MONTHLY FACTSHEET AS AT 10/30/2020

AXIOM
ALTERNATIVE INVESTMENTS

Axiom Obligataire

Risque plus faible → Risque plus élevé

1	2	3	**4**	5	6	7

Rendement Potentiellement plus faible — Rendement Potentiellement plus élevé

Investment objective

The fund aims to generate attractive returns by investing in senior or subordinated private sector bonds with a strategic focus on the European Financial sector. The strategy is based on "bond picking“. The fund favors Investment Grade issuers and may invest in fixed or floating rate bonds.

The objective of this fund is to achieve, over a minimum 3-year investment horizon, a return (net of management fees) similar to or greater than that of its benchmarks (ICE BofAML Euro Financial Index (40%), ICE BofAML Euro Corporate Index (40%) and ICE BofAML Contingent Capital Index (20%) (together the “Benchmarks”)).

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 METRICS AND RISK ANALYSIS

Net assets:	€202m	Modified Duration:	2.23
Volatility since inception (Unit I):	8.64%	Credit sensitivity:	2.76
Yield to maturity [2]:	5.43%	WARF Issuer (avg. rating):	BBB-
Yield to call [3]:	5.65%	WARF by instrument (avg. rating):	BB
Sharpe ratio since launch	0.72	Number of positions:	85

NAV values as at 10/30/20

BC (USD)	C (EUR)	D (EUR)	E (GBP)	G (EUR)	I (EUR)	J (EUR)	M (CHF)	R (EUR)
LU1876461036	*LU1876460731*	*LU1876460814*	*LU1876461200*	*LU1876461622*	*LU1876461465*	*LU1876461549*	*LU1876461119*	*LU1876460905*
$2 210	2 011 €	1 910 €	£2 101	1 108 €	1 219 €	1 230 €	1 900 CHF	1 852 €
0.48%	0.39%	0.39%	0.45%	0.50%	0.47%	0.50%	0.35%	0.35%

RETURNS EVOLUTION SINCE INCEPTION – Unit C (EUR)[4]

Performance since inception (NAV rebased at 1000)

Past performance does not guarantee future results.

Historical performances

1 month	3 months	YTD	1 year	3 years[4]	5 years [4]	Since launch[5]
0.39%	1.58%	0.51%	2.42%	1.22%	2.58%	6.39%

	Jan.	Feb.	March	April	May	June	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Year
2009	-	-	-	-	-	-	-	-2.57%	9.72%	3.25%	-1.29%	2.70%	**11.88%**
2010	7.07%	1.09%	5.50%	4.80%	-5.26%	-3.07%	7.54%	-0.38%	4.15%	3.10%	-10.88%	-0.29%	**12.34%**
2011	2.58%	3.18%	2.42%	2.00%	0.33%	-2.49%	-2.60%	-13.57%	-20.42%	9.41%	-13.09%	6.50%	**-26.61%**
2012	15.50%	10.36%	2.19%	-4.32%	-7.64%	0.96%	2.02%	4.74%	6.70%	1.36%	2.57%	3.47%	**42.54%**
2013	2.16%	0.35%	0.29%	2.75%	1.10%	-1.71%	2.47%	0.54%	1.40%	2.44%	1.17%	0.56%	**14.29%**
2014	1.96%	1.22%	0.91%	1.56%	0.94%	0.55%	-2.11%	-2.10%	-1.53%	-0.62%	0.09%	-0.51%	**0.26%**
2015	-0.66%	1.91%	0.29%	0.45%	0.38%	-1.00%	0.53%	-0.50%	-1.78%	1.50%	0.93%	-0.51%	**1.50%**
2016	-3.64%	-4.33%	2.09%	1.49%	0.97%	-2.23%	2.39%	2.21%	-0.42%	2.48%	-1.34%	1.48%	**0.85%**
2017	2.26%	1.37%	1.03%	1.05%	0.66%	-1.80%	1.39%	0.09%	0.62%	1.27%	0.37%	0.13%	**8.71%**
2018	1.64%	-0.44%	-0.74%	0.11%	-2.08%	-1.03%	0.67%	-0.32%	0.42%	-1.11%	-1.58%	-0.60%	**-4.99%**
2019	1.66%	1.17%	0.28%	0.94%	-0.92%	0.92%	0.35%	0.20%	0.30%	1.01%	1.28%	0.61%	**8.06%**
2020	1.07%	-0.68%	-9.20%	2.89%	2.03%	2.24%	1.14%	1.44%	-0.26%	0.39%	-	-	**0.51%**

[2] Yield to perpetuity of the portfolio, excluding cash, all currencies combined. The yield to perpetuity is the yield of the portfolio with the hypothesis that securities are not reimbursed and kept to perpetuity[3] Yield to call of the portfolio, excluding cash, all currencies combined. The yield to call is the yield at the anticipated reimbursement date of the bonds. [4] Annualized performances [5] Past performance does not guarantee future results. [6]Strating August 23rd not a full month

MARKET COMMENTARY

Paul Gagey
Gérant du fonds

Market commentary

After a new round of lock-downs for several European countries, endless Brexit negotiations, and uncertainty about the presidential elections in the United States, the SubFin index widened by +10 bps reaching154 bps. Financial debt continued to hold up well, on the back of a set of solid quarterly results that beat expectations.

The majority of the quarterly results exceeded expectations mainly due to lower than expected provisions, rising capital ratios and lower than expected RWAs. Based on their good fundamentals, several issuers such as Santander and Erste announced their intention to pay dividends for 2019. Indeed, Rabobank will pay a distribution of additional certificates equal to approximately €1.625 per certificate to compensate investors for the four missed quarterly distributions. These announcements remain conditional on the ECB's ban on distributions, which is expected to be reconsidered in December.

On the regulatory side, the EBA published its long-awaited opinion on Legacy instruments on the 21st of October. The opinion was very clear on the need to clean up the stock of « Legacy bonds » as soon as possible. Depending on the instruments three options were presented to manage the so called "inflection risk " i.e. the risk of the legal and regulatory rankings being completely mixed up. which could threaten eligibility:

Option 1: redemption of the bonds when a call date is available or bond buyback;

Option 2: modification of the terms and conditions of the bonds;

Option 3: in exceptional cases, when options 1 and 2 are not available keeping the bonds but without using them as capital or MREL. The generally philosophy of the EBA's opinion is clear,and should accelerate the number of calls and buybacks but, as always with Legacy bonds, the devil is in the detail and some caveats apply. We have published our analysis on that matter, available hereafter https://mailchi.mp/axiom-ai.com/flash-axiom.

Finally, issuers continue calling their regulatory securities which are no longer eligible as capital or no longer economically viable.. AIB announced the call of its AT1 Opco and Santander of its USD prefs with a floor whose coupon non payment mechanism could have been an obstacle to the resumption of dividend payments. Rabobank announced a buyback offer on its 6.91% bond callable in 2038.

Finally, the primary market saw the first RT1 issued in Italy by UnipolSai (EUR 500 million at 6.375%). At the beginning of the month, Caixa Bank (EUR 750 million at 5.875%), Nykredit (EUR 500 million at 4.125%), Credit Agricole (EUR 750 million at 4%) and Quintet Private Bank Europe SA (EUR 125 million at 7.5%) issued on the market.

Fund Activity

The private bank Quintet came on AT1 primary market issuing EUR 125 million, offering a 7.5% coupon over an anticipated period of 5 years. The financial institution has a low profitability but moderate balance sheet risks. We strengthened our position in the German real estate company Adler. An EBA study on legacy bonds led to a surge in the price of perpetual disco and CMS bonds. We took that opportunity to sell the BBVA perpetual bond at a price of 89.

Risks

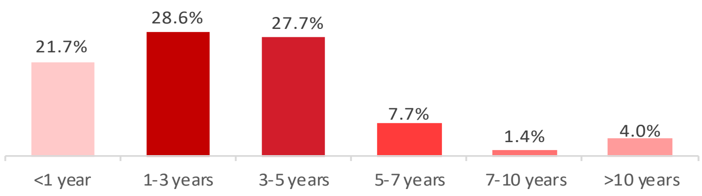
Significant risk(s) for the Fund not taken into account in the SRRI indicator include the following:
Credit risk: Investors are exposed to the risk of defaults on the bonds included in the portfolio. This risk may affect up to 100% of the portfolio. The materialisation of this risk may lead to a fall in the Fund's net asset value.
Counterparty risk: The Fund may suffer losses as a result of a counterparty failing to meet its contractual obligations.
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.

Axiom Obligataire - Unit C (EUR)

AXIOM
ALTERNATIVE INVESTMENTS

PORTFOLIO BREAKDOWN (in % of assets)

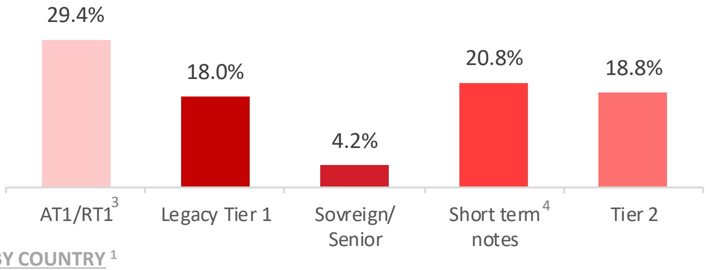
BY MATURITY [1,2]



TOP 5 ISSUERS

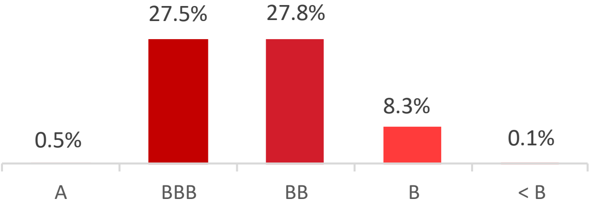
LLOYDS	5.88%
CASINO	3.48%
COMMERZBANK	3.40%
BIL	2.78%
IKB DEUTSCHE INDUSTRIEBANK	2.71%

BY SUBORDINATION [1]

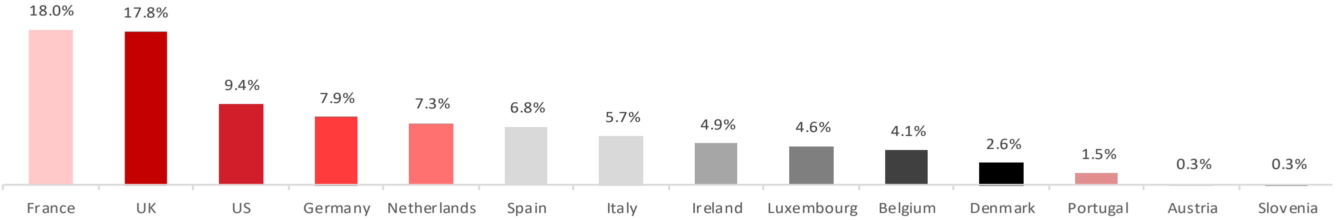


BY RATING [5]

Securities rating of the bonds



BY COUNTRY [1]



[1] On the bonds' portfolio CDS single name included [2] For the bonds the maturity is the anticipated reimbursement date (call date) [3] AT1 – Additionnal Tier 1 and RT1 – Restricted Tier 1 [4] Short-term debt securities, money market instruments and corporate bonds [5] Calculated excluding unrated securities.

INFORMATION ON UNIT C

Current ISIN / *ISIN after the merger into the SICAV Lux*:	*LU1876460731 (effective from the 01/28/19 onwards)*
Currency [5] :	EUR – USD – CHF – GBP
Countries:	BE – CH – FR – IT – LU –SP – UK
Fund type and Profit allocation:	SICAV Lux / Accumulation
Fund inception date:	23/07/2009
Minimum initial subscription:	1 share
Subscription / repurchases conditions:	Every day until 11:00 - NAV per share unknown - Payment D+3
Management fees:	2.00%
Performance fees [6] :	Max. 20 % of the fund's annual return in excess of its benchmark

[5] Currency exposure is Systematically hedged. [6] 40% ICE BofAML Euro Financial Index, 40% ICE BofAML Euro Corporate Index and 20% ICE BofAML Contingent Capital Index. All details of the expenses incurred by the find are available in the Prospectus.

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