

Axiom Equity

Over a 5-year horizon, Axiom 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 Union financial sector.

KEY DATA AND RISK ANALYSIS

Funds AuM:	€7.5m	1 year Beta:	0.86
Investment ratio:	96%	1 year volatility:	36.98%
Correlation to the SX7R (since inception):	0.96	1 year Sharpe ratio:	0.23

NAV VALUES AND MONTHLY RETURNS AS AT 08/31/20

BC (USD)	C (EUR)	M (CHF)	R (EUR)
LU1876459568	LU1876459212	LU1876459485	LU1876459303
-	634.43	-	640.84
-	8.72%	-	8.68%

PERFORMANCE EVOLUTION – PART C¹

Performance since inception (base 1000)



Cumulative performance

1 month	3 months	YTD	1 year	3 years ²	5 years ²	Since launch ²
8.72%	18.89%	-15.52%	8.12%	-13.21%	-9.16%	-6.83%

¹Past performance does not guarantee future results.

²Annualized performance since class inception

MARKET COMMENTARY



David Benamou
Portfolio Manager

August was a relatively quiet month with thin volumes. The STOXX banks index returned 6.15% as markets balanced better than expected Q2 results and renewed confidence in central bank support with an uptick in COVID-19 cases and a flattening recovery. The only notable macro event was Powell's speech at Jackson Hole where he revealed a more flexible strategy to meet the Fed's inflation and employment goals.

Overall the latest earnings publications confirmed the key trends that were observed in July: significantly better than expected capital ratios (lower RWAs, forbearance), no or limited increase in NPL ratios, lower retail fees and NII but excellent investment banking revenues, as well as managements guiding for lower impairments in Q2 overall but with a high discrepancy in levels of front-loading. A few initial data points tend to show that ultimate default rates for loans under moratoria should be between a few percentage points for core countries up to over 20% for the riskiest jurisdictions (e.g. Greece), with high dispersion within countries.



Antonio Roman
Portfolio Manager

At the end of August, banks still appear as the worst performer year-to-date, returning -33.99% vs. -9.81% for the broader STOXX index (and -30.40% for Leisure & Hospitality!). We believe there is a significant disconnect between resilient capital ratios and topline figures on one side and overall valuations on the other: share count risk is very low for most major banks and fees/NII proved more resilient than expected. We also trust there are outsized returns to be captured for those investors who will identify correctly those banks that have front-loaded the most and will be able to quickly return to relatively substantial cash distributions next year.

In August Axiom Equity returned 8.72% vs. 6.15% for the SX7R index, which brings the year to date performance of the fund to -15.52% versus -33.99% for the index.

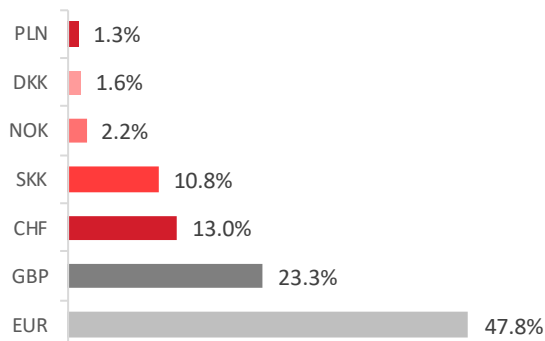
PORTFOLIO SPLIT (in % of assets)

TOP 10 ISSUERS

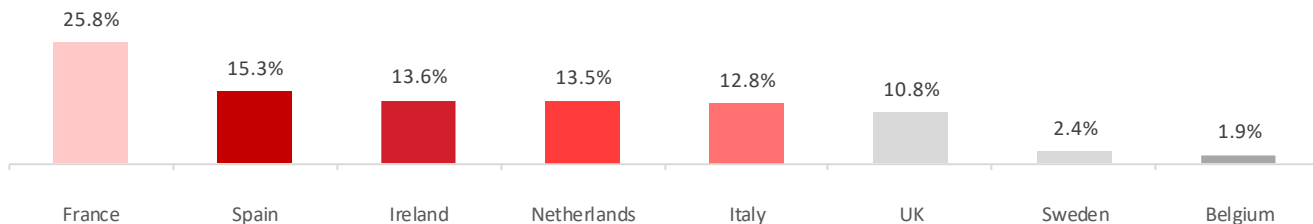
AIB GROUP	7.58%	IE
ABN AMRO BANK	6.17%	NL
BANK OF IRELAND GROUP	6.01%	IE
MEDIOBANCA	4.20%	IT
ASR NEDERLAND	4.09%	NL
SCOR SE	4.08%	FR
CNP ASSURANCES	4.05%	FR
SOCIETE GENERALE	3.98%	FR
HSBC HOLDINGS	3.89%	UK
COFACE	3.82%	FR

BY CURRENCY

Net exposure



BY COUNTRY ¹



¹ Exposure at the end of the month

FUND INFORMATION – PART C

ISIN after merger of the fund into a SICAV LuX:	LU1876459212
Currency:	EUR – CHF – USD
Countries:	CH – FR – LU
Fund type and Profit allocation:	SICAV / Capitalisation
Fund inception date:	03/25/2014
Minimum initial subscription:	1 share
Subscription / repurchases conditions:	Before 11h / Settlement J+3
Management fees:	2%
Performance fees: ²	20% above the benchmark (Stoxx Europe 600 Banks Net Return)

²All details of the expenses incurred by the fund are available in the Prospectus.

MANAGEMENT AND RESEARCH TEAM



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