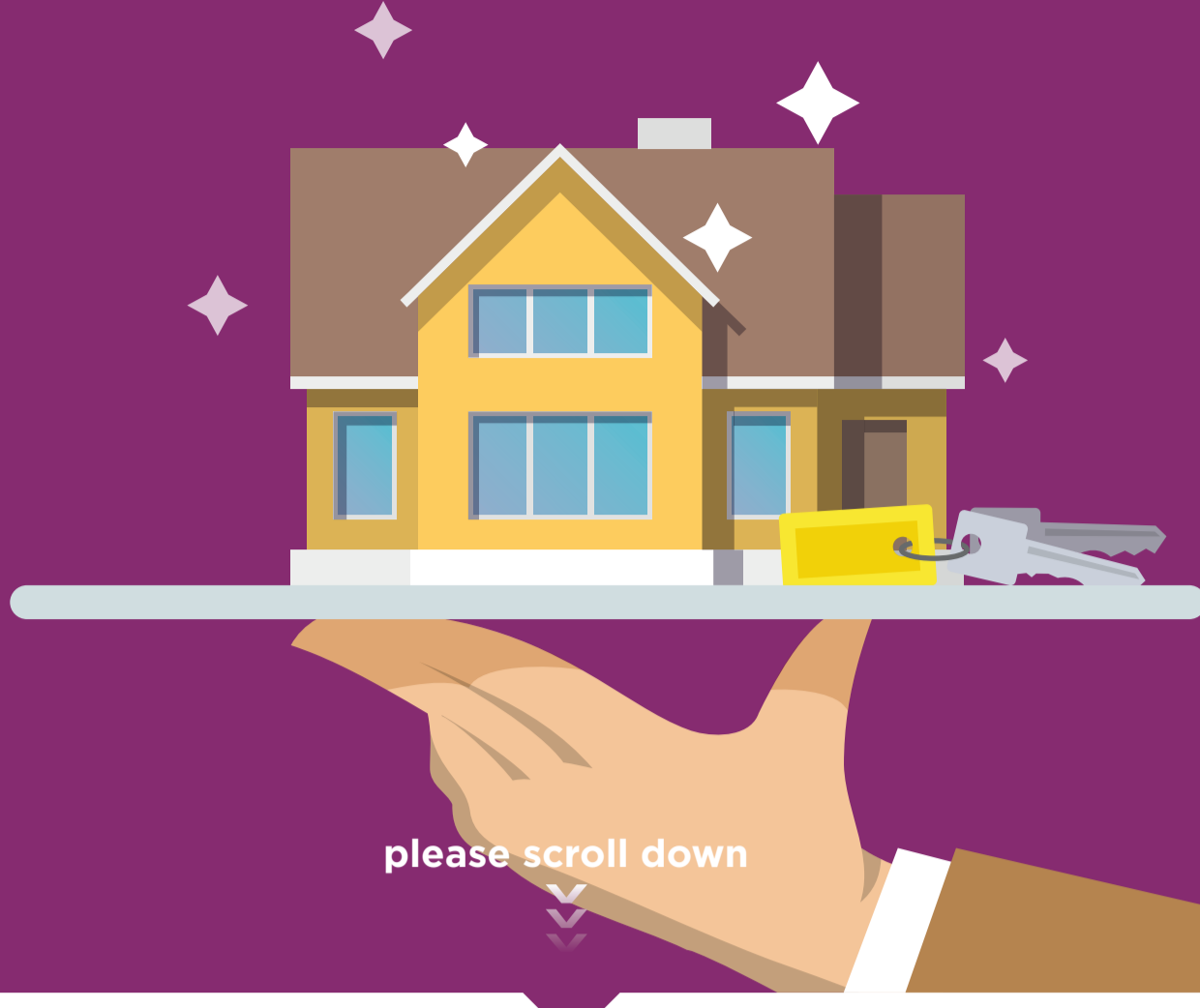


Mortgages



please scroll down

Mortgages are residential secured loans that help individuals to buy housing.

They correspond to core banking business (prime loans) and provide investors with new market opportunities.

Large and well-established market :
Outstanding European Residential Mortgages market in 2014 was

EUR **6.9** Trillion

(Source EMF Hypostat 2015)

New regulatory requirements and balance sheet optimization attempts have lead European banks to share mortgage exposure (for the Dutch market).



Potential Investors



Advantages



Disadvantages

Low correlation with traditional asset classes

Lower liquidity than residential mortgage-backed securities

Favourable treatment under Solvency 2 compared to traditional asset classes

Sourcing of the asset class

Long-term fixed rate*

Prepayment option

Credit quality (low historical defaults with high recovery rates)*

No upside potential above par value

* For the Dutch market

For more details go to www.axa-im.com

* The information above is forward-looking information and as such, is based upon certain assumptions, which are unlikely to be consistent with, and may differ materially from, actual events and conditions. In addition, not all relevant events or conditions may have been considered in developing such assumptions. Accordingly, actual results will vary and the variations may be material. ** Past performance is not indicative or constitutes a representation or guarantee as to future results or performance. The data provided above are intended only to give recipients information concerning the past performance of the asset class described herein and are not intended as a representation or warranty by AXA IM, or any other person or entity as to the actual composition of or performance of any future investments. This material is used for informational purposes only and does not constitute, on AXA Investment Managers ("AXA IM") part, an offer to buy or sell, solicitation or investment advice in any particular product or strategy. For professional advisors only. Not for private investors. The recipient represents that it is able to receive this material without contravention of any applicable legal or regulatory restrictions in the jurisdiction in which it resides or conducts business. This material has been established on the basis of data, projections, forecasts, anticipations and hypotheses which are subjective. Analysis and conclusions are the expression of an opinion, based on available data at a specific date. This material contains historical market data; however, historical market trends are not reliable indicators of future market behaviour. Any historical investment results described in this material are not indicative of the future investment results. Such results are intended only to give indicative information. Unless otherwise noted, information provided herein is current as of September 2016. This material may be modified without notice and AXA IM shall not be obligated, update or otherwise revise this document. All information in this material is established on data given made public by official providers of economic and market statistics. AXA IM disclaims any and all liability relating to a decision based on or for reliance on this material. This material is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. AXA IM makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained herein. AXA IM makes no representations and has given you no advice concerning the appropriate tax, legal, accounting and regulatory treatment of any investment. Prior to making an investment decision, an investor should conduct such investigations as such investor deems necessary in order to determine if an investment is appropriate and suitable for such investor and should consult such investor's own legal, accounting and tax advisers in order to determine the consequences of an investment and to make an independent evaluation of such investment.