



MONTHLY FACTSHEET AS AT 08/30/2019

ISIN Code share J : **FR0013259165**

Benchmark : Euribor 3M + 3%

KEY FIGURES

AUM:	€352m
Net assets for share class J:	€60m
NAV per share as of 8/30/2019	1004.10
Reference currency:	EUR
Valuation frequency:	Daily

INFORMATION ON THE FUND

Characteristics

Type of fund:	UCI
Inception date:	05/31/2017
Ticker Bloomberg:	GRAL21J FP
Sub-Investment Manager:	Axiom Alternative Investments

Investment term

Greater than 4 years

Terms and conditions

Minimum initial subscription:	100 000 €
Following subscription:	In thousandths of share or in amount
Centralizer:	CACEIS BANK
Subscription conditions / repurchases:	Every day until 11:00 - NAV per share unknown - Payment D+3

Fees

Maximum subscription fees:	5.00%
Maximum redemption fees:	1.00% until 03/31/2018, None afterwards
Maximum direct management fees:	1.00%

The detail of the fees covered by the fund is available in the funds' legal prospectus.

MANAGEMENT CONSTRAINTS

The UCITS may invest on issuers with a minimum rating of investment grade and up to 20% on high-yield (so-called "speculative") issuers or unrated issuers. The proportion of investments in interest rate products will be between 0 and 110% of net assets. It may invest up to 20% of its net assets in "Additional Tier1" or "Coco Bonds". The UCITS may invest up to 50% of its net assets and up to 10% of its net assets in preferred shares. The UCITS equity exposure will not exceed 50% of its net assets.

LIMIT OF MODIFIED DURATION	Min.	Max.
	0.0	8.0

MONTHLY COMMENT

Market Commentary

August was dominated by political developments, with the escalation of tariffs between China and the United States, progress (or lack thereof) towards Brexit, accelerated by the suspension of parliament, and the fall of the coalition in Italy followed by the set-up of a new M5S/PD alliance. Rates also fell sharply, driven by monetary policy expectations in a context of adverse economic prospects. The SubFin tightened by about 30bp from its peak at 160bp to end the month at 130bp.

Second quarter results were supported by low levels of provisions. Consensus beats came from Credit Suisse, StanChart and SocGen, while Unicredit and Commerzbank disappointed.

After the implementation of CRR2, HSBC and Barclays updated the capital recognition of certain perpetual legacy bonds: the "discos" in particular will no longer be eligible as capital. Deutsche Bank confirmed that its legacy securities would disqualify after 2022. Santander announced the call of its tier1 legacy

RETURNS EVOLUTION*

GROUPAMA AXIOM LEGACY 21 J Benchmark

Annual returns % (5 years)

Year	2017	2018
Fund	3.73%	-5.89%
Benchmark	1.59%	2.67%
Difference	2.14%	-8.56%

Cumulative returns in %

Period	1 month	3 months	YTD	1 year	3 y	5 y
	31/07/2019	31/05/2019	31/12/2018	31/08/2018	-	-
Fund	0.15%	0.20%	2.85%	-0.31%	-	-
Benchmark	0.20%	0.63%	1.72%	2.62%	-	-
Difference	-0.06%	-0.43%	1.13%	-2.93%	-	-

Returns 5 years (rebased at 100)



* Past performance does not guarantee future results.

RISK ANALYSIS (on 1 year)

	Fund
Volatility	1.37%
Sharpe ratio	0.01
Credit sensitivity	3.59
Duration	2.57
Yield to call	4.63%
Spread	441bps

issued in 2004, paying a coupon of 3m Eur+160, which quoted 92 before the announcement.

The primary market remained quiet. The total volume of issues at the end of August stood flat compared to last year. In the AT1 universe, Credit Suisse, Swedbank and BBVA issued in USD, as well as UBS in AUD. Barclays, Credit Agricole and Nordea called their AT1s issued in 2014. Interestingly the Nordea 5.5% bond had a must pay clause in the event of disqualification. Crédit Agricole, like BPCE and Société Générale, also announced the calls of their legacy T1 step-ups.

Fund activity

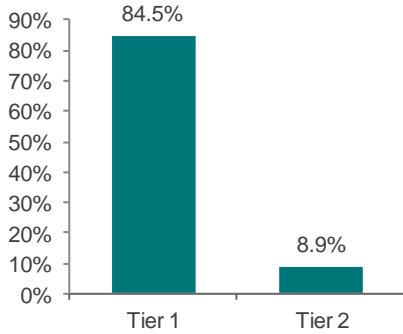
We benefited from the rebound to sell down our holding in Italian insurer's Cattolica, at a yield to 2027 call of 4%. After the rally of Long Calls driven partly by the decrease in rates, we reduced our exposure to HSBC and BNP at levels of spreads to call below 200bp. Finally, we added on defensively a position in Credit Suisse low trigger instruments.



PORTFOLIO ANALYSIS AS AT 08/30/2019

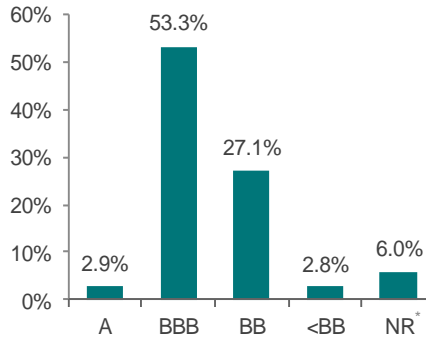
GROUPAMA AXIOM LEGACY 21 J

ASSET BREAKDOWN BY TYPE OF SUBORDINATION (in % of net assets)

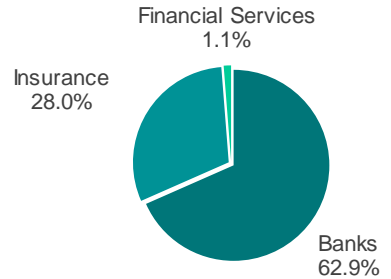


ASSET BREAKDOWN BY EXTERNAL RATING (in % of net assets)

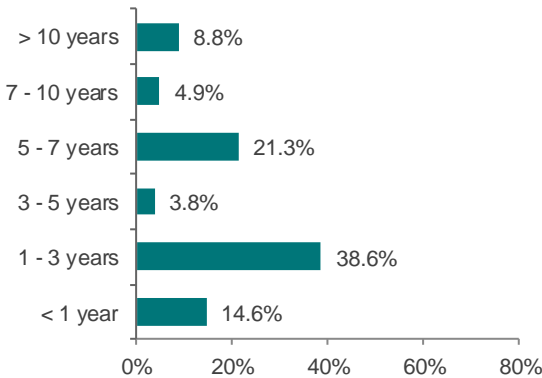
Bonds only
 * NR - Non-rated securities
 All securities have an IG issuer group rating



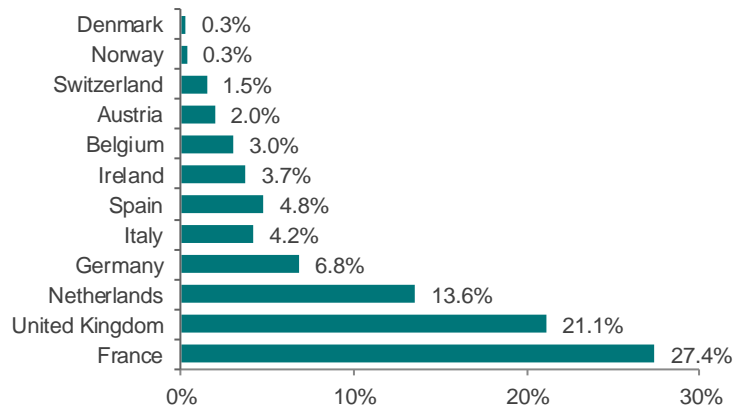
ASSET BREAKDOWN BY TYPE OF ISSUER (in % of net assets)



ASSET BREAKDOWN BY MATURITY TO CALL DATE (in % of net assets)



ASSET BREAKDOWN BY GEOGRAPHY (in % of net assets)



RETURNS*** HISTORY IN % (5 YEARS)

	January	February	March	April	May	June	July	August	September	October	November	December	Year
2017 Fund							0.64%	0.29%	0.66%	1.18%	0.65%	0.26%	3.73%
2017 Benchmark							0.23%	0.23%	0.22%	0.23%	0.22%	0.23%	1.59%
2018 Fund	1.20%	-0.32%	-0.80%	0.03%	-2.45%	-0.59%	0.41%	-0.38%	0.46%	-0.65%	-1.87%	-1.04%	-5.89%
2018 Benchmark	0.23%	0.20%	0.23%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	2.67%
2019 Fund	1.46%	0.71%	-0.06%	0.84%	-0.32%	-0.14%	0.19%	0.15%					2.85%
2019 Benchmark	0.22%	0.20%	0.22%	0.21%	0.22%	0.21%	0.21%	0.20%					1.72%

*** Past performance does not guarantee future results.

HISTORICAL MODIFICATIONS OF THE BENCHMARK (5 YEARS)

None

Groupama Asset Management revises all the external data received.

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