

## Axiom Long Short - Class C (EUR)

Axiom Long Short is investing in European financial stocks issued by Banks, Insurance companies or Financial institutions. The investment process is based on a combination of a fundamental approach developed by Axiom Alternative Investments' research team and a quantitative approach aimed at allowing us to formulate long and medium-term views on European financial institutions' shares. The fund exposure can be either long or short.

### KEY DATA AND RISK ANALYSIS

Funds AuM:	€6M	1 year volatility	4.49%
Latest NAV:	€913.50	1 year Sharpe Ratio	-2.63
Number of positions over the month:	97	Correlation to the SX7R (since inception)	0.01

### PERFORMANCE OVERVIEW<sup>1</sup>

Performance since inception (base 1000)



### Net performances

1 month	3 months	YTD	1 year	3 years <sup>2</sup>	5 years <sup>2</sup>	Inception <sup>2</sup>
-2.19%	-3.36%	-12.33%	-12.09%	N/A	N/A	-4.39%

<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 and the risk of retroactivity.

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.

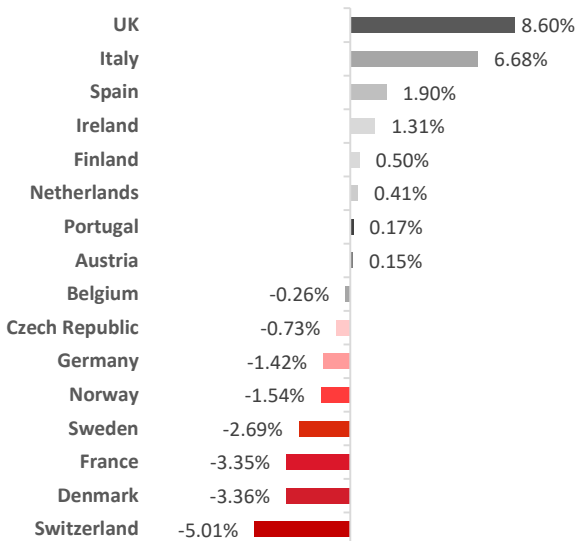
Major positive contributors this month have been Banco de Sabadell (Long), Deutsche Bank (Short) and Danske Bank (Short). Major negative contributors were GAM (Short), Topdanmark (Short) and Banca Generali (Long).

Axiom Long Short ends October with a performance of -2.19%.

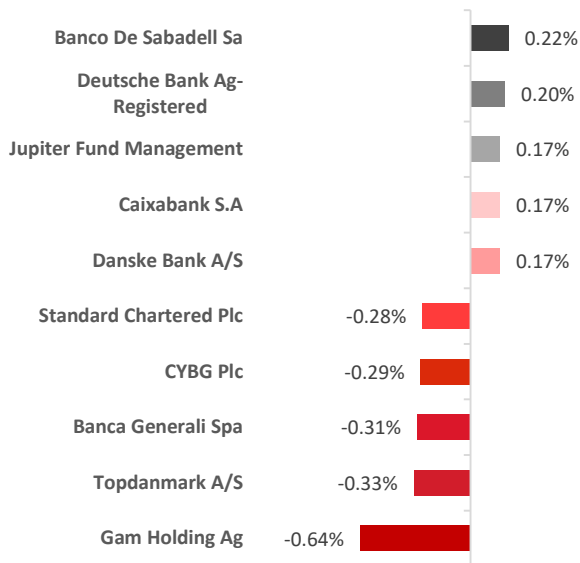
## PORTFOLIO ANALYSIS AT 10/31/2018

### PORTFOLIO BREAKDOWN (in % of assets)

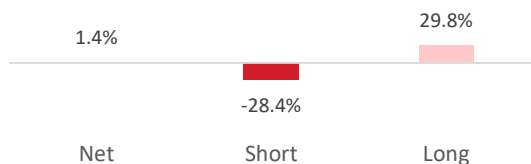
AVERAGE GEOGRAPHICAL EXPOSURE DURING THE MONTH <sup>1</sup>



TOP 10 CONTRIBUTORS OVER THE MONTH <sup>1</sup>

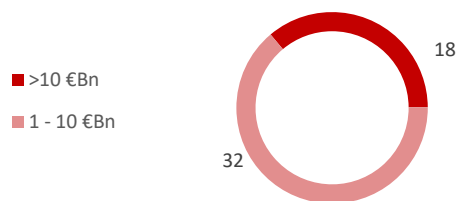


AVERAGE LONG/SHORT EXPOSURE DURING THE MONTH <sup>1</sup>



<sup>1</sup>Percentage breakdown of the stock portfolio

MARKET CAPITALISATION EXPOSURE (END OF MONTH) <sup>1</sup>



### FUND INFORMATION

ISIN:	FR0013179330
Currency <sup>2</sup> :	EUR
Countries:	FR
Fund type and Profit allocation:	FCP / Capitalisation
Fund inception date:	10/28/2016
Minimum initial subscription:	1 share
Subscription / repurchases conditions:	Before 11h / Settlement J+3
Management fees:	max. 1.5% (incl. taxes)
Performance fees <sup>3</sup> :	15% TTC maximum of the annual performance of the fund above 2%

<sup>2</sup> Currency exposure of the fund is systematically hedged <sup>3</sup> All details of the expenses incurred by the fund are available in the Prospectus.

### MANAGEMENT AND RESEARCH TEAM



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