

## Ver Capital Credit Fund

Ver Capital Credit Fund (VCCF) objective is to maximize absolute return through capital growth and income. VCCF invests predominantly in non-financial high yield bonds issued by European companies and/or Euro denominated. Key drivers of VCCF return are: bottom-up issue selection, sector and geographical diversification and portfolio rotation with yield, duration and volatility targets. VCCF is structured as a sub-fund, UCITS IV Compliant, with daily NAV, of the Luxembourg Sicav Nextam Partners.

Available on [All Funds platforms](#) (both Institutional and Retail) and on Aviva and [Skandia Unit-linked platforms](#)

Inception date Dec. 20<sup>th</sup>, 2012

### Market

Draghi's speech during the Jackson Hole annual summit hosted by the FED was more measured than expected. However, the ECB chief said that, even though inflation still remains low, the Euro area economy is at an earlier stage if compared to US and still gaining ground. On September 7th the ECB will hold its next meeting, but analysts expect we will have to wait until December in order to have more detailed indications on QE programme. That said, given the ECB effort not to surprise markets, as well as the improvement in the market outlook and solid fundamentals, analysts suggest that credit market's reaction to a taper announcement could be balanced, with only a moderate spread widening expected along the way. During the last week of August the Euro strengthened further, reaching its two-year high against Dollar and; while the European equity market was affected by redemptions, the European high yield market registered substantial inflows. Euro HY volumes during the month of August were flat after a busy July, with no new issues pricing for

three consecutive weeks. However, during first week of September some issuers were already back on the primary market.

### Investment Tactics

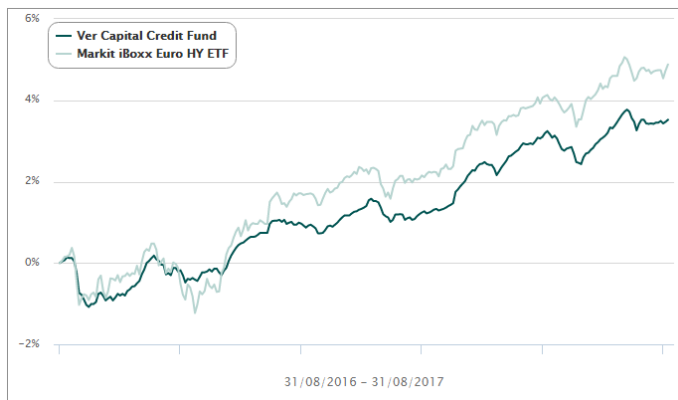
The market remained largely quiet during August, with the important exception of the days following the launch of a missile by North Korea into the Sea of Japan. The credit market reaction was just slightly negative, such that losses have been reabsorbed in a few days and the month closed with a positive tone. By now, any escalation in the North Korean nuclear tensions remains the main thing that could have an impact on new issue volume during the month of September, but if everything goes right, the last quarter could be very busy in terms of primary activity according to investment banks' pipeline. We thus expect to participate to the new issues that we consider more attractive in terms of risk/return and we remain cautious with regard to any change in ECB's communication or policy.

### NAV Performance

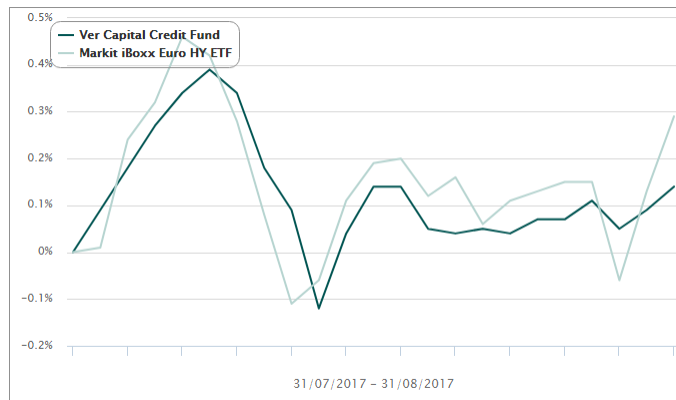
1 Month	YTD	1 Year	3 Years	Since Inception (Dec. 20 <sup>th</sup> , 2012)
0.12%	2.55%	3.26%	10.4%	22.04%

### Performance Comparison

The iShares Markit Iboxx (iShares+Iisin IE00B66F4759), an ETF tracking the Markit iBoxx Euro high yield Index, has been selected in order to compare VCCF's performance with the overall Euro high yield market. Comparing the dividend adjusted performance of the iShares and the VCCF, the latter experienced a 17 bp under-performance over the month and a 179bp under-performance over the last twelve months. The portfolio shows a low degree of risk both in terms of volatility and VaR, in fact, the latter, calculated over a one-month horizon and 99% confidence level, has been on average below 1.5% since inception.



**Performance:** VCCF Capital performance LTM, vs. iShares Markit iBoxx.



**Performance Comparison:** VCCF last month vs. iShares Markit iBoxx.

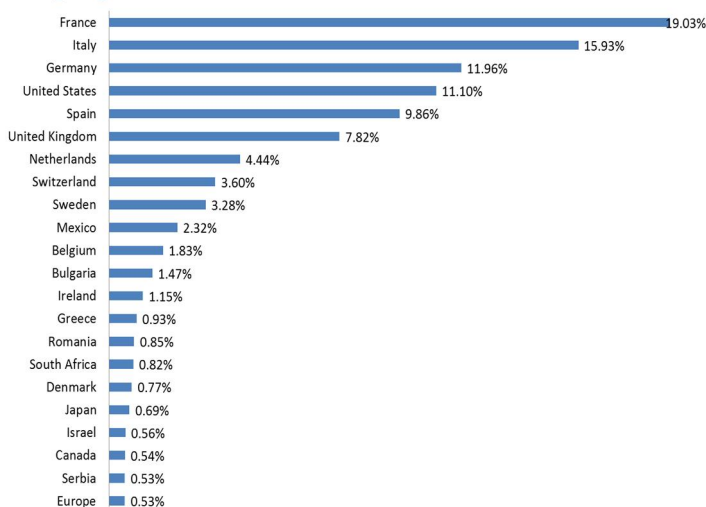
### Portfolio Performance

Geographical distribution	84% Europe
Currency denomination	100% EUR
Average rating	B+
Average coupon (not including cash)	5.56%
Yield to worst (not including cash)	2.77%
Yield To Maturity (not including cash)	4.55%
Modified Duration	2.32
Number of sectors	41
Number of issuer	158
Number of issuances	183
Top 10 holdings	9.41%

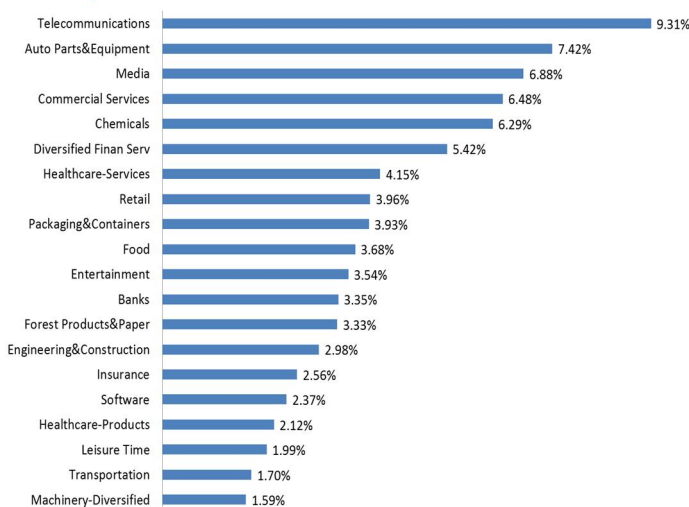
### Top 10 holdings

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
BULGARIAN TELECOM CO EAD	BLTEBG 6 ¾ 11/15/18	1.19%	1.19%
NOMAD FOODS BONDCO PLC	IGBOND 3 ¼ 05/15/24	1.09%	2.28%
KLEOPATRA HOLDINGS 1 SCA	KPERST 8 ½ 06/30/23	1.04%	3.32%
N&W GLOBAL VENDING SPA	NWGVLOV 7 10/15/23	0.90%	4.22%
LOXAM SAS	LOXAM 6 04/15/25	0.88%	5.10%
PERSTORP HOLDING AB	PERHOL 7 ¾ 06/30/21	0.87%	5.96%
THOMAS COOK GROUP PLC	TCGLN 6 ¼ 06/15/22	0.86%	6.82%
ENCE ENERGIA Y CELULOSA	ENCSM 5 ¾ 11/01/22	0.86%	7.69%
EDREAMS ODIGEO SA	EDRSM 8 ½ 08/01/21	0.86%	8.55%
LINCOLN FINANCE LTD	LINCFI 6 ¾ 04/15/21	0.86%	9.41%

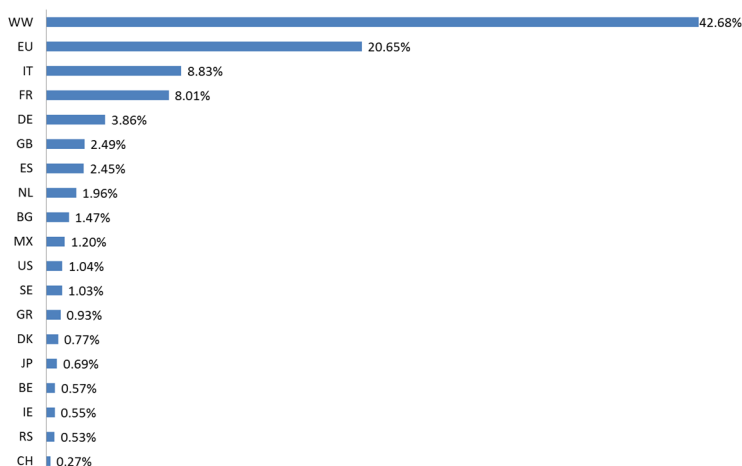
### Geographical allocation (Company headquarter)



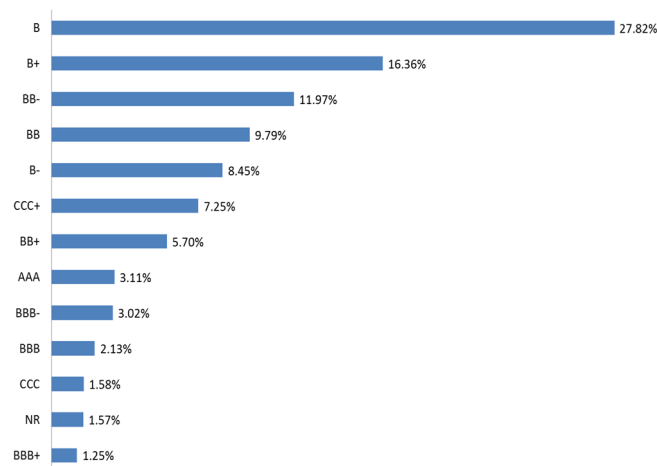
### Top 20 sector allocation



### 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

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