Z Capitalisation EUR Hedged	0.88%	0.88%	0.88%	0.00%
Z Capitalisation USD	0.85%	0.85%	0.85%	0.00%
Z Distribution EUR Hedged	1.08%	0.88%	0.88%	0.00%
AXA IM Fixed Income Investment Strategies - US Corporate Bonds				
A Capitalisation CHF Hedged	0.39%	0.39%	0.39%	0.00%
A Capitalisation EUR Hedged	0.39%	0.39%	0.39%	0.00%
A Capitalisation EUR Hedged Redex	0.44%	0.44%	0.44%	0.00%
A Capitalisation USD	0.36%	0.36%	0.36%	0.00%
A Distribution USD	0.36%	0.36%	0.36%	0.00%
A Distribution JPY Hedged	0.38%	0.39%	0.39%	0.00%
E Capitalisation EUR Hedged	1.38%	1.37%	1.38%	0.01%
E Capitalisation USD	1.35%	1.35%	1.35%	0.00%
F Capitalisation CHF Hedged	0.87%	0.90%	0.88%	(0.02%)
F Capitalisation EUR Hedged	0.90%	0.90%	0.88%	(0.02%)
F Capitalisation USD	0.85%	0.85%	0.85%	0.00%
I Capitalisation EUR Hedged	0.58%	0.59%	0.59%	0.00%
I Capitalisation USD	0.56%	0.56%	0.56%	0.00%
I Distribution EUR Hedged	0.58%	0.59%	0.59%	0.00%
I Distribution USD	0.57%	0.56%	0.56%	0.00%
Z Capitalisation EUR Hedged	0.56%	0.56%	0.53%	(0.03%)
Z Capitalisation USD	0.48%	0.48%	0.50%	0.02%

Additional Unaudited Appendix

TER (Total Expense Ratio) (continued)

Sub-Funds	Calculated TER (1)	Theoretical TER (2)	Ongoing charges (3)	Difference between Ongoing charges and TER (4)
AXA IM Fixed Income Investment Strategies - US Libor Plus				
A Distribution EUR Hedged	0.14%	0.14%	0.14%	0.00%
A Distribution USD	0.11%	0.11%	0.11%	0.00%
I Distribution EUR Hedged	0.13%	0.13%	0.14%	0.01%
I Distribution USD	0.11%	0.11%	0.11%	0.00%
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield				
A Capitalisation EUR	0.51%	0.51%	0.52%	0.01%
A Capitalisation USD Hedged	0.54%	0.54%	0.55%	0.01%
A Distribution EUR	0.51%	0.51%	0.52%	0.01%
B Capitalisation CHF Hedged	0.84%	0.84%	0.85%	0.01%
B Capitalisation EUR	0.81%	0.81%	0.82%	0.01%
B Capitalisation USD Hedged	0.84%	0.84%	0.85%	0.01%
B Distribution EUR	0.81%	0.81%	0.82%	0.01%
E Capitalisation EUR	1.45%	1.45%	1.46%	0.01%
E Capitalisation USD Hedged	1.47%	1.48%	1.49%	0.01%
F Capitalisation CHF Hedged	1.13%	1.13%	1.14%	0.01%
F Capitalisation EUR	1.10%	1.10%	1.11%	0.01%
F Capitalisation USD Hedged	1.13%	1.10%	1.14%	0.04%
F Distribution CHF Hedged	1.14%	1.13%	1.14%	0.01%
F Distribution EUR	1.11%	1.10%	1.11%	0.01%
M Capitalisation EUR	0.06%	0.06%	0.07%	0.01%
Z Capitalisation EUR	0.83%	0.83%	0.86%	0.03%

(1) The TERs above represent the actual calculations made by the fund administrator whereas TERs published for small classes of units are effected by rounding processes. This creates a TER not necessarily representing a figure of expenses which Unitholders are reasonably expected to pay not necessarily representing a figure of expenses which Unitholders are reasonably expected to pay.

(2) The TERs above represent the average expenses which Unitholders would normally have expected to pay from the initial date of their investment in the chosen class of units as indicated in the prospectus.

(3) The Ongoing charges are based on known budgets for 2014 which are typically based on historical expense data, as well as anticipated budget changes for the period. For certain classes of shares and Sub-Funds where there is no relevant expense history, Ongoing charge figures are based on estimates. The figures represent the situation as assessed per 31 December 2014. The Ongoing charges calculation excludes the Performance fees and the Portfolio transaction costs, except in the case of an entry/exit charge paid by the Sub-Fund when buying or selling units in another collective investment undertaking.

(4) The difference between Ongoing charges and the theoretical TERs typically reflects expenses linked to stock lending and settlement charges charged by the custodian and anticipated budget changes for 2015.

Additional Unaudited Appendix

PTR (Portfolio Turnover Ratio)

Sub-Funds	Currency	PTR I (1)	PTR II (2)	PTR III (3)
AXA IM Fixed Income Investment Strategies – US Short Duration High Yield	USD	10.78%	33.14%	40.85%
AXA IM Fixed Income Investment Strategies – US Corporate Bonds	USD	(10.98%)	2.90%	-
AXA IM Fixed Income Investment Strategies – US Libor Plus	USD	16.38%	16.38%	-
AXA IM Fixed Income Investment Strategies – Europe Short Duration High Yield	EUR	(47.32%)	(11.46%)	58.46%

Calculation of the Portfolio Turnover Ratio:

$$(1) \text{ PTR I} = \frac{(\text{TOTAL PURCHASES} + \text{TOTAL SALES}) - (\text{TOTAL SUBSCRIPTIONS} + \text{TOTAL REDEMPTIONS})}{100}$$

AVERAGE TOTAL NET ASSETS*

$$(2) \text{ PTR II} = \frac{(\text{TOTAL PURCHASES} + \text{TOTAL SALES}) - \text{SUM OF DAILY NET IN OR OUTFLOWS}}{\text{AVERAGE TOTAL NET ASSETS*}} \times 100$$

(3) Calculated based on the lesser of purchases or sales of underlying investments of a scheme expressed as a percentage of daily Average Net Asset Value for Sub-Funds registered in Singapore.

(*) Calculated on the basis of the daily/monthly average of the total net assets for the year ended on 31 December 2014.

Additional Unaudited Appendix

Transaction fees

The transaction fees presented in the Statement of Operations and Changes in Net Assets are the sum of the Custody cash movement Charges, the Fund Administrator Charges on FOREX activity and the Custody Settlement Charges.

Sub-Funds	Commissions				Settlement Fees	Tax			In the Sub-Funds currency	
	Broker Com-missions	Broker Ex-ecution fee	Custody cash movement Charges*	Fund Administrator Charges on FOREX activity*	Custody Settlement Charges*	Stamp Duty	Other Transaction Tax	State Street Bank Settle-ment Charges waived by swing	Total	All other com-ponents of the Transaction fees**
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	-	-	238,663	116,524	29,170	-	-	-	384,357	-
AXA IM Fixed Income Investment Strategies - US Corporate Bonds	-	-	1,740	-	5,241	-	-	-	6,981	-
AXA IM Fixed Income Investment Strategies - US Libor Plus	-	-	1,265	-	268	-	-	-	1,533	-
AXA IM Fixed Income Investment Strategies - Europe Short Duration High Yield	-	-	7,045	2,596	11,170	-	-	-	20,811	-

Risk disclosure linked to CSSF circular 11/512

The method to calculate the global exposure is the commitment approach for all the Sub-Funds.

* These fees are disclosed under the caption "Transaction fees" in the Statement of Operations and Changes in Net Assets.

** The "All other components of the Transaction fees" do not form part of the account "Transaction fees" in the Statement of Operations and Changes in Net Assets. They are included in the "Net Change in unrealised appreciation/(depreciation) on investments" and the "Net realised gain/(loss) on sales of investments" in the Statement of Operations and Changes in Net Assets.

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