



AXIOM Obligataire

Investment objective

The main strategy of the fund is to purchase Tier 1 and Tier 2 securities issued by European financial institutions.

These securities are bonds that constitute regulatory capital.

Accounting data

Net asset:	234 312 097,34 €
Modified duration:	1,62
Sensitivity to credit:	4,19
Average price of the portfolio:	97,43
Yield to call*:	6,50%
Yield to perpetuity**:	5,46%

Net asset values

Unit C (EUR):	1858,55	Unit R (EUR):	1742,53	Unit Z (EUR):	1940,69
Unit D (EUR):	1629,82	Unit M (CHF):	1772,42	Unit I (EUR):	1099,96
Unit BC (USD):	1882,95	Unit E (GBP):	1880,86	Unit J (EUR):	1095,24

Monthly comment

The bond market in February was marked by a spread widening on sovereign bonds, particularly those of Italy, Spain and France against those of Germany. The uncertainties surrounding the French President Election are of great concern to the market. Despite this volatility, the price of financial subordinated debts has risen and the Itraxx Sub Financials indexes have remained stable, at around 210 pts.

The so-called legacy bonds (i.e. older generation bonds) continued on the same trajectory as in January, helped by the call at par of Barclays (7.1% in USD), ING (7.2% in \$), SocGen (5.922% in €), BNP (5.019 in €), Barclays (6.375% in £), Aareal Bank (7.125% in €) and especially BBVA (two Tier 1 with step-up that had passed their first call date and were trading at 86). We should also mention the SocGen 0 in USD was called at par and we bought between 90.5 and 94.5 less than a year ago. Overall, the rise is expected to continue, with the exception of securities whose valuations appear to include a short-dated call such as HSBC discos (\$ + 25bps), an increase of 65 to 85 in only a few months, and for which we believe the decision to redeem should not be realized for several years.

New issuance was quiet with only Barclays issuing one AT1 in £ at 7.25% coupon. Only the AT1s of French banks dropped in the middle of the month, allowing us to buy some rather opportunistically.

The fundamentals of the banking sector continue to improve. The annual earning period revealed a better quality of outstanding loans (lower provisions, lower non-performing loans ratios), costs under control (after adjusting exceptional items) and sustained income despite the ultra-low interest rate environment in 2016. The excellent results of ABN Amro, Coventry Building Society and Erste Bank are noteworthy. Disappointment came from two of the biggest institutions, BNP Paribas and HSBC (they respectively showed a decline in retail banking income in France and a weakness in non-USD currencies).

Regulatory progress has slowed down, pending the next meeting of the Basel Committee to early March. The Bank of England has launched a consultation to refine P2A buffers for banks using standardized risk-weights.

Axiom Obligataire, driven by the market's dynamic on legacy bonds, ends the month of February with an increase of 1.37% and with a yield to call of 6.50%.

Performances - Unit C

1 month	3 months	6 months	YTD
1,37%	5,20%	5,92%	3,66%

Annual performance - Unit C

2016	2015	2014	2013	2012
0,85%	1,50%	0,26%	14,29%	42,54%

Risk indicators

Volatility 1 year***	5,53%
Volatility 3 years***	4,65%
Sharpe 3 years	0,19

Top 5 issuers

SOCIETE GENERALE	6,21%
ING GROEP NV	5,76%
ROYAL BK SCOTLAND	5,63%
BNP PARIBAS	4,48%
BARCLAYS BK PLC	3,46%

Risk and yield level:

1	2	3	4	5	6	7
Low						High

5 year-evolution

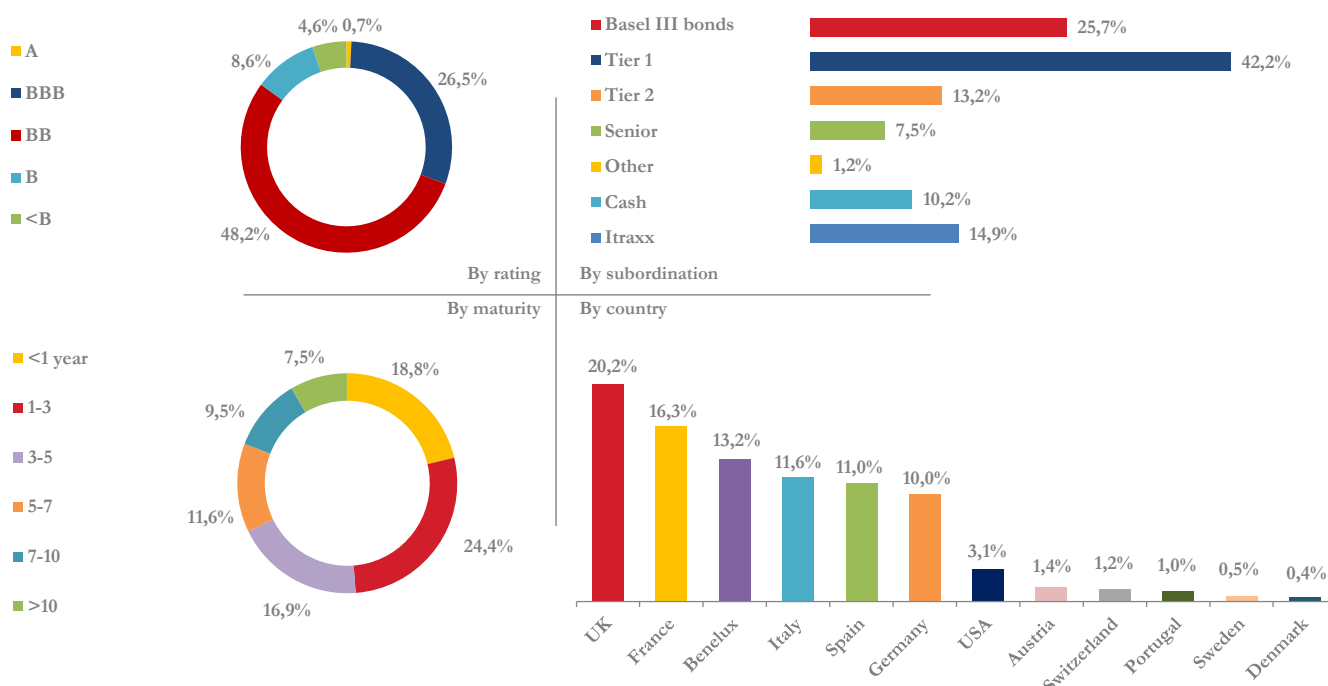


*The yield to call is the yield of the portfolio at the anticipated reimbursement date of the bonds.

**The yield to perpetuity is the yield of the portfolio with the hypothesis that securities are not reimbursed and kept to perpetuity.

***Daily volatility

Portfolio Breakdown



Fund Information

	Unit C	Unit D	Unit R	Unit BC	Unit M	Unit E	Unit I	Unit J	Unit Z
ISIN Code	FR0010755199	FR0010775320	FR0010946558	FR0010903591	FR0011160571	FR0011540145	FR0013090628	FR0013164514	FR0012004398
Results allocation	Capitalization	Distribution	Capitalization	Capitalization	Capitalization	Capitalization	Capitalization	Capitalization	Capitalization
Currency	EUR	EUR	EUR	USD	CHF	GBP	EUR	EUR	EUR
Legal form	Mutual fund under French Law								
AMF classification	Bonds and other international debt securities								
Inception date	23-Jul-09	23-Jul-09	5-Oct-10	10-Feb-11	13-Jun-12	17-Jan-14	23-Mar-16	10-May-16	30-Dec-14
Benchmark	Iboxx Euro Tier 1 since 12/31/2014								
Management fees	2%	2%	2,5%	2%	2%	2%	1,2%	1,2%	0,05%
Performance fees	20% above the benchmark								
Subscription fees	2% maximum								
Redemption fees	2% maximum								
Minimum subscription	1 unit	1 unit	1 unit	1 unit	1 unit	1 unit	€5M	€15M	1 unit
Valuation	Daily								
Settlement date	D+3								
Registration countries	France, Spain, Switzerland, Italy, UK, Belgium								

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The information contained in this document, completed drafted February 28, 2017, is based on sources believed to be reliable and accurate at the date of publication.

The figures refer to past performance, which may not be reliable indicator of future performances. The information is obtained from the accounting data for the fund and from datavenders (Bloomberg) for the benchmark.

They have not been certified by the Auditor of the Mutual Funds Axiom Obligataire and are subject to changes. Because of their simplicity, this information is inevitably partial and incomplete and can not therefore have any contractual value.

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The Key Investor Information of the mutual fund is available upon request from Axiom Alternative Investments. The FCP is invested on the bond markets. Its value depends on the asset value of securities held within the portfolio and may therefore be subject to large fluctuations upwards or downwards. This fund is approved by the AMF and the FINMA to be marketed in France and Switzerland.

Additional information for investors in and from Switzerland: The detailed prospectus, the documents entitled "Key investor information", the statutes, the annual and semi-annual reports are available free of charge from the representative and paying agent for Switzerland, RBC Investor Services Bank SA, Esch-sur-Alzette, Zurich Branch, Badenerstrasse 567, PO Box 101, 8066 Zurich.