

## Axiom Equity - Class C (EUR)

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:	€11M	Correlation to the SX7R (since inception):	0.98
Latest NAV:	€725.72	1 year Beta:	0.99
Number of positions:	72	1 year volatility:	15.62%
Investment ratio:	100%	1 year Sharpe ratio:	-1.77

### PERFORMANCE EVOLUTION<sup>1</sup>

Performance since inception (base 1000)



Cumulative performance

1 month	3 months	YTD	1 year	3 years <sup>2</sup>	5 years <sup>2</sup>	Since launch <sup>2</sup>
-11.32%	-18.29%	-27.19%	-27.93%	-9.43%	N/A	-6.72%

<sup>1</sup>Past performance does not guarantee future results.

<sup>2</sup>Annualized performance since class inception

### MARKET COMMENTARY



**David Benamou**  
Portfolio Manager

#### Monthly commentary

Financial stocks fell sharply in October, in line with the rest of the market. The banks SX7R index ends the month at -7.89% under-performing non-financial indexes. From a macroeconomic standpoint, elements of concern remain the same: political situation in Italy, complicated negotiations around Brexit and evolution of central banks' monetary policies.

In Italy, the European Commission rejected the budget plan and asked the government to submit a new one. As expected, Moody's downgraded Italy's rating one notch, ranking the country just above High Yield. However, Moody's maintained a stable outlook, which contained the spread widening.

In Spain, the banks were impacted by the Supreme Court deliberations on tax imposed on mortgages.

Banks quarterly earnings confirmed the improvement of fundamentals. Strong updates came from HSBC, UBS as well as Credit Suisse's private bank. Spanish banks results came above consensus with Santander beating its 11% CET1 end-of-year target ratio. Among the Nordics SEB stood out with a strong quarter. S&P has upgraded Credit Agricole's long-term rating.

The stock of non-performing loans continues decreasing in Italy according to the Q2 data published by the Bank of Italy, with Banco BPM and UBI making solid progress.

Major positive contributors this month have been Metro Bank (Long), Legal & General (Short) and Jupiter Fund Management (Short). Major negative contributors were BNP (Long), UBS (Long) and Nordea (Long).

Axiom Equity ends October with a performance of -11.32%.

## PORTFOLIO ANALYSIS AT 10/31/2018

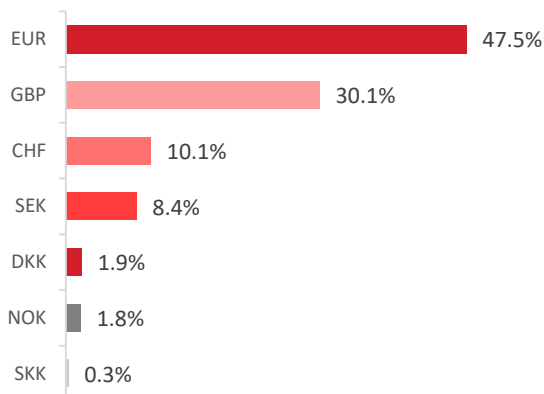
### PORTFOLIO SPLIT (in % of assets)

#### TOP 10 ISSUERS

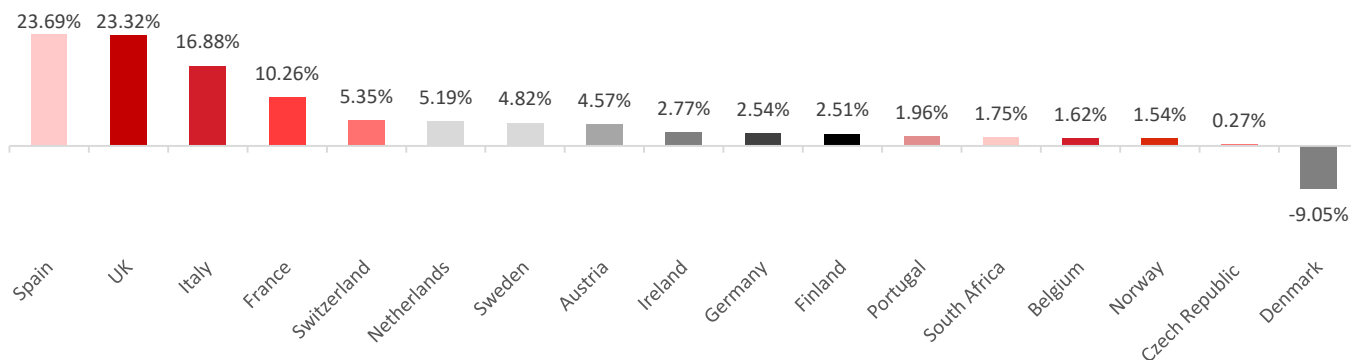
HSBC HOLDINGS PLC	9.88%	GB
BANCO SANTANDER SA	7.70%	ES
UBS GROUP AG-REG	6.32%	CH
BNP PARIBAS	6.00%	FR
LLOYDS BANKING GROUP PLC	5.16%	GB
ING GROEP NV	4.72%	NL
INTESA SANPAOLO	3.95%	IT
NORDEA BANK ABP	3.67%	SW
SOCIETE GENERALE SA	3.59%	FR
BARCLAYS PLC	3.45%	GB

#### BY CURRENCY

Net exposure



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



<sup>1</sup> Exposure at the end of the month (rebased to 100)

### FUND INFORMATION

ISIN:	FR0011689363
Currency:	EUR – CHF – USD
Countries:	CH – FR
Fund type and Profit allocation:	FCP / 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: <sup>2</sup>	20% above the benchmark (Stoxx Europe 600 Banks Net Return)

<sup>2</sup>All details of the expenses incurred by the fund are available in the Prospectus.

### MANAGEMENT AND RESEARCH TEAM



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