BNP PARIBAS

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MULTI ASSET DIVERSIFIED DEFENSIVE NEWSLETTER

theam QUANT FUNDS

MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY | SEPTEMBER 2026

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INVESTMENT OBJECTIVE

The objective of the THEAM Quant - Multi Asset Diversified Defensive is to increase the value of its assets over the medium term, by being exposed to a diversified portfolio, the components of which are chosen using a systematic selection method based on different asset classes (equities, fixed income, commodities and real estate). The exposure to the portfolio will however be adapted in order to keep the fund's annual volatility at a target level of 5%*.

STRATEGY

- Diversified investment universe covering several asset classes to multiply investment opportunities;
- Dynamic allocation using a trend following approach, entirely reviewed each day, to ensure reactivity to changing market conditions;
- A flexible fund suitable for defensive clients looking for returns while limiting downside risk

These internal guidelines are for indicative purposes only; Prospectus and KID are prevailing.
**There is no guarantee that the performance objective will be achieved.*

PERFORMANCE

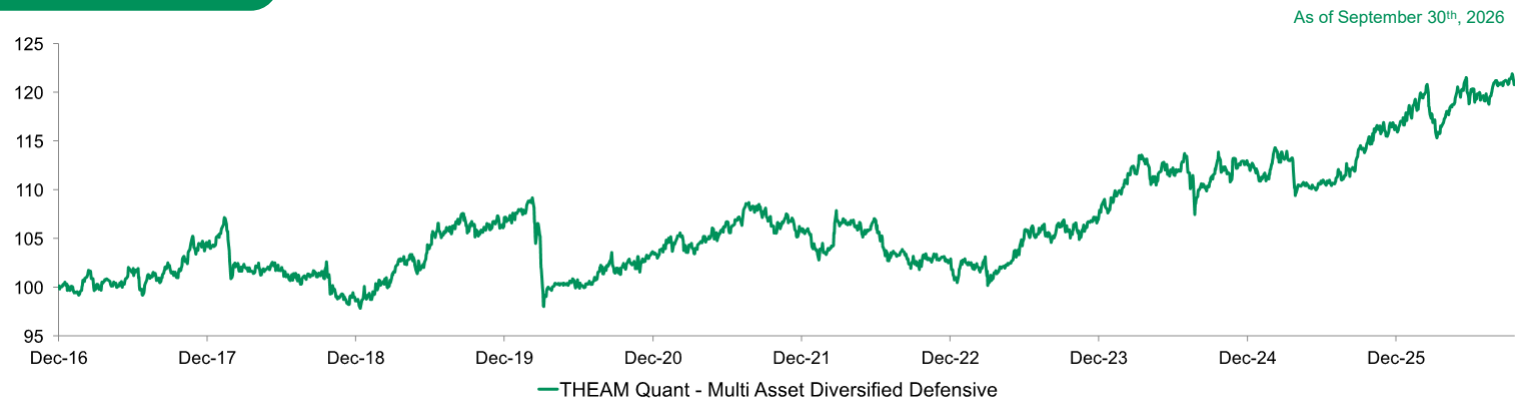
As of September 30th, 2026

Dec 16 - Sep 26	THEAM Quant - Multi Asset Diversified Defensive
Performance 1 month	0.10%
Cumulative Performance Year To Date	3.69%
Annualised Performance Since Start Date	1.96%
Annualised Volatility Since Start Date	4.79%
Annualised Sharpe Ratio Since Start Date	0.41
Max Drawdown Since Start Date	-10.22%

Refers to LU1352987872, THEAM Quant – Multi Asset Diversified Defensive – I EUR ACC <TQMDIAE LX Equity>.
Source: Bloomberg. Past performance is not an indicator of future performance.

Follow the icon to go to the fund page on the THEAM Quant website

PERFORMANCE



Refers to LU1352987872, THEAM Quant – Multi Asset Diversified Defensive – I EUR ACC <TQMDIAE LX Equity>.
Source: Bloomberg. Past performance is not an indicator of future performance.

MONTHLY COMMENTARY

THEAM Quant - Multi Asset Diversified Defensive had a positive performance in September (0.10%).

MACRO BACKGROUND

- September saw bond yields rise significantly against a backdrop of concerns over the health of public finances in major developed economies and expectations of more hawkish monetary policies in response to rising energy prices.
- The seizure by the Houthis of Mokha, a Yemeni port near the strategic Bab Al-Mandab Strait, along with attacks on Saudi oil facilities, pushed the price of Brent crude (which stood at $90.5 at the end of August) well above $100 starting from 10 September. It then fluctuated between $100 and $110, reflecting a geopolitical situation in the Gulf that remains very confused.
- On 10 September, the European Central Bank (ECB) decided on a 25bp hike (fully expected) of its three policy rates. The deposit rate was brought to 2.50%, and the more-hawkish-than-expected tone adopted on this occasion suggested further hikes to come. The press release stated that “the conflict in the Middle East continues to generate inflation pressures, and inflation is set to remain well above target for an extended period”. Inflation forecasts were revised upwards compared to the figures presented in June, notably due to the expected increase in services inflation.
- Following the Federal Open Market Committee meeting on 15/16 September, the US Federal Reserve (Fed) raised its policy rate by 25bp. The target federal funds rate, which had remained unchanged since last December, now sits within the 3.75% - 4.00% range. The decision was unanimous after the committee had appeared divided during previous meetings.
- Due to the significant rise in government bond yields against a backdrop of inflationary fears, global equities had a choppy ride in September. Major indices were also sensitive to oil price fluctuations, managing to rebound during periods when the price per barrel fell. Due to the high levels reached by long-term bond yields at the end of the month, the monthly performance for equities was negative (-1.3% for the MSCI AC World and -0.8% for the MSCI Emerging Markets in US dollars). In an environment where geopolitical risk has returned to the forefront, where a rapid solution to the Iran/US conflict seems difficult to envision, and as central bank communication turned more hawkish, equity performance could have been worse. In particular, the decline occurred without a significant increase in implied volatility. The VIX index, which had exceeded 30 during the first month of the conflict, occasionally approached 18 in September, compared to 15 at the end of August.
- However, the US and Japan benefited from the rebound in technology stocks and regained appetite for the AI theme (Nasdaq Composite +1.9%, Magnificent 7 +4.2%, S&P 500 -0.5%, Nikkei 225 +0.7%). The Eurozone underperformed (EuroSTOXX 50 -2.4%, MSCI EMU -2.0%), with France leading the decline (CAC 40 -4.4%). The FTSE 100 also lost 2.0%.
- The sell-off in government bonds pushed 10-year yields to levels not seen since 2007 in the US and the UK, since 2009 in Germany, and since 1996 in Japan. 10Y US Treasuries rose to 5.28%, and 10Y German Bunds ended at 3.59%. Both the Fed and the ECB raised policy rates by 25bp, with the possibility of further hikes later this year. The US dollar benefited from expectations of Fed policy rate hikes and the geopolitical context (DXY +2.0%).
- Brent (+14.20%) and WTI (+7.57%) Crude both rallied above $100 a barrel during September as the US renewed strikes on Iran and the Houthis stepped up attacks on Saudi Arabia energy facilities although prices somewhat retreated. Natural Gas fell (-1.24%) due to above average storage levels and lower winter demand expectations due to El Niño. Higher real yields and dollar strength weighed on metals demand (Gold -6.58%, Silver -9.59%). Nickel (-5.98%) was the notable underperformer among industrials due to persistent Indonesian supply and weak Chinese steel demand.

MONTHLY COMMENTARY

As of September 30th, 2026

PERFORMANCE

- In September, a resurgence of global inflation, driven by higher energy prices, prompted coordinated central-bank tightening. The strategy posted a neutral performance, supported by a short position in the German Bund and long exposure to commodities, while equity declines weighed on results. Allocation was primarily increased in the commodity component, and equity exposure was rebalanced from Europe to the United States.

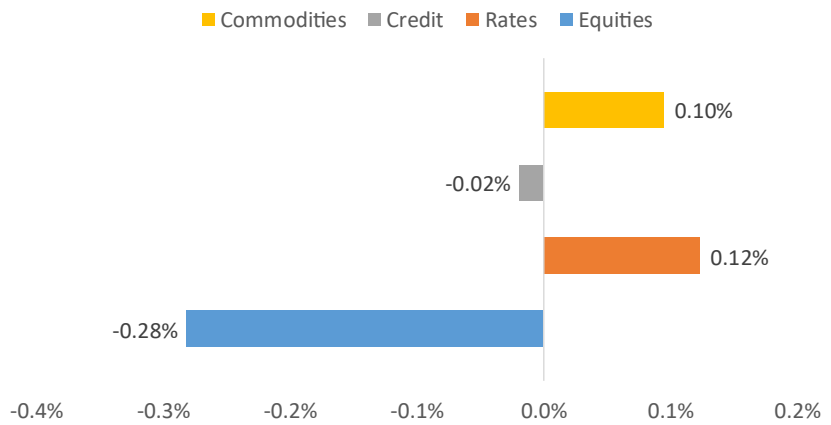
PERFORMANCE CONTRIBUTION

	Contribution	Current Weight	Weight Variation	Underlying Performance
	PER ASSET CLASS			
Equities	-0.28%	34.32%	3.83%	-1.18%
Rates	0.12%	0.30%	0.57%	-1.84%
Credit	-0.02%	7.05%	-3.45%	-0.29%
Commodities	0.10%	19.67%	6.15%	1.23%
	PER ASSET			
SX5E	-0.37%	12.43%	-5.62%	-2.52%
SPX	-0.13%	15.17%	3.10%	-0.62%
NKY	0.12%	4.73%	3.62%	1.21%
HSCEI	0.09%	-2.99%	-0.06%	-3.10%
EEM	0.00%	0.34%	2.79%	-0.82%
EU 5Y Bonds	-0.14%	9.26%	-3.45%	-1.25%
EU 10Y Bonds	0.40%	-20.84%	6.27%	-1.96%
US 10Y Bonds	-0.04%	1.62%	-4.87%	-3.26%
JP 10Y Bonds	-0.08%	9.43%	2.63%	-0.88%
IG EU 5Y Bonds	0.00%	0.02%	-0.53%	-0.20%
HY EUR	-0.02%	9.24%	-2.92%	-0.38%
Commodities	0.10%	16.45%	6.15%	1.23%

Source: Bloomberg, BNP Paribas. Refers to the index to which the fund is exposed.
Past performance is not an indicator of future performance.

MONTHLY COMMENTARY

MONTHLY PERFORMANCE ATTRIBUTIONS



Source: Bloomberg, BNP Paribas. Refers to the index to which the fund is exposed.

FUND CHARACTERISTICS AND RISKS

As of September 30th, 2026

The strategy is based on three main principles, benefits from high flexibility on underlying assets (leverage, shorts), while remaining net long in each asset class and controlling volatility at 5% per annum.

DETECTION OF TRENDS



PORTFOLIO RISK DIVERSIFICATION



INCREASED REACTIVITY THROUGH DAILY REBALANCING



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FUND CHARACTERISTICS AND RISKS

Fund	**THEAM QUANT- MULTI ASSET DIVERSIFIED DEFENSIVE**			Capital protection	No
Management Company	BNP PARIBAS ASSET MANAGEMENT Europe			Minimum Investment horizon	3
Comparative Index	No benchmark			Legal form	SICAV
Assets under Management	EUR 23.59 million as of 30 September 2026			SRI Ranking (scale from 1 to 7)*	2
SFDR article	6 – Sustainability Risks : This products integrates the analysis of sustainability risks in its investment process pursuant to article 6 of the EU regulation 2019/2088.				
Share	I ACC	C ACC	C DIS	I GBP RH ACC H	Privilege ACC
Launch date	13 December 2016	13 December 2016	01 February 2017	02 March 2017	29 October 2019
ISIN code	LU1353187872	LU1353186122	LU1353186395	LU1353188334	LU1353186809
Bloomberg code	TQMDIAE LX	TQMDCAE LX	TQMDCDE LX	TQMDIGH LX	TQDDPEA LX
Ongoing charges	0.67%	1.56%	1.56%	0.67%	0.91%
Subscription / Exit fees	None / None	3.00% / None	3.00% / None	None / None	3.00% / None
Minimum subscription	100K € equiv	No minimum	No minimum	100K € equiv	1 M € / Ptf Mgr None
Passporting	Germany, Spain, Belgium, Ireland rep., Austria, France, Switzerland, Italy, Luxembourg	France, Ireland rep., Luxembourg, Austria, Belgium, Switzerland, Spain, Italy, Germany	Germany, Belgium, France, Italy, Austria, Switzerland, Luxembourg	Luxembourg, Switzerland	Switzerland, Germany, France, Luxembourg, Belgium, Italy

**The Summary Risk Indicator is determined on a scale from 1 to 7 (7 being the highest risk level), the higher the risk, the longer the recommended investment horizon.*
For all shares available, please refer to the prospectus here.
Following the Sustainable Finance Disclosure Regulation (SFDR), financial entities, such as BNP Paribas Asset Management, which sell products in EU are required to classify the products they manufacture/advise into one of three categories: products with sustainable investment objectives (Article 9); products promoting environmental/social characteristics (Article 8); products which neither correspond to Article 8 or Article 9 (Article 6).

WHAT ARE THE RISKS?

The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested.

Liquidity Risk: This risk arises from the difficulty of selling an asset at a fair market price and at a desired time due to lack of buyers.

Counterparty Risk: linked to the default of a counterparty on over-the-counter markets.

Risk related to the use of forward financial instruments: In order to achieve its investment objective, the UCITS makes use of forward financial instruments traded over-the-counter that allow it to replicate the performance of the strategy. These instruments may involve a series of risks that could lead to adjustments or even the early termination of the instrument, which may affect the net asset value of the UCITS.

For the full list of risks, please refer to the prospectus.

As of September 30th, 2026

DISCLAIMER

"THEAM Quant" is the generic name given to a broad range of systematic strategies designed by BNP Paribas Global Markets and mostly implemented in Funds managed by BNP Paribas Asset Management

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