MONTHLY FACTSHEET AS OF 31/10/2022

Promotional document

AXIOM ALTERNATIVE INVESTMENTS

Axiom European Banks Equity – Share Class J (EUR)

Sub-fund of the Luxembourg SICAV : Axiom Lux

NAV	Assets Under Management	SRRI[1]	SFDR[2]
1126.6	€ 104M	Low risk → High Risk: 1 2 3 4 5 6 **7** (Typically lower rewards – Typically higher rewards)	6 **8** 9

Asset manager	Axiom Alternative Investments
Legal structure	Luxembourg SICAV : Axiom Lux
Strategy inception date [4]	25/03/2014
Sub-fund inception date [4]	Absorption the 11/01/2019
Share class inception date	02/03/2021
ISIN Code	LU2249462875
Minimum subscription	1share
Share class currency	EUR
Management fees	12%
Subscription fees	0% (2% max.)
Redemption fees	0% (2% max.)
Performance fee	20% (if perf. > index)
Type of share	Accumulation
Valuation frequency	Daily
Cut-off and settlement day	before 12.00 PM / 3 business days
Main risks	Risk related to the use of financial futures instruments (IFT), equity risk, liquidity risk (for more information please refer to the Fund's prospectus)

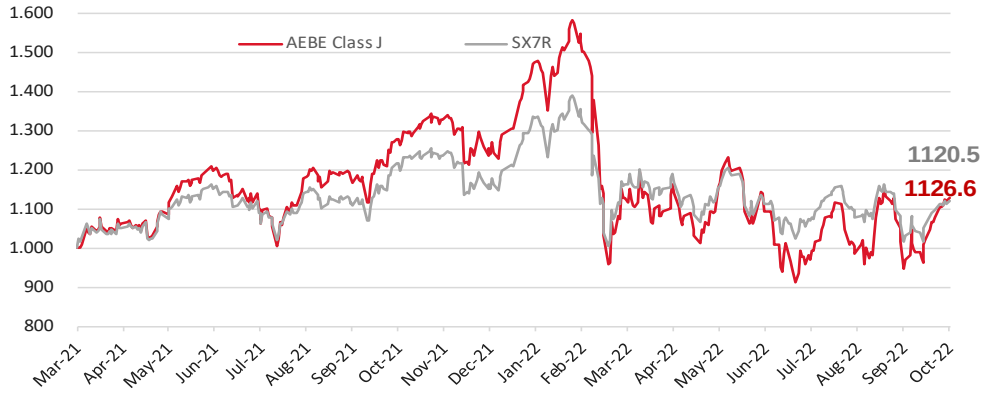
Investment objectives[3]

The objective of this Fund is to achieve, over a minimum 5-year investment horizon, a return (net of management fees) similar to or greater than that of its benchmark (Stoxx Europe 600 Banks Net Return[5]). The Fund is actively managed and references the Stoxx Europe 600 Banks Net Return[5] (the "Benchmark") for comparative purposes only.

Historical performance (EUR)[4]

Class J						
1 month	3 months	YTD	1 year	3 years	5 years	Inception
970.4	1017.3	1304.0	1324.4	-	-	1304.0

Net of fees performance since inception (base 1000)[4]



Key metrics

Number of positions	30	1 year Beta	1.41
1 year Sharpe ratio	-0.36	1 year volatility	44.20%
1 year Information ratio	-0.33	3 years volatility	-
3 years Information ratio	-	Correlation to the SX7R since inception	0.96

Past performance is not indicative of future results

Internal source from Axiom AI | Risk and reward profile represents the annual historical volatility of the sub-fund over a 5-year period. Historical data such as that used to calculate the synthetic indicator may not be 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". The capital initially invested is not guaranteed | [2] Refer to page 3 of the document | [3] There is no guarantee that the investment objective will be achieved or that there will be a return on investment | [4] Fund created as a FCP under French law on 25/03/2014 before being absorbed by the SICAV Axiom Lux under Luxembourg law on 11/01/2019 | [5] More information about the index : https://www.stoxx.com/index-details?symbol=SX7R | [6] Net of fees performances

Axiom European Banks Equity

AXIOM ALTERNATIVE INVESTMENTS

Monthly commentary

ANTONIO ROMAN
Portfolio Manager

DAVID BENAMOU
Portfolio Manager

Risk assets rallied in October as central banks were seen to favor more gradual interest rate hikes going forward. The Subfin tightened by over 50 bps to close the month at 213 bps. The SX7R returned +8.39% vs. +6.35% for the SXXR.

Economic data painted a picture of soft growth and entrenched inflation. Annualized Q/Q GDP growth for the third quarter came at +2.6% in the US and +0.9% in the EU. Despite poor consumer and business sentiment, job creations remained robust on both sides of the Atlantic. EU October inflation numbers surprised to the upside, due to energy, food and industrial goods. Prices of services showed a notable deceleration.

European bank earnings have been strong with little signs of asset quality deterioration. Future guidance was optimistic, with the exception maybe of UK banks which have pre-emptively built up larger reserves.

On aggregate, revenues came up 5% higher than analyst expectations, driven by strong net interest income and trading, while earnings came 20% better. Compared to last year, revenues and earnings were resp. 13% and 20% higher. Banks that showed inferior cost control underperformed.

In other news, the ECB took actions on TLTRO, removing the arbitrage opportunity for banks as expected. Remuneration of excess reserves was not mentioned, which is encouraging.

The sector continues to offer record high risk premia. Forward P/E ratios hover around their lowest ever both in absolute and relative terms, with the discount to the broader European stocks at c. 45%. Price-to-book ratios continue to trade in the bottom historical quartile despite record earnings and excess capital for the sector.

Beside geopolitical uncertainty and volatile energy markets, these valuations reflect fears that the fight against inflation may lead to adverse economic shocks or disruptive market events. The speed at which markets will climb this wall of worries will depend in great part on the path of inflation.

A gradual stabilisation combined with resilient growth would be very bullish for the sector.

These examples do not constitute an investment recommendation

Internal source from Axiom AI [1] Single name derivatives included

L'équipe de gestion et de recherche

David BENAMOU
Partner
Chief Investment Officer

Jérôme LEGRAS
Partner
Reseach diretor

Antonio ROMAN
Portfolio Manager

Adrian PATURLE
Partner
Portfolio manager

Gildas SURRY
Partner
Portfolio Manager

Paul GAGEY
Portfolio Manager

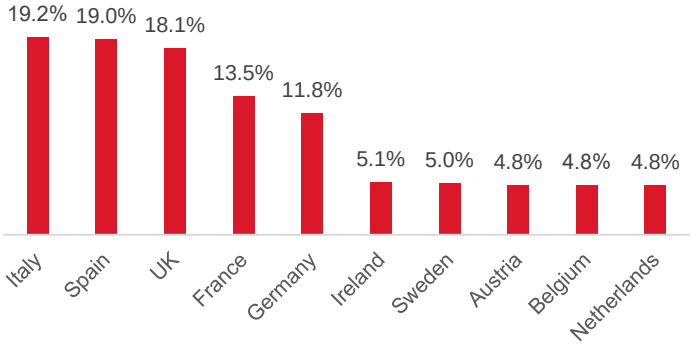
Laura RAMIREZ
ESG Analyst

Axiom European Banks Equity

AXIOM ALTERNATIVE INVESTMENTS

Portfolio breakdown (in % of Net Assets)

Breakdown by country[1]



Top 5 holdings[1]

Issuer	%
INTESA SANPAOLO	8.1%
DEUTSCHE BANK	6.8%
BANCO DE SABADELL	6.2%
HSBC Holdings	6.0%
ERSTE GROUP BANK	5.9%

ESG main indicators

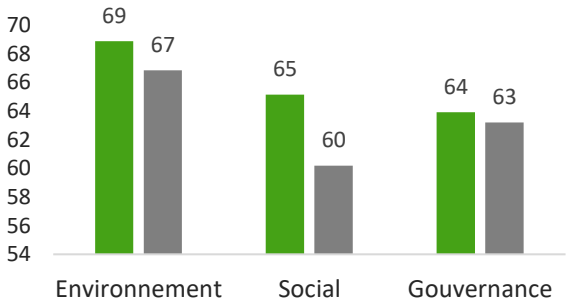
Axiom European Banks Equity Investment Universe

Key metrics

	ACRS	°C	ESG
Portfolio rating	43%	2,7	65
Universe rating	41%	2,7	62
# companies in the universe	52	28	77
# companies in the portfolio	19	20	22

The ACRS, implied temperature (°C) and ESG scores represent 83%, 87% and 100% of the fund's assets respectively (index & derivatives excluded).

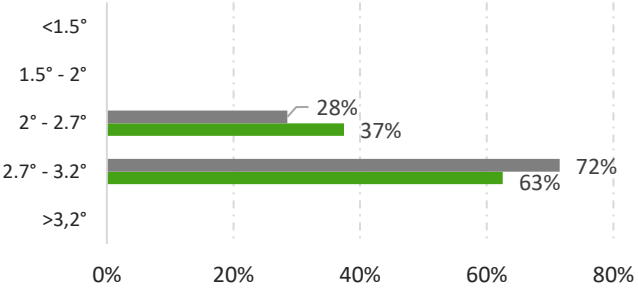
ESG by pillars



Top 5 holding by ACRS

Issuers	CNTY	ACRS	°C	ESG
EBS	AT	55.3%	2.5	49
BBVA	IE	48.7%	2.7	70
AIBG	IE	48.7%	2.7	70
HSBC	GB	48.6%	2.9	63
SWEDA	DE	40.4%	2.9	59

Breakdown by Implied Temperature Rise (ITR)[2]



These percentages have been reweighted to 100%, as 86% of the portfolio's securities were assessed.

These examples do not constitute an investment recommendation.

Internal source Axiom AII [1] Single names derivatives included. [2] ITR (Implied Temperature Raise): Also known as 2° alignment metric, is a forward-looking measure that attempts to estimate a global temperature associated with the greenhouse gas emissions of entities in a portfolio or investment strategy.

AXIOM ALTERNATIVE INVESTMENTS

Glossary

Volatility: the volatility of a security or fund indicates how much the price of that security or fund may vary, up or down, from its average price, over a given period of time.

Sharpe ratio: measures the difference in profitability of a portfolio of financial assets (e.g. equities) compared to the rate of return of a risk-free investment (i.e. the risk premium, positive or negative), divided by an indicator of risk, the standard deviation of the profitability of this portfolio, i.e. its volatility. The higher the standard deviation, the greater the risk-adjusted outperformance of the asset.

Information ratio: measures the excess return relative to a benchmark divided by the volatility of those excess return.

Correlation: the correlation between two financial assets, or more generally between two random variables, is the strength of the link between these two variables. The closer the coefficient is to the extremes, the more the variables are correlated, i.e. linearly dependent on each other.

Beta: compares an asset's movements against its benchmark market, which helps determine its risk level relative to other benchmark assets.

Main risks

Risk of loss of capital: the sub-funds do not offer any protection or guarantee. As a result, investors may not be able to fully recover their initial investment.

Operational risk: the risk of losses resulting from inadequate or failed internal processes, people, systems or external events. The occurrence of these risks may cause the net asset value of the fund to fall

Currency risk: as some of the assets may be denominated in currencies other than the reference currency, the sub-fund may be affected by changes in exchange controls or in the exchange rates between the reference currency and these other currencies. For this reason, the sub-fund will systematically hedge against this risk. However, a residual risk remains. These exchange rate fluctuations may cause the net asset value of the sub-fund to fall.

Credit risk: this risk arises from the possibility that an issuer of bonds or debt securities may not be able to honour its payment obligations, i.e. the payment of coupons and/or the repayment of capital at maturity. Such a default may result in a decrease in the net asset value of the sub-fund (including total return swaps or DPSs). This also includes the risk of a downgrade of the issuer's credit rating.

Counterparty risk: A sub-fund that invests in OTC derivatives may be exposed to the risk arising from the creditworthiness of its counterparties and their ability to meet the terms of such contracts. The sub-fund may enter into forward contracts, options and swaps, including CDS, or use derivative techniques, which involves the risk that the counterparty may not meet its obligations under each contract.

Exchange rate: Any investment in equities may involve directly or indirectly an exchange rate risk. While the net asset value of the sub-fund is calculated in its reference currency, the performance of an underlying asset or its components denominated in a currency other than the reference currency will also depend on the exchange rate of that currency. Similarly, the currency other than the reference currency in which an asset of the sub-fund is denominated implies a currency risk for the sub-fund.

Liquidity risk: risk arising from the difficulty or impossibility of selling securities held in the portfolio when necessary and at the price at which the portfolio is valued, due to the limited size of the market or insufficient trading volumes on the market where these securities are usually traded. The realisation of this risk may result in a decrease in the net asset value of the sub-fund.

Use of derivatives: If a sub-fund whose performance is linked to an underlying asset frequently invests in derivatives or securities other than the underlying asset, derivative techniques will be used to link the value of the shares to the performance of the underlying asset. While the prudent use of such derivative techniques may be beneficial, derivatives also involve risks which in some cases may be greater than the risks associated with more traditional instruments. Transaction costs may be associated with the use of such derivatives.

Climate/ESG data risk: The Management Company's ESG integration process relies on third party data from climate/ESG data providers. Data providers may apply different models and use different sources of information, which may contain inaccurate, incomplete or unaudited data. In addition, where data is insufficient, data providers may use internal methods to produce subjective estimates and approximations. Similarly, the Management Company conducts qualitative analysis based on self-reported information, which is generally not audited by a third party. As the portfolio manager bases its investment decisions on this data, this uncertainty in data collection may have a negative impact on the performance of the portfolio.