

Ver Capital European Corporate Selection

Ver Capital European Corporate Selection is a sub-fund of the Luxembourg Sicav Nextam Partners, 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 4th, 2018

Market

August is traditionally a holiday-impacted period in Europe. In fact, there was just € just €1.14 billion of supply in the high-yield bond space (down from €5.31 billion in the previous month). During the first week of August the Bank of England raised interest rates to the highest since 2009, even as Governor Mark Carney spoke about the chance of a hard Brexit as “uncomfortably high”. August has been characterized by the “Lira crisis” where the Turkish currency surpassed the Argentine Peso as the worst performing currency this year. Sentiment has turned particularly sour after: geopolitical internal tensions, the central bank confounded expectations by not raising interest rates on July 24 and the subsequent U.S. sanctions. Turkish events along with the trade war mainly explains the negative performance of the major European indexes as EuroStoxx50, FTSE MIB and DAX. It has to be said that Volatility peaks remain possible in the third quarter, however the most likely scenario appears to be a relatively contained volatility of the asset class.

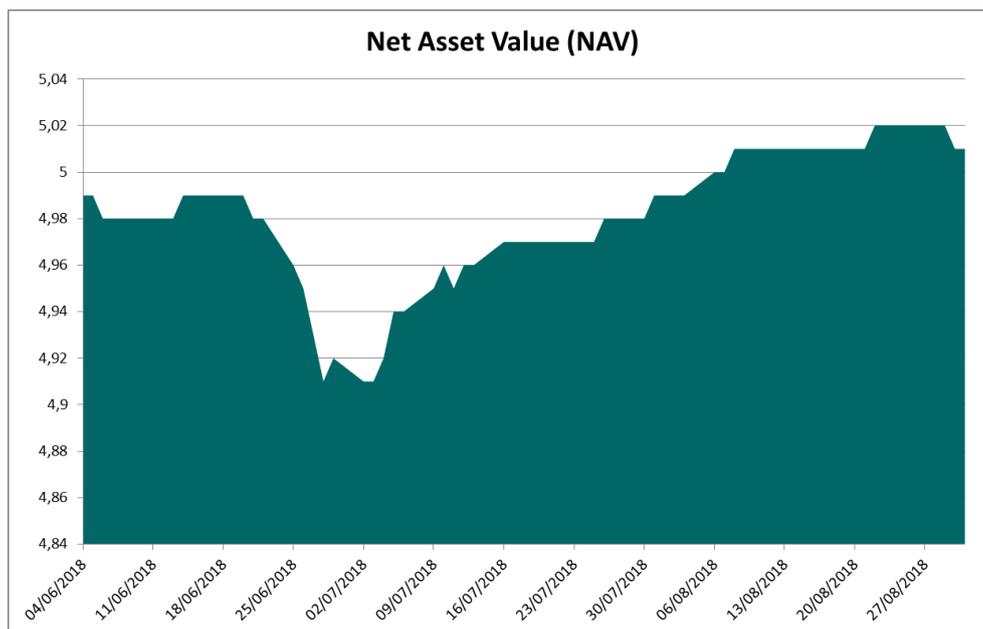
We think that Euro HY has now a better relative value versus other global credit products and is better suited to an environment of rising systemic risk due to its superior yield and shorter duration.

Investment Tactics

The sub-fund strategy includes the selection of 30/35 corporate issuers mainly in the BB space, with a buy and hold approach and low turnover. After the negative performance at the end of June, the portfolio experienced positive returns for both July and August. The fund took advantage from the absence of insurance and financial names hit by the “lira crisis”. The over-exposure to the automotive sector explained the positive returns during the month of August. We will continue for the next months to add high conviction names to the portfolio.

NAV Performance

1 Month	Since Inception (Jun. 4 th , 2018)
0.52%	+0.22%



Performance: Ver Capital European Corporate Selection NAV since inception

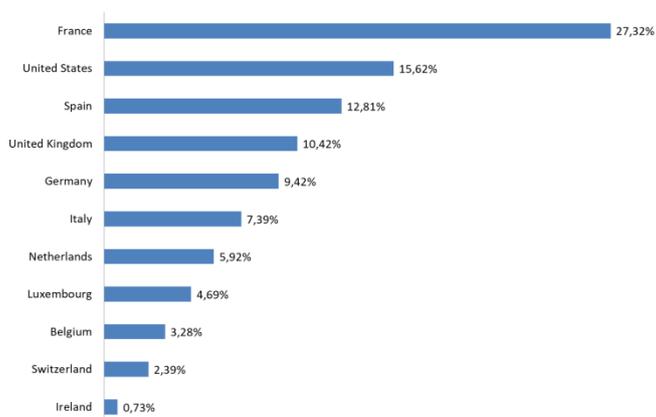
Portfolio Performance

Geographical distribution	84,4% EU
Currency denomination	100% EUR
Average rating	BB-
Average coupon (not including cash)	3,80%
Yield to worst (not including cash)	3,31%
Yield To Maturity (not including cash)	3,65%
Modified Duration	3,58
Number of sectors	19
Number of issuer	28
Number of issuances	30
Top 10 holdings	54,02%

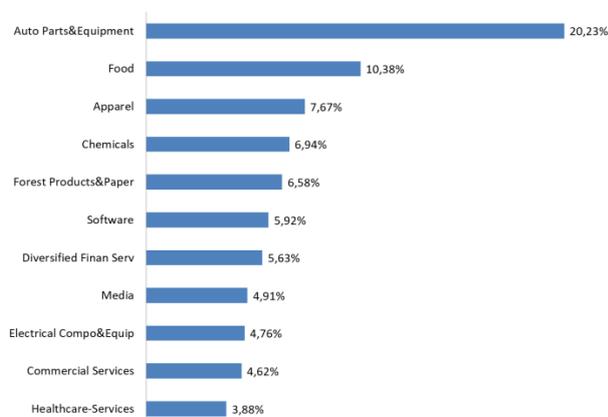
Top 10 holdings

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
CHEMOURS CO	CC 4 05/15/26	5,98%	5,98%
INTERXION HOLDING NV	INXN 4 ¾ 06/15/25	5,92%	11,91%
WEPA HYGIENEPRODUKTE GMB	WEPAHY 3 ¾ 05/15/24	5,86%	17,76%
GRUPO-ANTOLIN IRAUSA SA	ANTOLN 3 ¾ 04/30/26	5,64%	23,41%
ARROW GLOBAL FINANCE	ARWLN Float 03/01/26	5,63%	29,03%
PICARD GROUPE SAS	PICSUR Float 11/30/23	5,58%	34,61%
FDML LLC AND FDML FINANC	FDML 5 07/15/24	5,01%	39,63%
BANIJAY GROUP SAS	BANIJA 4 07/01/22	4,91%	44,53%
NOMAD FOODS BONDCO PLC	IGBOND 3 ¼ 05/15/24	4,79%	49,33%
SAMSONITE FINCO SARL	SAMISA 3 ½ 05/15/26	4,69%	54,02%

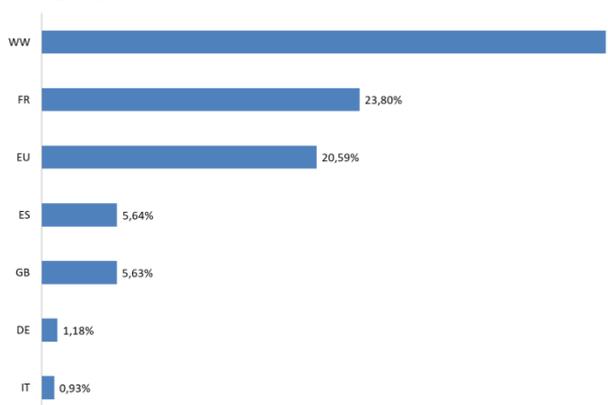
Geographical allocation (Company headquarter)



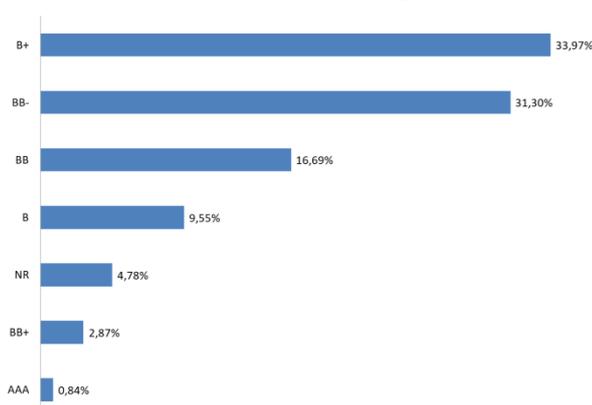
Top 20 sector allocation



Geographical allocation (Country of risk)



Allocation by rating



Info

Country
 Depository Bank
 SICAV
 NAV
 Investment Manager

Luxembourg
 State Street Bank Luxembourg SA
 Nextam Partners SICAV
 Daily
 Ver Capital SGRpA

Contacts

Ver Capital SGRpA
 Mail
 Phone Number
 Web site

info@vercapitalsgr.it
 +39 02 62723811
www.vercapital.com