

Axiom Obligataire – Share Class I (EUR)

Sub-fund of the Luxembourg SICAV : Axiom Lux

NAV & Monthly perf.

1196.8
-1.45%

Assets Under Management

€ 278M

Risk and reward profile¹



SFDR²



Asset manager

Axiom Alternative Investments

Legal structure

Luxembourg SICAV : Axiom Lux

Strategy inception date⁴

23/07/2009

Sub-fund inception date⁴

Absorption the 25/01/2019

Share class inception date

23/03/2016

ISIN Code

LU1876461465

Minimum subscription

1 000 000€

Share class currency

EUR

Management fees

1,20%

Entry charge

0% (2% max.)

Exit charge

0% (2% max.)

Performance fee

20% (if perf. > index)

Type of share

Accumulation

Valuation frequency

Daily

Cut-off and settlement day

before 12.00 PM / 3 business days

Main risks

Credit risk, counterparty risk, liquidity risk (for more information please refer to the Fund's prospectus)

Investment objectives³

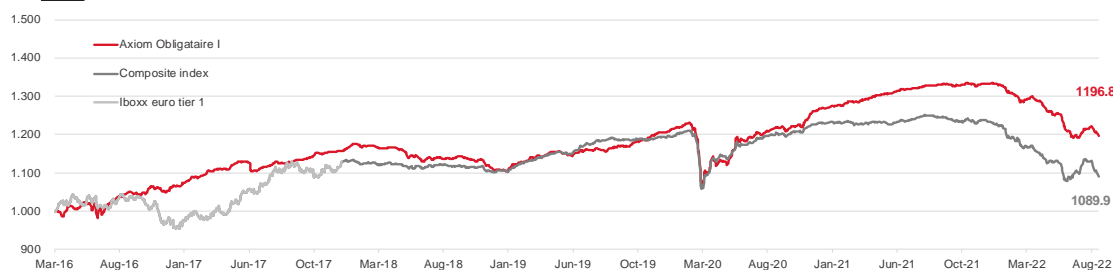
The objective of this Fund is to achieve, over a minimum 3-year investment horizon, a return (net of management fees) similar to or greater than that of its benchmarks : ICE BofAML Euro Financial Index (40%), ICE BofAML Euro Corporate Index (40%) and ICE BofAML Contingent Capital Index (20%)⁵. The Fund is actively managed and references the Benchmarks for comparative purposes only.

Historical performance (EUR)

Annual performances ⁷					
	2018	2019	2020	2021	2022
Axiom Obligataire - I	-4.26%	8.91%	5.42%	4.90%	-10.25%
Benchmark	-2.03%	7.80%	3.25%	0.15%	-11.58%

	Annualized performances ⁷			Cumulated performances ⁷					
	3 years	5 years	Since inception	1 month	YTD	1 year	3 years	5 years	Since inception
Axiom Obligataire – I	0.90%	1.21%	2.83%	-1.45%	-10.25%	-9.96%	2.71%	6.17%	19.68%
Benchmark	-2.91%	-0.46%	1.35%	-3.80%	-11.58%	-12.53%	-8.49%	-2.30%	8.99%

Net of fees performance since inception (base 1000)



Key metrics

Number of positions	95	Modified Duration	2.22
Volatility 5 years	3.58%	Credit sensitivity	3.01
Volatility 3 years	4.38%	Yield to call	9.56%
Sharpe ratio 5 years	0.44	Yield to maturity ⁶	9.13%
Sharpe ratio 3 years	0.30	Average rating by issuers (WARF)	BBB-
		Average rating by instruments (WARF)	BB

Past performance is not indicative of future results

Source : Axiom AI | ¹ Risk and reward profile represents the annual historical volatility of the sub-fund over a 5-year period. Historical data such as that used to calculate the synthetic indicator may not be 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". The capital initially invested is not guaranteed | ² Refer to the page 3 of the document | ³ There is no guarantee that the investment objective will be achieved or that there will be a return on investment | ⁴ Fund created as a FCP under French law on 07/23/2009 before being absorbed by the SICAV Axiom Lux under Luxembourg law on 01/25/2019 | ⁵ More information about the indexes : <https://www.theice.com/market-data/indices> | ⁶ Yield to maturity, excluding cash, in all currencies. Yield to maturity is the rate of return on the portfolio assuming that the securities are not redeemed and held in perpetuity | ⁷ Net of fees performances

Monthly commentary



PAUL GAGEY
Portfolio Manager

Market commentary

After a relatively calm and well oriented first half of August, volatility reappeared. The markets thus ended the month down, whether in the credit, interest rate or equity markets.

In this context, spreads widened again, with the Subfin going from 204 to 240, the SeniorFin from 110 to 129, the Main from 100 to 119, the Xover from 509 to 588 and above all the French 10-year jumping from 1.38% to 2.15% in rates.

The month ended with more aggressive statements from central banks, notably at the annual Jackson Hole conference, announcing a focus on inflation at the expense of economic growth.

This announcement reflects a desire to maintain high interest rates for a longer period than the markets had anticipated, in order to slow down the economic machine. In this environment, however, the current figures confirm that growth and the job market are still solid, which has led to a decline in financial assets.

Financials' second quarter results were 6% above consensus and profits were 35% higher.

Asset quality remains strong with high CET1 ratios and non-performing loan volumes still at record lows. The vast majority of banks are revising their growth targets upwards, based on their strong fundamentals. Indeed, the banking sector is structurally benefiting from rising interest rates. The primary market is again very active for financial issuers with very attractive yields as evidenced by the new BNP AT1 issue at 6.875% in EUR for a call in 7 years.

Funds Activity

Luminor Bank came to the primary market with a two-year senior issue rated Baa1. The coupon is 5%. The issuer is a Baltic bank, 80% owned by Blackstone and supervised by the ECB. Blackstone plans to increase its stake to 100% with a view to an IPO after 5 years.

It is a new brand and a significant player in the region with a 15% market share.

Metrics are good with low leverage (10% ratio) and low bad debt (1.7%).

There is no Russian exposure.

These examples do not constitute an investment recommendation

Portfolio management and research team



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Managing Partner
Chief Investments Officer



Jérôme LEGRAS
Managing Partner
Head of Research



Antonio ROMAN
Portfolio Manager



Adrian PATURLE
Partner
Portfolio Manager



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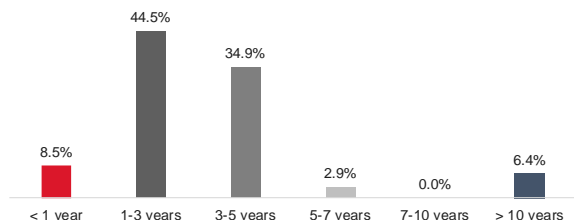
Paul GAGEY
Portfolio Manager



Laura RAMIREZ
ESG Analyst

Portfolio breakdown (in % of assets)

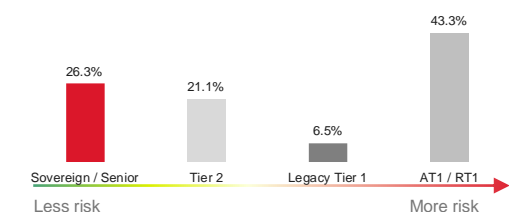
Breakdown by maturity¹



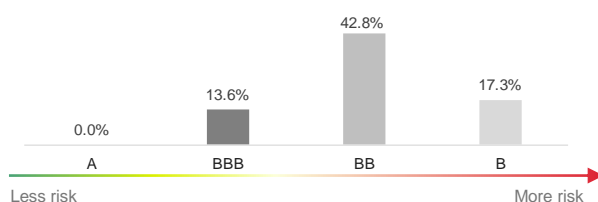
Top 5 issuers²

Quatrim	3.6%
Banque International Lux	3.1%
Van Lanschot	3.0%
HLD Europe	2.7%
Deutsche Industriebank	2.5%

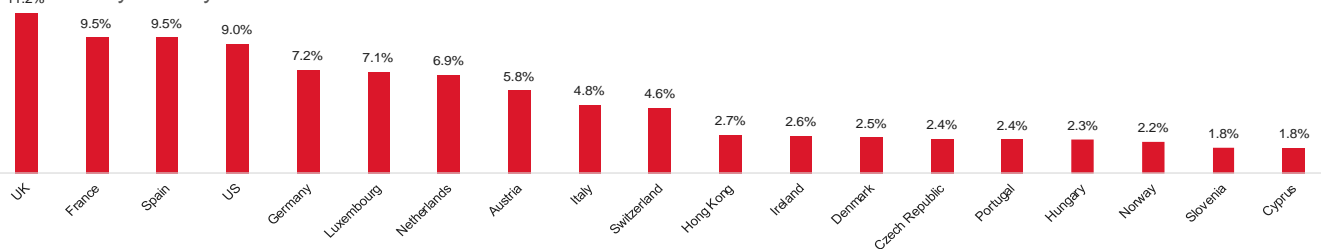
Breakdown by subordination³



Breakdown by rating³



Breakdown by country¹



Glossary

Debt subordination	The general principle is that when there is not enough money to pay all the debts, the subordinated debt will be paid after the other debts.
Tier 1	These securities do not have priority in the event of liquidation, they do not have a maturity date, their coupon is optional and cannot be accumulated. They are the riskiest debt securities and therefore offer some of the highest returns.
Legacy bonds	Hybrid debt that was eligible as regulatory capital under Basel 1 or Basel 2 and that is not eligible under Basel 3.
Contingent convertible (Coco)	Securities that can be converted into shares under certain circumstances, usually when a solvency ratio threshold has been crossed.
ITR (Implied Temperature Raise)	Also known as 2° alignment metric, is a forward-looking measure that attempts to estimate a global temperature associated with the greenhouse gas emissions of entities in a portfolio or investment strategy.
ESG	Refers to the Environmental, Social and Governance (ESG) criteria that enable an analysis of a company's non-financial performance.
Energy transition	Refers to the transition from the current energy production system, mainly based on fossil fuels, to an energy mix based largely on renewable or low carbon energies.

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Source : Axiom AI | ¹ Analysis calculated on the scope of interest rate instruments; all derivatives excluded except single-name CDS | ² Excluding Government bonds | ³ Fixed income securities only



Main risks

Risk of loss of capital: the sub-funds do not offer any protection or guarantee. As a result, investors may not be able to fully recover their initial investment.

Operational risk: the risk of losses resulting from inadequate or failed internal processes, people, systems or external events. The occurrence of these risks may cause the net asset value of the fund to fall

Currency risk: as some of the assets may be denominated in currencies other than the reference currency, the sub-fund may be affected by changes in exchange controls or in the exchange rates between the reference currency and these other currencies. For this reason, the sub-fund will systematically hedge against this risk. However, a residual risk remains. These exchange rate fluctuations may cause the net asset value of the sub-fund to fall.

Credit risk: this risk arises from the possibility that an issuer of bonds or debt securities may not be able to honour its payment obligations, i.e. the payment of coupons and/or the repayment of capital at maturity. Such a default may result in a decrease in the net asset value of the sub-fund (including total return swaps or DPSs). This also includes the risk of a downgrade of the issuer's credit rating.

Counterparty risk: A sub-fund that invests in OTC derivatives may be exposed to the risk arising from the creditworthiness of its counterparties and their ability to meet the terms of such contracts. The sub-fund may enter into forward contracts, options and swaps, including CDS, or use derivative techniques, which involves the risk that the counterparty may not meet its obligations under each contract.

Exchange rate: Any investment in equities may involve directly or indirectly an exchange rate risk. While the net asset value of the sub-fund is calculated in its reference currency, the performance of an underlying asset or its components denominated in a currency other than the reference currency will also depend on the exchange rate of that currency. Similarly, the currency other than the reference currency in which an asset of the sub-fund is denominated implies a currency risk for the sub-fund.

Liquidity risk: risk arising from the difficulty or impossibility of selling securities held in the portfolio when necessary and at the price at which the portfolio is valued, due to the limited size of the market or insufficient trading volumes on the market where these securities are usually traded. The realisation of this risk may result in a decrease in the net asset value of the sub-fund.

Use of derivatives: If a sub-fund whose performance is linked to an underlying asset frequently invests in derivatives or securities other than the underlying asset, derivative techniques will be used to link the value of the shares to the performance of the underlying asset. While the prudent use of such derivative techniques may be beneficial, derivatives also involve risks which in some cases may be greater than the risks associated with more traditional instruments. Transaction costs may be associated with the use of such derivatives.

Climate/ESG data risk: The Management Company's ESG integration process relies on third party data from climate/ESG data providers. Data providers may apply different models and use different sources of information, which may contain inaccurate, incomplete or unaudited data. In addition, where data is insufficient, data providers may use internal methods to produce subjective estimates and approximations. Similarly, the Management Company conducts qualitative analysis based on self-reported information, which is generally not audited by a third party. As the portfolio manager bases its investment decisions on this data, this uncertainty in data collection may have a negative impact on the performance of the portfolio.