

THEAM QUANT – EQUITY US
FACTOR DEFENSIVE FUNDtheam QUANT
FUNDS

DEFENSIVE SOLUTIONS

MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY | AUGUST 2024

OBJECTIVE

- The THEAM Quant - Equity US Factor Defensive Fund aims at generating excess returns over the market benchmarks by being exposed to a risk-balanced portfolio composed of four core equity factors - momentum, quality, low volatility and value. In addition to that, the Fund implements a systematic options strategy which aims at reducing risk by minimizing volatility in the Fund.

KEY POINTS

- The THEAM Quant - Equity US Factor Defensive Fund is exposed to the US equity market
- Its core – the US Multi-Factor strategy – combines equity factors aiming to maximize return in a low correlated portfolio
- A short term call option overlay strategy with the objective to generate additional income while limiting the fund's volatility
- A long term put option strategy aiming to reduce the fund's volatility

STRATEGY

Multi-factor portfolio¹⁾

The portfolio is based on a systematic investment process that selects equities through a combination of four investment style factors:



Low vol



Momentum



Value



Quality

These factors are combined through a mechanism which aims at maintaining an equal-risk allocation across them.

Lastly, the portfolio is built taking into account investment constraints:

- Long-only
- Beta: 1 (use of futures)
- Weights ranging from 0.2% to 2%
- Ex-ante tracking error: 3.5% (with regards to the S&P 500 Index)
- Turnover control
- Between 50 and 150 stocks

YIELD ENHANCEMENT

MULTI-FACTOR
PORTFOLIO

RISK REDUCTION

Yield Enhancement

The Fund employs a call option overlay strategy on the S&P 500 Index so as to generate an additional income by selling some part of potential future growth of the American equity market and reinvesting the proceeds received

Volatility and drawdown reduction

The Fund also uses a put option strategy which aims at reducing volatility as well as drawdowns by half.

Source: BNP Paribas. For illustrative purpose only.

¹⁾The US Multi-Factor Strategy is a Total Return Index, in USD (Bloomberg Code: BNPIDFUT Index).

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1Y Rolling Beta over S&P 500 index



Source: BNP Paribas, Bloomberg, as of 28 April 2023. Performance simulations from 31 December 2007 to 28 February 2019, historical data thereafter. This is for general information only and should not be used as a basis for making any specific investment, business or commercial decisions. Any economic and market trend, prediction, projection or forecast is not necessarily indicative of the future or likely performance of the funds. This is a simulation of past performance, past performance or achievement is not indicative of current or future performance.

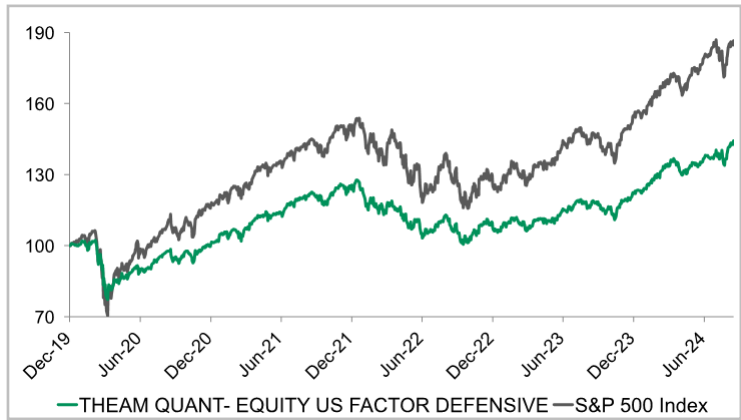
THEAM Quant - Equity US Factor Defensive Fund

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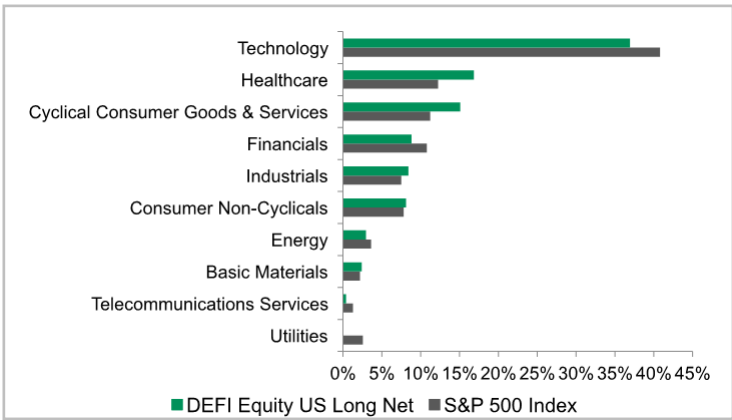
PERFORMANCE ANALYSIS

As of August 30th, 2024

Historical Performance (net of fees, Share I-Acc USD)



Sector Distribution (Equity portfolio)



Performance and Risk Statistics (net of fees, Share I-Acc USD)

				1M	3M	1Y	3Y p.a.	5Y p.a.	Global p.a.			Volatility p. a.	Max. Drawdown			
THEAM QUANT- EQUITY US FACTOR DEFENSIVE				Return	2.84%	7.35%	21.64%	5.78%	-	8.09%	Risk	13.71%	-24.53%			
SPTR500N Index					2.38%	7.28%	26.58%	8.87%	-	14.15%		21.77%	-33.83%			
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	Fund	2.52%	4.67%	3.38%	-4.77%	3.18%	2.06%	2.28%	2.84%							17.02%
	SPTR500N	1.65%	5.29%	3.18%	-4.11%	4.91%	3.55%	1.19%	2.38%							19.19%
2023	Fund	4.02%	-1.67%	1.60%	0.80%	-0.53%	5.22%	2.40%	-0.65%	-3.15%	-1.98%	6.23%	3.08%			15.93%
	SPTR500N	6.25%	-2.49%	3.62%	1.53%	0.38%	6.57%	3.18%	-1.65%	-4.80%	-2.13%	9.07%	4.51%			25.67%
2022	Fund	-7.02%	-1.64%	-0.01%	-5.18%	0.08%	-4.99%	4.65%	-3.00%	-5.81%	5.74%	4.63%	-4.37%			-16.60%
	SPTR500N	-5.20%	-3.04%	3.67%	-8.74%	0.13%	-8.30%	9.19%	-4.13%	-9.25%	8.06%	5.52%	-5.80%			-18.51%
2021	Fund	0.59%	0.30%	5.63%	2.85%	1.23%	2.74%	2.42%	2.05%	-3.57%	4.16%	-0.05%	4.20%			24.65%
	SPTR500N	-1.04%	2.71%	4.34%	5.31%	0.65%	2.30%	2.35%	3.00%	-4.68%	6.98%	-0.73%	4.45%			28.16%
2020	Fund	-2.19%	-6.06%	-10.18%	5.58%	3.21%	0.19%	4.27%	3.76%	-2.61%	-2.57%	6.94%	3.23%			2.11%
	SPTR500N	-0.08%	-8.29%	-12.40%	12.78%	4.69%	1.94%	5.60%	7.13%	-3.84%	-2.69%	10.89%	3.81%			17.75%
2019	Fund														0.18%	0.18%
	SPTR500N														56.50%	1.27%

Sources: Bloomberg, BNP Paribas. Historical performance of the Share I (USD) Acc since 16 December 2019. Fund's performance is expressed net of management fees and in USD. Comparative index: S&P 500 Net Total Return Index, Bloomberg code: <SPTR500N Index>. Comparative index for illustrative purposes only. This index does not represent an official benchmark of the fund. This is for general information only and should not be used as a basis for making any specific investment, business or commercial decisions. Any economic and market trend, prediction, projection or forecast is not necessarily indicative of the future or likely performance of the funds. Past and present performance is not a reliable indicator of future results. For further information, and in particular the risks of the product, please refer to the Prospectus and KIDs of the fund.

FUND CHARACTERISTICS

Fund	THEAM QUANT- EQUITY US FACTOR DEFENSIVE					Capital protection	No
Management Company	BNP PARIBAS ASSET MANAGEMENT Europe					Minimum Investment horizon	5
Comparative Index	S&P 500 Index					Legal form	SICAV
Assets under Management	USD 6.64 million as of 30 August 2024					SRI Ranking (scale from 1 to 7)*	4
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 USD	C ACC USD	I ACC -	C ACC EUR	I ACC EUR H		
Launch date	16 December 2019	16 December 2019	21 December 2020	18 December 2020	18 December 2020		
ISIN code	LU2051092851	LU2051091705	LU2051093073	LU2051091960	LU2051093156		
Bloomberg code	TQEUDIU LX	TQEUDCU LX	THUFDIE LX	THUFDCE LX	THUFDIH LX		
Ongoing charges	0.87%	1.62%	0.87%	1.62%	0.87%		
Subscription / Exit fees	None / None	3.00% / None	None / None	3.00% / None	None / None		
Minimum subscription	100K \$ equiv	No minimum	-	No minimum	100 K€		
Passporting	Switzerland, Germany, France, United Kingdom, Italy, Luxembourg	Belgium, Switzerland, Germany, France, Italy, Luxembourg	Switzerland, Germany, France, Italy, Luxembourg	Belgium, Switzerland, Germany, France, Italy, Luxembourg	Switzerland, Germany, France, Italy, Luxembourg		

The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay, the fund described being in risk of capital loss. Following the new Sustainable Finance Disclosure Regulation (SFDR) that came into force on the 10th of March 2021, financial entities such as BNP Paribas Asset Management who sell products into the EU are required to classify the products they manufacture or advise into three categories: products with sustainable investment objective (Article 9); products promoting environmental or social characteristics (Article 8); products neither Article 8 or Article 9 (Article 6). *The summary risk indicator is determined on a scale from 1 to 7 (7 being the highest risk level). It is subject to a periodical computation and can consequently change over time. We invite you to consult regularly the KID.

Funds' main common risks

- The following list of risk factors associated with the funds is not exhaustive. The risk factors that should be considered in connection with any investment include (but are not limited to) the following:
- An investment in the funds may involve a significant degree of risk. Investment in the funds is only suitable for those persons who are able to bear the economic risk of the investment, understand the degree of risk involved, believe that the investment is suitable based upon their investment objectives and financial needs, and have specific needs for liquidity of investment. There can be no assurance that the funds' objectives will be achieved or that there will be any return of capital.

Economic conditions

- The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the equity markets. Unexpected volatility or illiquidity in the markets in which the funds hold positions could impair the funds' ability to carry out their business or cause them to incur losses. None of these conditions is within the control of the funds or its management company and/or investment manager and no assurances can be given that the funds or its management company and/or investment manager will anticipate these developments.

The funds will possess inherent risks

- These include, among other things, credit, liquidity, volatility, currency and interest rate risk, the financial condition of the underlying obligors, general economic conditions, market price volatility, the condition of certain financial markets, political events and developments or trends in any particular industry.

Currency exchange risk

- The value of an investment may be affected by fluctuations in the currency of the country in which the investment was made, or exchange control regulations.

Interest rate risk

- The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc.

Derivatives risk

- The use of derivatives by the funds includes various risks. Those risks are (without limitation), the lack of secondary market liquidity under circumstances, valuations risks, the lack of standardization and regulation, the risk of leverage, the risk of counterparty.

Liquidity risk

- There is a risk that investments made in funds may become illiquid due to an over-restricted market (often reflected by a very broad bid-ask spread or by substantial price movements), or if their "rating" declines or their economic situation deteriorates.

Credit risk

- This is the risk that may derive from the rating downgrade of a bond issuer to which the funds are exposed, which may therefore cause the value of the investments to go down. Funds investing in high-yield bonds present a higher than average risk due to the greater fluctuation of their currency or the quality of the issuer.

Risk linked to equity markets

- The risks associated with investments in equities (and similar instruments) include significant fluctuations in prices, negative information about the issuer or market and the subordination of a company's equities to its bonds. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay.

Counterparty risk

- This risk relates to the quality of the counterparty with whom the funds do business or enter into various transactions. This risk reflects the counterparty's ability to honor its commitments (payment, delivery, repayment, etc.)

The investments in the funds are subject to market fluctuations and the risks inherent in investments in securities. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay. Investors are warned that the capital invested may not be fully recovered, mutual funds described in this document being in risk of capital loss and risk of counterparty. Past performance is not indicative of future performance.

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