

## Ver Capital European Corporate Selection

Ver Capital European Corporate Selection is a UCITS IV Compliant with daily NAV. The objective of the sub-fund is to increase the value of the invested capital, mainly investing in high yield bonds and other fixed and floating rate securities. The sub-fund shall be characterized by a bottom-up investment approach in which single issuers are selected on the basis of an accurate analysis aimed at assessing their credit profile. The sub-fund will invest in 30/35 issuers with a take and hold approach.

Available on [All Funds platforms](#) (Institutional class)

Inception date June 4<sup>th</sup>, 2018

### Market

In the month of July 2020, the markets started to see a strong recovery as well as the full picture of the negative impact caused by Covid-19. The markets dropped in beginning of the month after officials warned economy would take longer to recover and industrial data from Germany coming weaker than expected. In the second half, however, investors came back to risk assets due to news on the scientists' progress in developing a vaccine for the coronavirus. Such news brought optimism to financial markets after recent struggles in the face of new outbreaks across the US and Asia. The euro and the European markets saw a strong surge in the second half of the month, pulled by progress in the historic stimulus package negotiations. The "frugal" four governments that had been holding up negotiation agreed on the rescue package. In US the dovish remarks of the FED were not sufficient to stop the negative sentiment of the markets after historical negative quarterly GDP results of the main economies. On the other hand, many market players are pricing in

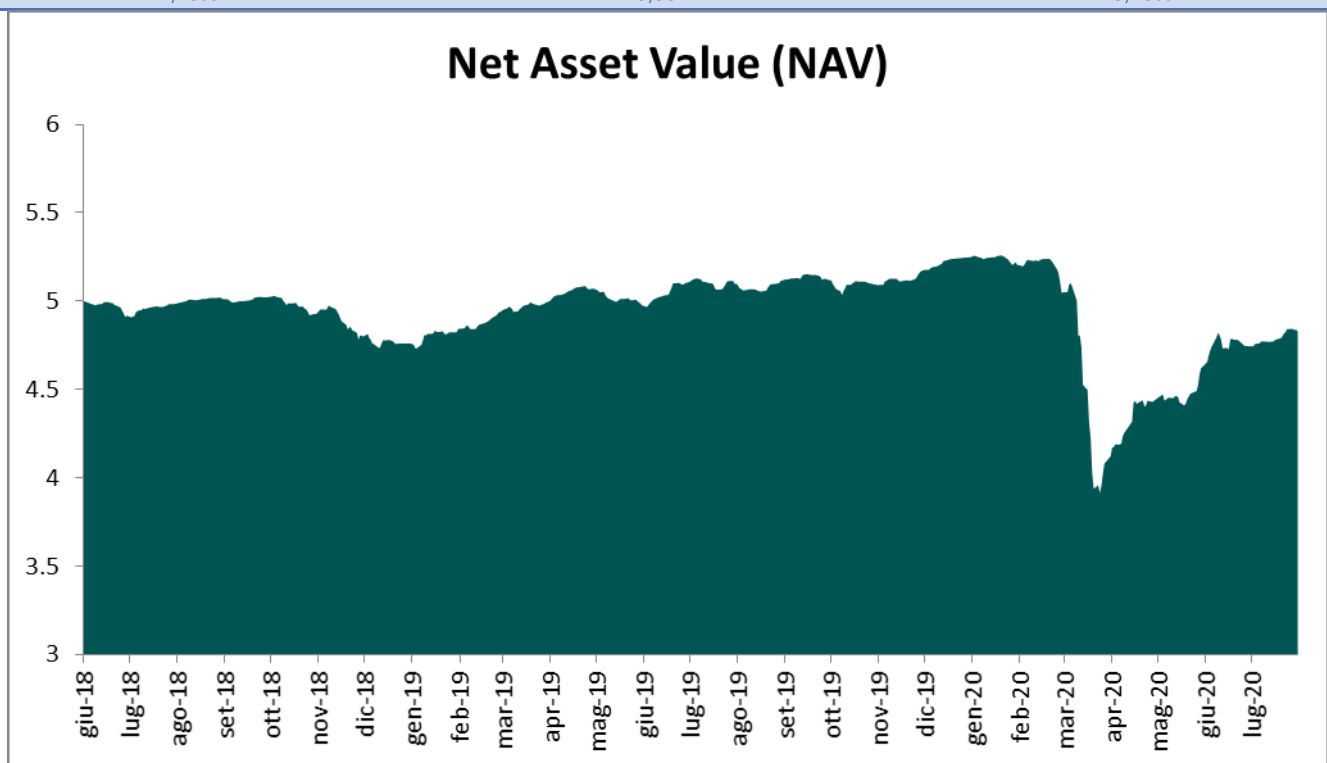
that the worst of the downturn is past, albeit the recovery could be slower than what was previously expected. Even though the month closes in a sour note, July was a positive month for the HY market. The month closed down on a positive trend with the Crossover tightening from 382 to 377 bp.

### Investment Tactics

The Fund experienced higher volatility because it is exposed to cyclical sectors. In particular, the portfolio is exposed to auto parts, which slightly less exposed than auto makers in the current environment, and some retail names. We underweighted some names during the month of April, in particular those ones with weaker capital structures like Balta and Antolin. In the portfolio rotation some telecom names have been added among with utilities like Alerion and RWE which should be less exposed to the Covid 19 impacts.

### NAV Performance

1 Month	YTD	Since Inception (Jun. 4 <sup>th</sup> , 2018)
+1,75%	-8,06	-3,48%



**Performance:** Ver Capital European Corporate Selection NAV since inception

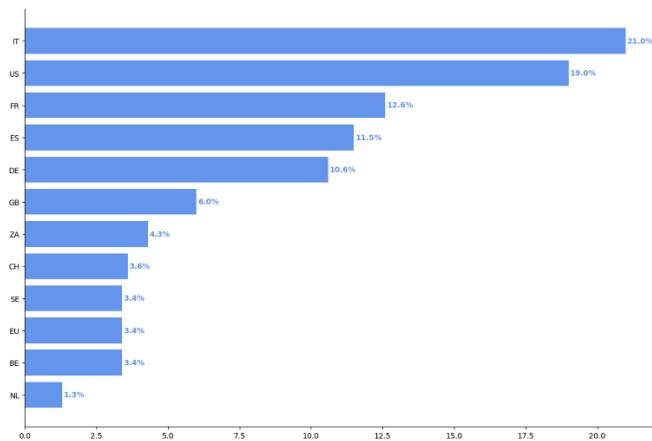
### Portfolio Performance

Geographical distribution (EU)	76.68%
Currency denomination (EUR)	100%
Average rating	BB-/B+
Average coupon (not including cash)	3.6%
Yield to worst (not including cash)	4.6%
Yield To Maturity (not including cash)	4.7%
Modified Duration	3.45
Number of sectors	19
Number of issuers	35
Number of issuances	39
Top 10 holdings	41%

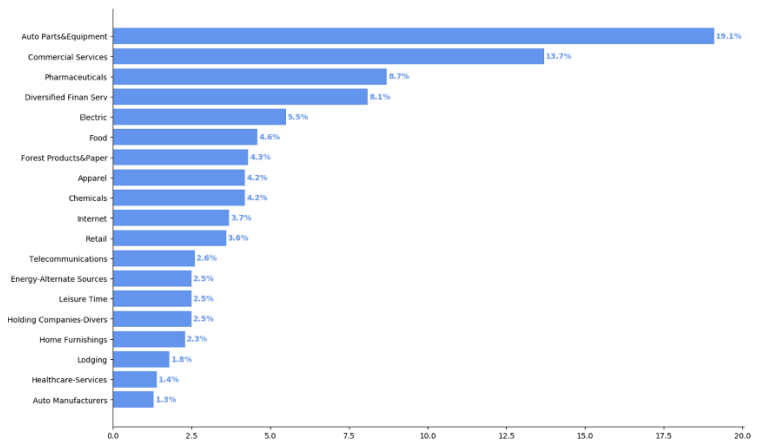
### Top 10 holdings

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
ARWLN Float 03/01/26	XS1713473350	4.64%	4.64%
PICSUR Float 11/30/23	XS1733942178	4.57%	9.21%
ROSINI Float 10/30/25	XS2066721965	4.36%	13.57%
SAPSJ 3 ½ 04/15/26	XS1961852750	4.29%	17.86%
SAMISA 3 ½ 05/15/26	XS1811792792	4.25%	22.11%
CC 4 05/15/26	XS1827600724	4.19%	26.29%
GESTSM 3 ¼ 04/30/26	XS1814065345	3.80%	30.10%
SHAEFF 3 ¾ 05/15/25	XS2004438458	3.76%	33.85%
DUFNSW 2 02/15/27	XS2079388828	3.58%	37.43%
INTRUM 3 ½ 07/15/26	XS2034925375	3.44%	40.88%

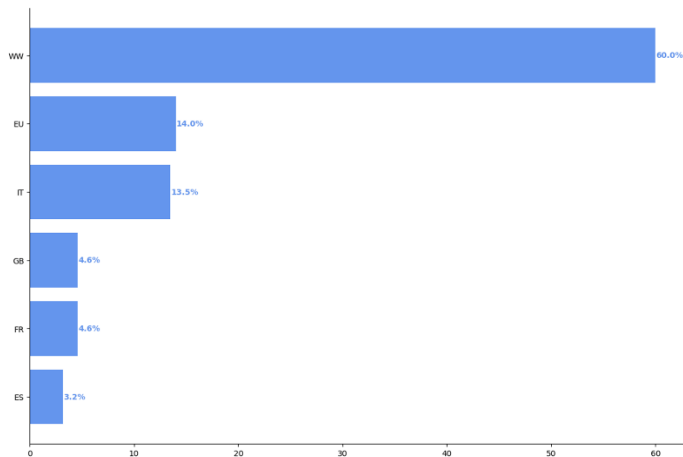
### Geographical allocation (Company headquarter)



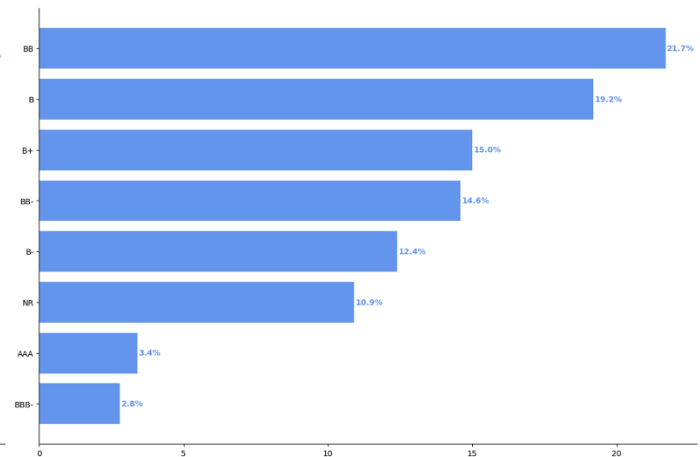
### Sector Allocation



### Geographical allocation (Country of risk)



### Allocation by rating



### Info

NAV  
Investment Manager

Daily  
Ver Capital SGRpA

### Contacts

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