

## Axiom European Banks Equity

Investment objective

Over a 5-year horizon, Axiom European Banks Equity seeks to outperform the Stoxx Europe 600 banks index. The fund is permanently exposed to equities, with at least 75% of total assets invested in the European financial sector.

The Management Company has full discretion over the composition of the portfolio of the fund and may take exposure to companies, countries or sectors not included in the benchmark, even though the Benchmark constituents may be representative of the fund's portfolio.

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

Funds AuM	55M€	1 year Beta	1.10
Investment ratio	100%	1 year volatility	30.3%
Correlation to the SX7R since inception	0.95	1 year Sharpe ratio	4.05

### NAV VALUES AND MONTHLY RETURNS

	Class BC (USD)	Class C (EUR)	Class E (GBP)	Class R (EUR)	Class I (EUR)	Class J (EUR)	Class M (CHF)
Last NAV	1022.8	1279.2	1217.8	1285.5	1271.7	1324.4	1112.4
Monthly performance	-	8.04%	8.34%	8.03%	8.15%	8.13%	8.11%

#### PERFORMANCE EVOLUTION – CLASS C

Performance since inception vs SX7R



Performance since jan. 2019 base 1000 (New strategy, new portfolio manager)



Past performance does not guarantee future results.

#### HISTORICAL PERFORMANCE – CLASS C

1 month	3 months	YTD	1 year	3 years <sup>4</sup>	5 years <sup>4</sup>	Since inception <sup>4</sup>
8.04%	19.13%	59.44%	122.14%	20.82%	9.55%	3.29%

#### MONTHLY PERFORMANCE SINCE CLASS C INCEPTION

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Year
<b>2014</b>			2.01% <sup>3</sup>	-0.86%	0.11%	-5.63%	-2.55%	1.15%	1.69%	-2.96%	2.90%	-5.94%	<b>-10.06%</b>
<b>2015</b>	-0.21%	14.33%	3.02%	-0.05%	2.28%	-3.11%	6.36%	-7.88%	-7.16%	2.63%	0.87%	-6.57%	<b>2.43%</b>
<b>2016</b>	-13.63%	-5.03%	-0.83%	6.52%	2.71%	-18.04%	6.37%	7.64%	-2.65%	8.27%	1.81%	7.12%	<b>-4.01%</b>
<b>2017</b>	1.17%	-3.82%	6.02%	4.89%	-0.11%	1.52%	3.24%	-3.21%	4.95%	-1.05%	-1.35%	0.34%	<b>12.71%</b>
<b>2018</b>	5.76%	-3.91%	-6.51%	0.62%	-9.53%	-1.30%	4.39%	-8.20%	0.38%	-11.32%	-2.03%	-12.93%	<b>-37.89%</b>
<b>2019</b>	7.84%	6.06%	-4.42%	8.50%	-12.10%	1.76%	-3.86%	-7.08%	13.65%	3.35%	2.56%	6.23%	<b>21.31%</b>
<b>2020</b>	-6.22%	-8.36%	-21.47%	6.62%	-1.24%	11.00%	-1.48%	8.72%	-11.07%	2.06%	34.48%	3.61%	<b>6.84%</b>
<b>2021</b>	-4.01%	21.22%	10.01%	3.36%	8.71%	-6.24%	-0.76%	6.78%	3.26%	8.04%			<b>59.44%</b>

<sup>1</sup> Past performance does not guarantee future results. - <sup>2</sup> Annualized performance. - <sup>3</sup> Performance over less than a month

## MONTHLY COMMENTARY



**ANTONIO ROMAN**  
Portfolio Manager

October delivered strong returns, with European stocks reaching record highs on the back of persistent inflows. The fund returned +8,04% over the month vs. 6.49% for the SX7R and +4.67% for the Stoxx Europe 600. In a remarkable shift, markets started to question central banks' ability to keep ultra-accommodative policies amid broadening inflation. Short-term rates rose dramatically in the UK, Australia and Canada, but also in Europe and the US.

With no signs of supply constraints easing, and wage surveys pointing to a pick-up in salaries, the likelihood of having inflation above 2% over a 3-year horizon is now such that some central banks are choosing to walk away from the transitory narrative in favour of a more balanced approach. Rising short-term rates strongly benefit banks, especially when levels are close to the lower bound and liquidity is in surplus. European banks' earnings would rise on average by 30% after a 100bps parallel shift in rates, with the most sensitive banks doubling their earnings.

Q3 results were good so far, with no bank missing on a profit before tax basis. Net interest income was broadly in line, while fund distribution fees and CIB were much better than expected. There were no negative surprises on the cost side. On aggregate, capital was 25bps higher than expected, due to lower credit migration. Capital return commitments led to good trading performance.

On the regulatory front, the Basel IV full implementation date was pushed further to 2030, while the ultimate impact on risk weighted assets appears much lower than originally thought, at around 6-8%.



**DAVID BENAMOU**  
Portfolio Manager

## 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 :

**Risk related to the use of financial futures instruments (IFT):** As the Fund, may invest in derivatives, the net asset value may fall more significantly than the markets and financial instruments underlying these products. The occurrence of this risk may lead to a reduction in the net asset value of the Fund

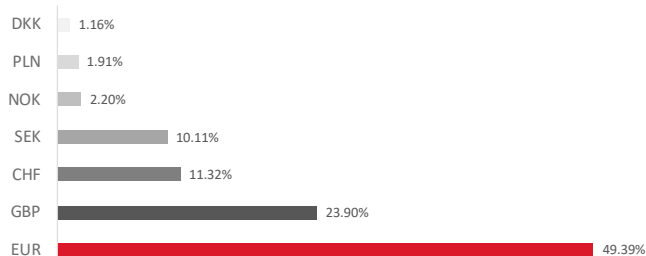
**Equity risk :** Due to its investment objective, this Fund is exposed to equity risk. Therefore, its value may decrease when the equity market declines, especially when prices of financial stocks decrease.

**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)

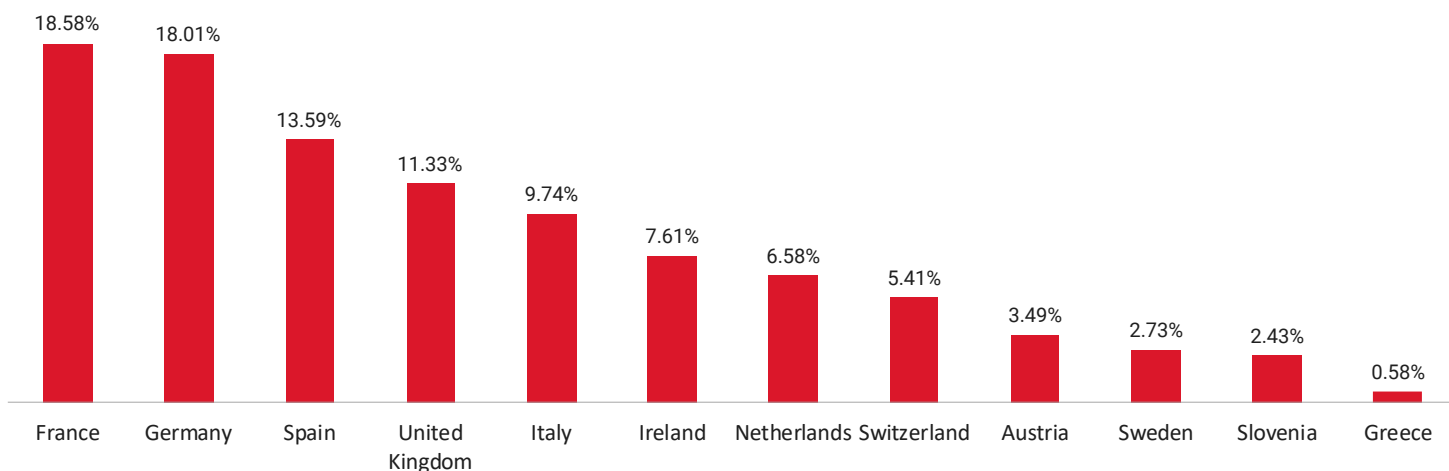
### BY CURRENCY



### TOP 5 ISSUERS

BNP PARIBAS	7.18%
SOCIETE GENERALE	6.95%
DEUTSCHE PFANDBRIEFBANK	6.29%
UBS GROUP	5.41%
CREDIT A GRICOLE	4.45%

### BY COUNTRY <sup>1</sup>



<sup>1</sup> Exposure by country at the end of the month

## FUND INFORMATION

**Type** Lux SICAV

**Registered countries** CH – FR – LU – UK

**Subscription / Redemption** Before 12:00 / Settlement D+3

Name	ISIN	Currency <sup>10</sup>	Affectation	Inception date	Min 1st subscription	Management fees <sup>11</sup>	Performance fees
Class BC	LU1876459568	USD	Capitalisation	-	1 share	2.00%	YES
Class C	LU1876459212	EUR	Capitalisation	25/03/2014	1 share	2.00%	YES
Class E	LU2249462792	GBP	Capitalisation	27/07/2021	1 share	0.65%	YES
Class R	LU1876459303	EUR	Capitalisation	20/05/2014	1 share	2.00%	YES
Class I	LU2249462958	EUR	Capitalisation	08/03/2021	1 000 000€	1.00%	YES
Class J	LU2249462875	EUR	Capitalisation	02/03/2021	1 share	1.20%	YES
Class M	LU1876459485	CHF	Capitalisation	11/06/2021	1 share	2.00%	YES
Class Z	LU1876459642	EUR	Capitalisation	27/11/2015	1 share	0.05%	NO

<sup>10</sup> Currency exposure is systematically hedged | <sup>11</sup> All details of the expenses incurred by the fund are available in the Prospectus

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