



THEAM QUANT - EQUITY WORLD
DEFI MARKET NEUTRAL

theam QUANT
FUNDS

ALTERNATIVES

MARKETING COMMUNICATION | FOR PROFESSIONAL CLIENTS ONLY | JUNE 2020

Objective

The THEAM Quant - Equity World DEFI* Market Neutral Fund aims to increase the value of its assets over the medium term regardless of market conditions, by being exposed to a leveraged long/short dynamic basket of equities and futures listed on worldwide markets or operating on these markets, the components of which are chosen using a systematic selection method based on a fundamental analysis of companies.

*Diversified Equity Factor Investing

Key Points

- Absolute Returns: the strategy aims to deliver positive returns regardless of market conditions through a market neutral exposure to 4 core equity factors: Value, Quality, Low Volatility and Momentum.
- Leveraged Alpha: it is designed to display 8-9% annualised volatility¹ in order to enhance performance as compared to unleveraged market neutral funds, which often exhibit lower levels of volatility.
- Low Correlation: it is conceived to have a low correlation to traditional asset classes including equities and bonds.
- Proven Expertise: it results from the collaboration between BNP Paribas Asset Management financial engineering and BNP Paribas quantitative investment strategies (QIS) teams, the latter focused exclusively on the development of systematic strategies, many of those having been already implemented as UCITS solutions.

THE SELECTED CORE EQUITY FACTORS

	Value	Prefer cheaper companies from each sector		Quality	Prefer companies with a profitable business model in each sector
	Low Volatility	Prefer companies with a steady pace in each sector		Momentum	Prefer companies with a positive trend

Innovative Methodology

I Individual Factor Portfolios Definition	II Risk-Balanced Combination	III Market Neutral Portfolio Construction
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The methodology includes a scoring of the eligible stocks, based on low correlated metrics used as indicators for each equity factor. A higher score means a higher weight in the individual factor portfolio, granted that sector and size biases are neutralised.

The individual factor portfolios are combined so that each factor contributes equally to the aggregate portfolio volatility. The fund takes a long position in the aggregate multi-factor portfolio.

Market risk is narrowed through short positions in regional market indices: S&P 500, EURO STOXX 50 and Nikkei 225, whose weights are adjusted in order to achieve a beta close to 0 versus the MSCI World Index.



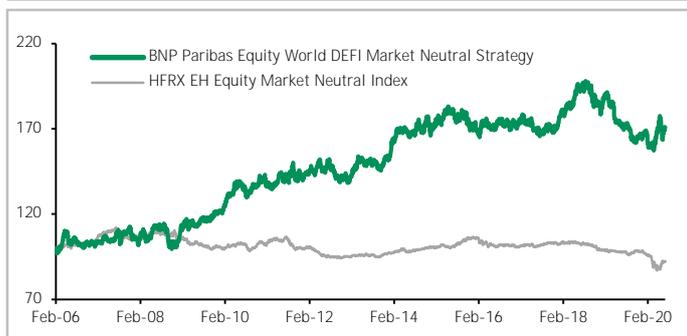
¹These internal guidelines are mentioned for your information only and are subject to change. Prospectus guidelines and the KIID are leading. For further information, and in particular the risks of the product, please refer to the Prospectus and KIIDs of the fund.

THEAM Quant - Equity World DEFI Market Neutral

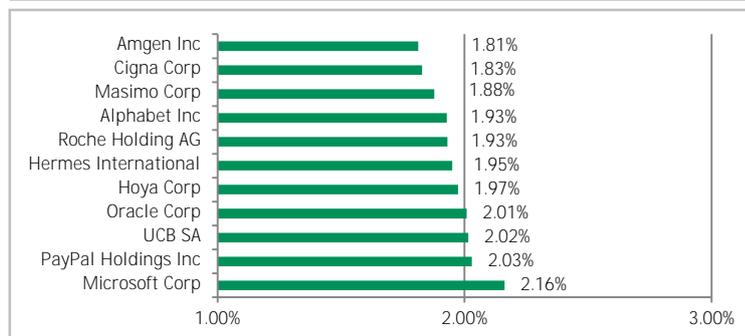
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Simulated Performance Analysis

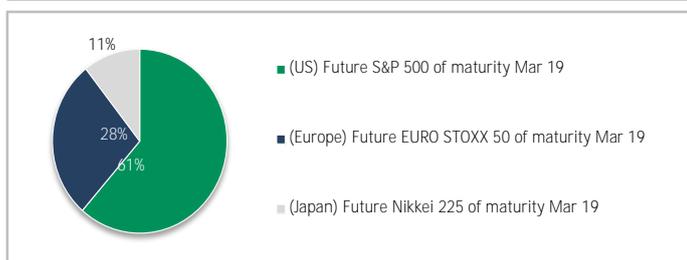
Simulated Performance¹



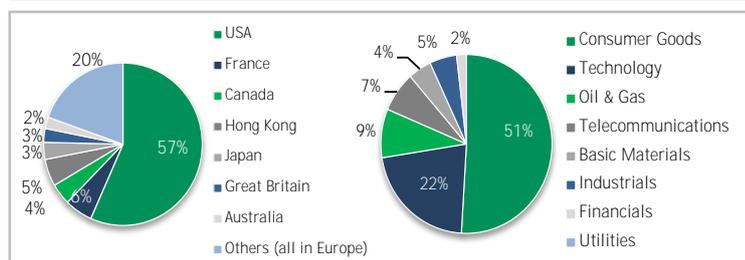
Long Leg Top Ten Holdings (out of 164 stocks)²



Short Leg Holdings²



Long Leg Country and Sector Exposure²



Simulated Performance and Risk Statistics¹

		1M	3M	1Y	3Y p. a.	5Y p. a.	Global p. a.		Volatility p. a.	Max. Drawdown				
BNP Paribas Equity World DEFI Market Neutral Strategy	Return	0.02%	6.02%	-0.94%	0.09%	-0.95%	3.78%	Return	8.71%	-20.60%				
HFRX EH Equity Market Neutral Index	Return	1.92%	3.02%	-5.78%	-3.03%	-1.83%	-0.55%	Return	4.23%	-22.42%				
		Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	YTD
2020	Strategy	-3.48%	-1.43%	0.68%	5.04%	0.92%	0.02%							1.55%
	HFRX	-1.55%	-0.44%	-5.93%	-0.91%	2.01%	1.92%							-5.01%
2019	Strategy	3.04%	-1.22%	-0.81%	-6.33%	-0.10%	-0.86%	-0.23%	-1.43%	-3.63%	0.39%	0.94%	1.58%	-8.63%
	HFRX	0.13%	-1.42%	0.75%	-0.50%	-0.15%	0.14%	-0.71%	-1.12%	1.65%	0.54%	-0.32%	-0.82%	-1.87%
2018	Strategy	1.45%	1.78%	0.43%	1.07%	5.50%	-1.37%	-0.06%	2.65%	-1.00%	-4.20%	-1.55%	-0.03%	4.43%
	HFRX	1.19%	-0.30%	-0.16%	-0.07%	0.14%	-0.61%	-0.15%	0.29%	-0.83%	-0.72%	-1.55%	-0.43%	-3.16%
2017	Strategy	2.48%	0.25%	-0.49%	0.78%	-3.23%	0.09%	-1.39%	0.77%	1.49%	-1.90%	0.62%	3.97%	3.27%
	HFRX	0.75%	0.01%	0.74%	0.12%	-1.50%	0.60%	0.51%	0.91%	0.63%	-0.34%	0.04%	-0.72%	1.73%
2016	Strategy	-2.09%	3.32%	-0.90%	0.25%	-2.15%	0.95%	2.52%	-2.01%	1.37%	-2.02%	1.24%	-1.25%	-0.98%
	HFRX	-0.21%	-1.55%	-0.84%	-1.86%	0.44%	-1.00%	1.19%	-0.44%	0.36%	-0.13%	-0.04%	-1.07%	-5.08%
2015	Strategy	1.23%	1.29%	1.02%	1.31%	1.22%	-1.06%	-0.54%	-0.12%	-0.64%	-1.28%	-1.83%	0.58%	1.12%
	HFRX	0.12%	0.52%	1.04%	-1.46%	-0.45%	1.09%	1.44%	0.18%	2.02%	1.07%	-0.53%	0.34%	5.45%
2014	Strategy	6.95%	2.81%	0.56%	-0.03%	-1.46%	-0.08%	-0.78%	5.10%	-3.92%	3.47%	-1.48%	-0.45%	10.66%
	HFRX	0.72%	0.73%	0.63%	0.55%	-1.84%	0.42%	0.22%	0.86%	0.35%	1.01%	-0.06%	0.01%	3.63%

Fund characteristics

	THEAM Quant - Equity World DEFI Market Neutral
Management Company	BNP Paribas Asset Management France
Comparative Index	HFRX EH Equity Market Neutral Index ³
Type	Sub-fund of Luxembourg SICAV THEAM QUANT, UCITS V compliant
Assets under Management	EUR 37.51 million as of (30 June 2020)
Capital protection	No
Minimum Investment horizon	The higher the risk, the longer the recommended investment horizon
SRRI Ranking (scale from 1 to 7) ⁴	4
Share	I (USD) ACC
Launch date	13 December 2017
ISIN code	LU1685640408
Bloomberg code	TQMNIU LX
Ongoing charges	0.60% (as of Feb. 2019)
Max. Subscription / Exit fees	0.00%/None
Minimum subscription	100K USD
Passporting	Austria / Belgium / France / Germany / Italy / Switzerland / UK

³This index does not represent an official benchmark of the fund.

⁴The synthetic 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 KIID. 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.

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 or 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.)

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