

# AXIOM EUROPEAN BANKS EQUITY HC EUR(V) (LU1876459212)

**NAV:** 3,514.08 €  
**Monthly perf.:** 1.16%  
**YTD:** 42.75%

**Assets Under Management**

**471.02 M€**

**SRI<sup>1</sup>**

**SFDR<sup>2</sup>**

- Asset manager**  
Axiom Alternative Investments
- Legal Form**  
SICAV - UCITS under Luxembourg law
- Strategy inception date**  
23 March 2014
- Share class inception date**  
26 March 2014
- Valuation frequency**  
Daily
- Custodian**  
CACEIS Bank - Lux
- Valuer**  
CACEIS Lux
- Share class currency**  
EUR
- Cut-off and settlement day**  
12:00 CET, D+3 Business days
- Allocation of income**  
Accumulation
- Management Fees**  
2.00%
- Performance Fee**  
20% (if perf. > index)

## Investment objectives<sup>3</sup>

The objective of this fund is to achieve, over a minimum 5-year investment horizon, a return (net of management fees) similar to or greater than that of its benchmark (Stoxx Europe 600 Banks Net Return). The fund is actively managed and references the benchmark for comparative purposes only.

## Net of fees performance since inception (base 1000)

Fund created as a FCP under French law on 23 March 2014 before being absorbed by the SICAV Axiom Lux under Luxembourg law on 14 January 2019



## Historical performance net of fees (%)

	Cumulated Performances					Annualized Performances		
	YTD	1 month	1 year	3 years	5 years	3 years	5 years	Since inception
Axiom European Banks Equity - HC EUR(v)	42.75%	1.16%	51.86%	258.22%	453.9%	53.01%	40.83%	11.61%
Benchmark	45.49%	1.77%	54.89%	176.31%	292.37%	40.32%	31.44%	7.69%

	Annual performances									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Axiom European Banks Equity - HC EUR(v)	2.43%	-4.01%	12.71%	-37.89%	21.31%	6.84%	56.84%	2.03%	31.68%	45.6%
Benchmark	-0.4%	-2.83%	11.73%	-25.37%	13.52%	-24.42%	38.54%	1.06%	26.46%	33.03%

## Key metrics

Number of position	40	1 year Sharpe Ratio	2.05
1 year Beta	0,95	3 years Sharpe Ratio	1.68
Since inception correlation to the SX7R	0,96	5 years Sharpe Ratio	1.25
		1 year volatility	22.08%
		3 years volatility	24.83%
		5 years volatility	30.01%

Past performance is not indicative of future results

Source : Axiom AI | <sup>1</sup> Risk and reward profile represents the annual historical volatility of the compartment 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 compartment is not guaranteed and may change over time. The lowest risk category does not mean "risk free". The capital initially invested is not guaranteed | <sup>2</sup> Sustainable financial disclosure : products that promote environmental and/or social characteristics | <sup>3</sup> There is no guarantee that the investment objective will be achieved or that there will be a return on investment.

## AXIOM EUROPEAN BANKS EQUITY HC EUR(V) (LU1876459212)

### Monthly commentary

#### Portfolio Manager



Antonio Roman

August ended with a constructive tone across most markets, despite persistent political noise and mixed inflation data. Equities broadly advanced, led by financials: the SX7R gained +1.8%, outperforming the broader SXXR (+0.9%), while US banks rallied sharply (BKX +5.7%). Subordinated financial spreads widened modestly (Subfin 96 → 101 bps) and high-yield credit remained stable (Xover unchanged at 268 bps). In rates, the 10y UST yield fell (4.38% → 4.23%) as the FED sent dovish signals, while Bund yields edged higher (2.69% → 2.72%) and UK Gilts cheapened further (4.57% → 4.72%). Euro forward rates moved lower with the 1y1y EUR swap slipping from 2.13% to 2.06%.

On the macro front, market expectations have notably tilted toward a likely 25 basis-point cut at the Fed's September meeting. Chair Jerome Powell, speaking at the Jackson Hole symposium, acknowledged economic pressures - particularly from tariffs and immigration policies - and indicated the possibility that rate policy may need adjustment, softening the Fed's previously cautious tone. A weakening labor market and cooling consumer activity have emerged as valid concerns, even as inflation remains elevated above target. The Fed appears increasingly willing to balance its dual mandates by prioritizing support for employment. Political risk remained a background factor, with Trump intensifying criticism of the Fed's independence and targeting individual policymakers. Meanwhile, US PMIs surprised positively, confirming resilience, but rising output prices reminded markets that inflationary pressures have not vanished. On trade, progress was modest but supportive: the US and EU agreed on limiting tariffs (pharma and auto tariffs reduced to 15%), while the US-China truce was extended by 90 days. A federal

appeals court ruled that Trump's reciprocal tariffs were issued illegally, but agreed to maintain the tariffs while the case proceeds.

In the UK, the BoE cut rates 25 bps to 4.0%, but the decision was split (5-4), leaving the message more hawkish than the move itself. France emerged as a new source of volatility in Europe after Prime Minister François Bayrou called a confidence vote in the National Assembly to secure passage of his 2026 budget plan. The package — which includes spending cuts, a freeze on social benefits, and the proposed elimination of two public holidays — has triggered strong opposition and threats of a no-confidence motion. With both left (NFP, Socialists) and right (RN) parties opposing, the government risks collapse. The announcement pushed the OAT-Bund spread above 80 bps, its widest since April, before partially retracing as Bayrou sought dialogue. The episode underscores political fragility ahead of the Fitch review on 12 September (AA-, Negative outlook). Despite market volatility, French issuers remained active, with strong demand for new deals (e.g. SocGen €3bn+ orderbook).

The Q2 earnings season is nearly complete, with results broadly strong for banks and insurers. European bank equities reached their highest since 2009 supported by a continued rate steepening, solid underlying profitability, higher capital buffers, and a clean bill of health from the EBA stress tests. Insurers also reported constructive numbers, with lighter NatCat claims and improved P&C margins. Life insurance flows improved significantly, particularly in France and Italy. In the UK, the Supreme Court ruling on motor finance reduced systemic litigation risk: while one case (“Johnson”) confirmed liabilities for excessive commissions, the Court rejected the broader bribery and fiduciary duty claims, removing the threat of open-ended damages. The FCA estimates compensation between £9–18bn, well below earlier £44bn fears, with payouts unlikely before 2026.

M&A activity remained lively: Vienna Insurance is negotiating for Nuernberger, BNP is in advanced talks to acquire Mercedes' leasing unit (–€1bn), and UniCredit increased its Alpha Bank stake to 26% (CET1 hit of -65 bps but with expected €244mn net profit contribution from 2026). In Italy, speculation continues over BPM's openness to a tie-up with Crédit Agricole Italy. Aegon surprised by considering relocating its headquarters to the US, implying a shift in group regulator from Bermuda to the US.

Headlines on bank taxes emerged towards the end of the month. In Poland, the government proposed raising bank corporate tax to 30% in 2026 before tapering. In Italy, an extension of deferred tax asset suspension into 2027 is expected to raise €1–1.5bn. There were also some noises on a potential buyback tax. In the UK, The Institute for Public Policy Research recommended imposing a windfall tax on banks profits to recover from interests paid on banks' deposits held at the Bank of England. On the regulatory front, Germany's regulators are considering easing requirements for small banks (<€10bn assets), shifting from RWA-based ratios to a stricter leverage ratio framework and simplified liquidity rules. The initiative, while not a departure from Basel, could reduce compliance costs.

## AXIOM EUROPEAN BANKS EQUITY HC EUR(V) (LU1876459212)

### Portfolio breakdown (in % of assets)

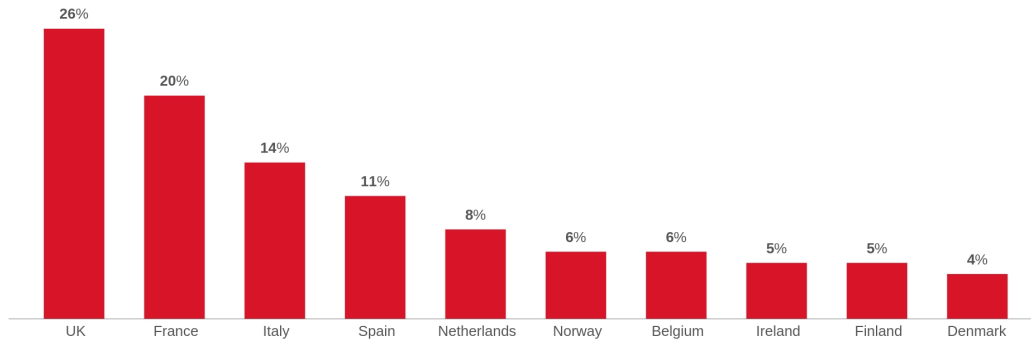
#### Top 5 issuers

Single-name derivatives included

Issuers	Weight
HSBC HOLDINGS PLC	9.02%
BNP PARIBAS	7.19%
DNB BANK ASA	6.06%
KBC GROUP NV	6.03%
BANCO SANTANDER SA	6.02%

#### Breakdown by country - Top 10

Analysis calculated on the scope of interest rate instruments; all derivatives excluded except single-name CDS



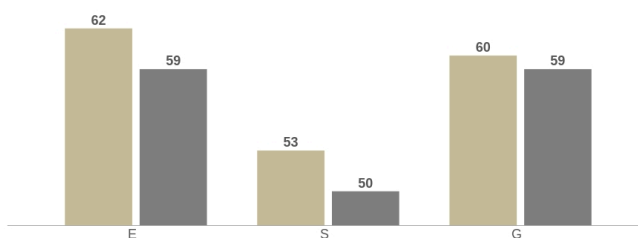
### ESG Key metrics

- Axiom European Banks Equity
- Investment universe

#### Key Metrics

	Average fund rating	Issuers coverage ratio	Fund issuer coverage	Average universe	Issuer coverage universe
ACRS	49%	81%	30	47%	60
°C	2.7	86%	32	2.7	61
ESG	58	95%	35	56	205

#### ESG by pillars



#### Top 5 positions ranked by ESG

Issuer	ESG	ACRS	ITR
BANCO BILBAO VIZCAYA ARGENTA	89	57%	2.8
INTESA SANPAOLO	86	56%	2.7
BANCO DE SABADELL SA	84	43%	2.7
ABN AMRO BANK NV-CVA	76	42%	2.6
NORDEA BANK ABP	70	55%	2.6

## AXIOM EUROPEAN BANKS EQUITY HC EUR(V) (LU1876459212)

### Composition of Costs

Investment 10,000 EUR and annual cost impact if you exit after 1 year

One-off costs		If you exit after 1 year
Entry costs	2.00% of the invested amount. This is the most you will be charged. The person selling you the Product will inform you of the actual charge.	200 EUR
Exit costs	2.00% of the invested amount. This is the most you will be charged. The person selling you the Product will inform you of the actual charge.	200 EUR
Ongoing costs (taken each year)		
Management fees and other administrative or operating costs	2.23% of the value of your investment per year. This figure is based on actual costs over the past year.	223 EUR
Transaction costs	1.46% of the value of your investment per year. This is an estimate of the costs incurred when we buy or sell the underlying investments for the Product. The actual amount will vary depending on how much we buy and sell.	144 EUR
Incidental costs taken under specific conditions		
Performance fees and carried interest	1.87% Description: 20% (All taxes included) maximum of the Product's annual performance beyond the performance of the Benchmarks.	187 EUR

### Main risks - For more information, please refer to the Prospectus.

**Futures and options:** Under certain conditions, the Sub-Fund may use options and futures on securities, indices and interest rates for different purposes (i.e. hedging and efficient portfolio management). Also, where appropriate, the Sub-Fund may hedge market and currency risks using futures, options or forward foreign exchange contracts. Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Please also refer to risks linked to "Leverage" above. Transactions in options also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

**Equity risk:** Due to its investment objective, this Product is exposed to equity market risk. As a result, its value may decline when equity markets fall particularly if financial sector equities underperform.

**Liquidity Risk:** Risk arising from the difficulty or impossibility of selling securities held in the portfolio when needed and at the portfolio's valuation price, due to the limited size of the market or insufficient trading volumes in the market where these securities are usually traded. The materialisation of this risk may lead to a fall in the Sub-Fund's net asset value.

### Glossary

<b>ACRS</b>	The Axiom Climate Readiness Score ACRS is a proprietary methodology developed by Axiom AI to better assess financial institutions' climate performance in terms of their exposure to climate-related risks and efforts to contribute to the energy transition. Please see our methodology : <a href="https://www.axiom-ai.com/fileadmin/user_upload/document/Investissement_responsable/Axiom-Climat-Readiness-Score-note.pdf">https://www.axiom-ai.com/fileadmin/user_upload/document/Investissement_responsable/Axiom-Climat-Readiness-Score-note.pdf</a>
<b>Beta</b>	Compares an asset's movements against its benchmark market, which helps determine its risk level relative to other benchmark assets.
<b>Correlation</b>	Correlation between two financial assets, or more generally between two random variables, is the strength of the link between these two variables. The closer the coefficient is to the extremes, the more the variables are correlated, i.e. linearly dependent on each other.
<b>ITR (Implied Temperature Rise)</b>	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.
<b>Information ratio</b>	Measures the excess return relative to a benchmark divided by the volatility of those excess return.
<b>Sharpe ratio</b>	Measures the difference in profitability of a portfolio of financial assets (e.g. equities) compared to the rate of return of a risk-free investment (i.e. the risk premium, positive or negative), divided by an indicator of risk, the standard deviation of the profitability of this portfolio, i.e. its volatility. The higher the standard deviation, the greater the risk-adjusted outperformance of the asset.
<b>Volatility</b>	The volatility of a security or fund indicates how much the price of that security or fund may vary, up or down, from its average price, over a given period of time.

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