

## Axiom Short Duration Bond

Investment objective

The fund's investment policy is to select bonds, debt securities or preferred shares. The duration of the fund is less than 2

The investment strategy is based on a carry trade which means it aims to invest in bonds offering high coupons and low volatility.

The fund is actively managed and is not managed according to a benchmark.

The SRRI represents the annual historical volatility of the Fund over a 5-year period. Historical data such as that used to calculate the synthetic indicator cannot be considered as a reliable indication of the Fund's future risk profile. The risk category associated with the Fund is not guaranteed and may change over time. The lowest risk category does not mean "risk free". Your initial investment is not guaranteed.

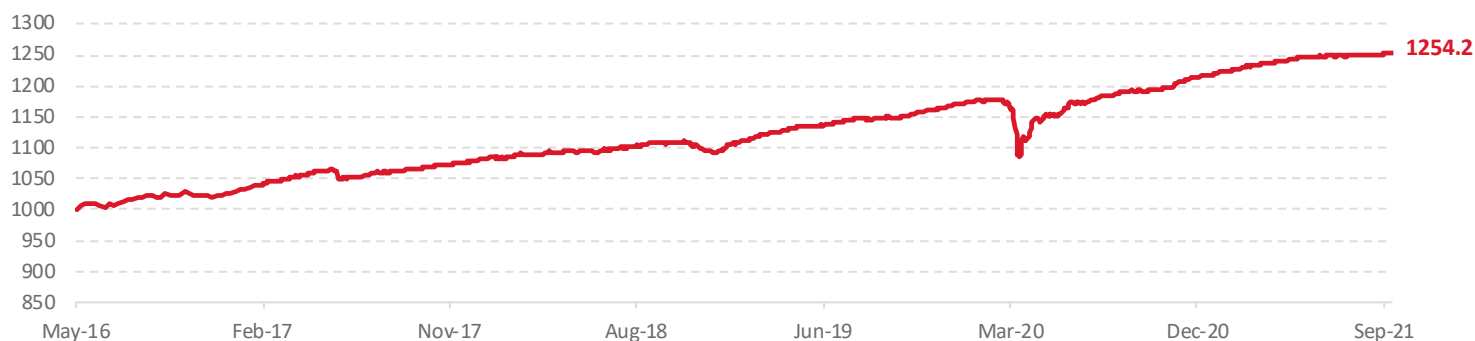
## KEY DATA AND RISK ANALYSIS

Net assets	378M€	Modified Duration	0.88
Volatility since inception	2.38%	Credit sensitivity	1.41
Yield to call	1.44%	Average rating by issuers (WARF)	A
Yield to maturity <sup>1</sup>	2.37%	Average rating by instruments (WARF)	BBB
Sharpe ratio since inception	1.24	Number of position	139

## NAV VALUES AND MONTHLY RETURNS

	Class B (USD)	Class C (EUR)	Class E (GBP)	Class D (EUR)	Class H (EUR)	Class M (CHF)	R (EUR)	R (USD)
Last NAV	1254.2	1189.3	1004.2	1055.8	1064.6	1083.5	1080.5	1151.9
Monthly performance	0.32%	0.25%	0.34%	0.25%	0.26%	0.24%	0.21%	0.27%

## PERFORMANCE EVOLUTION – CLASS B



Past performance does not guarantee future results.

## HISTORICAL PERFORMANCES – CLASS B

1 month	3 months	YTD	1 year	3 years <sup>3</sup>	5 years <sup>3</sup>	Inception <sup>2</sup>
0.32%	0.45%	2.97%	5.20%	4.18%	4.16%	4.29%

## MONTHLY PERFORMANCES SINCE CLASS B INCEPTION

	Jan.	Feb.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.	Year
2016					0.43% <sup>4</sup>	-0.65%	1.27%	0.52%	0.16%	0.44%	-0.31%	0.10%	2.54%
2017	1.09%	0.88%	0.58%	0.75%	0.45%	-1.10%	0.67%	0.30%	0.30%	0.45%	0.36%	0.49%	5.33%
2018	0.38%	0.38%	0.06%	0.36%	-0.14%	0.13%	0.63%	0.32%	0.51%	-0.09%	-0.76%	-0.39%	1.41%
2019	1.42%	0.91%	0.39%	0.81%	0.12%	0.54%	0.58%	-0.02%	0.20%	0.68%	0.49%	0.71%	7.05%
2020	0.36%	-0.40%	-4.77%	3.42%	0.78%	0.84%	0.99%	0.64%	-0.01%	0.43%	1.09%	0.63%	3.89%
2021	0.54%	0.65%	0.38%	0.49%	0.20%	0.22%	0.08%	0.05%	0.32%				2.97%

<sup>1</sup> Yield to perpetuity of the portfolio, excluding cash, all currencies combined. The yield to perpetuity is the yield of the portfolio with the hypothesis that securities are not reimbursed and kept to perpetuity <sup>2</sup> Performance since the date the fund is UCITS. The fund was created on 14/08/2015 but the regulations do not allow us to report on performance before the 16th of May 2016 date when the fund became UCITS compliant <sup>3</sup> Annualized performance. <sup>4</sup> Performance over less than a month

## MONTHLY COMMENTARY



**ADRIAN PATURLE**  
Portfolio Manager

September saw a rebound in volatility in the fixed income and equity markets as supply constraints increased while the Fed moved towards a faster than expected tightening of monetary policy.

The price of natural gas rose sharply, driven by the simultaneous recovery of the world's economies after the health crisis and by China's decision to phase out coal, as well as unfavorable conditions in Europe for renewable energy. Its inflationary impact is obviously feared, all the more so as non-energy inflation is also rising rapidly (currently 1.9% in the eurozone). The rhetoric of central banks on the temporary inflation peak is increasingly questioned by the markets. Rates have risen sharply: +20bps for the US 10-year or +15bps in Germany. The impact on the fund was minor.

The Evergrande group worried the markets in the middle of the month given the weight of real estate in the Chinese economy (30% of GDP). European banks are very marginally exposed to this sector (<1% of their total loans), with little exposure to speculative rating promoters.

On the other hand, banks have shown strength, with the SX7R index posting +3.88% over the month and the SubFin index remaining stable over the month at 110 bps spread versus 112 bps previously (100+12 roll).

Even if it is still too early to fully reinvest in the markets, purchases at attractive rates have been made on the short segment (<6 months), with banks seeking to reduce their stock of short bonds if volatility gains traction.

## RESEARCH AND MANAGEMENT TEAM



**David BENAMOU**  
Managing Partner  
Chief Investments  
Officer



**Jérôme LEGRAS**  
Managing Partner  
Head of Research



**Antonio ROMAN**  
Portfolio Manager



**Adrian PATURLE**  
Partner  
Portfolio Manager



**Gildas SURRY**  
Partner  
Portfolio Manager



**Paul GAGEY**  
Portfolio Manager



**Laura RAMIREZ**  
ESG Analyst

### RISKS

Significant risk(s) for the Fund not taken into account in the SRRI indicator include the following:

**Credit risk:** Investors are exposed to the risk of defaults on the bonds included in the portfolio. This risk may affect up to 100% of the portfolio. The materialisation of this risk may lead to a fall in the Fund's net asset value.

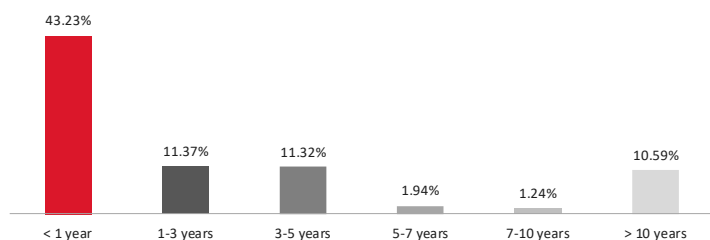
**Counterparty risk:** The Fund may suffer losses as a result of a counterparty failing to meet its contractual obligations.

**Liquidity risk:** Liquidity risk exists when particular investments are difficult to purchase or sell. This can reduce the Fund's returns because the Fund may be unable to transact at advantageous times or prices. This can be the result of shocks of unprecedented intensity and severity such as but not limited to pandemics and natural disasters.

For more information on risks, please refer to the prospectus of the Funds.

## PORTFOLIO SPLIT (in % of assets)

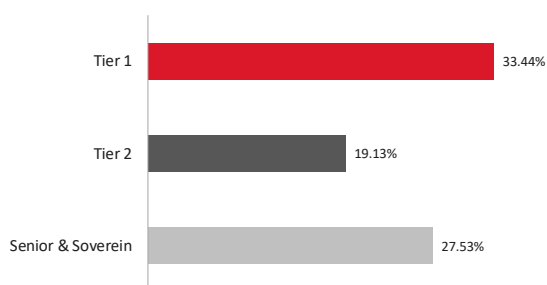
### BY MATURITY <sup>1</sup>



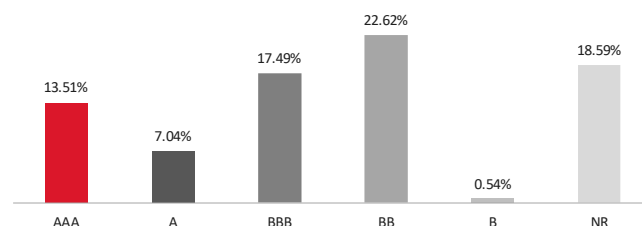
### TOP ISSUERS <sup>2</sup>

AXA	4.97%
LANDESBANK HESSEN	4.09%
DEUTSCHE POSTBANK	2.44%
ZURICH INSURANCE	2.42%
RAIFFEISEN BANK	2.42%

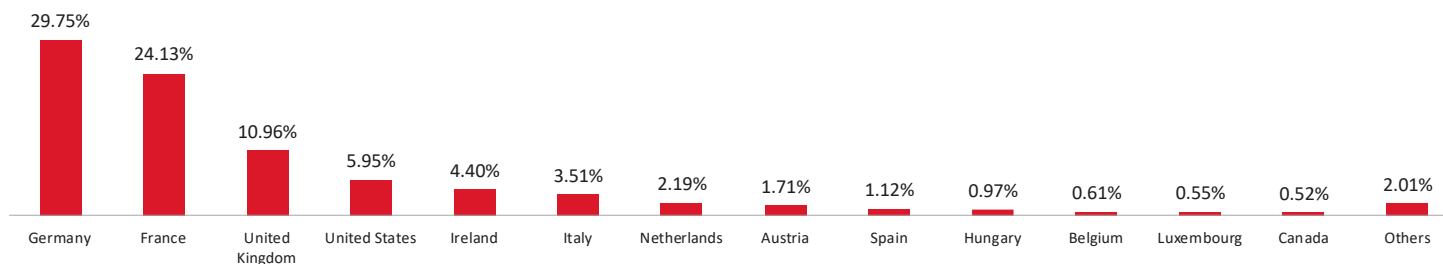
### BY SUBORDINATION <sup>1</sup>



### BY RATING <sup>3</sup>



### BY COUNTRY <sup>4</sup>



<sup>1</sup> Analysis calculated on the scope of interest rate instruments; all derivatives excluded except single-name CDS | <sup>2</sup> Excluding Govies | <sup>3</sup> Rating of bonds | <sup>4</sup> Analysis calculated on the scope of equities and interest rate instruments; all derivatives excluded except single-name CDS

## FUND INFORMATION

Type	Lux SICAV									
Registered countries	CH – FR – LU – UK									
Subscription / Redemption	Before 12h / Settlement D+3									
	Class B	Class C	Class D	Class H	Class M	R (EUR)	R (USD)	Class E	Class IE	Class Z
ISIN	LU1876460228	LU1876459725	LU1876460657	LU1989400970	LU1876460491	LU1876460061	LU1876460145	LU2249453619	LU2342936130	LU1876460574
Currency <sup>5</sup>	USD	EUR	EUR	EUR	CHF	EUR	USD	GBP	GBP	EUR
Affection	Capitalisation	Capitalisation	Distribution	Capitalisation	Capitalisation	Capitalisation	Capitalisation	Capitalisation	Capitalisation	Capitalisation
Inception date <sup>6</sup>	14/08/2015	14/08/2015	30/12/2016	30/04/2019	02/09/2016	26/08/2016	03/05/2017	02/09/2016	02/09/2016	02/09/2016
Min 1st Subscription	1 share	1 share	1 share	30M	1 share	1 share	1 share	1 share	10M	1 share
Management fees	1%	1%	1%	0.90%	1%	1.50%	1.50%	0.60%	0.50%	0.05%
Performance fees	None									

All details of the expenses incurred by the fund are available in the Prospectus

<sup>5</sup> Currency exposure is systematically hedged | <sup>6</sup> UCITS Transfer as at 16/05/2016

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