

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

During the meeting of 25th of October, ECB president Mario Draghi highlighted the EU economic growth and appointed the “weaker momentum” of the Eurozone to the threats of a global trade war, troubles in the EM and uncertainties in the Italian political scenario. Hence, QE ends at the end of 2018 and rates remain at present levels until after next summer. Having said that, October was a risk-off month, in fact the European HY index performed negatively. October issuance was not strong as the one recorded in the previous month, in fact spreads experienced a further widening since the beginning of 2018. Yields for B and BB rated bonds average are 6.43% and 3.76%, slightly above the ones recorded at the end of September, respectively 6.34% and 3.56%. The persistent low yield environment created an environment in which changes of the credit outlook generate big fall prices.

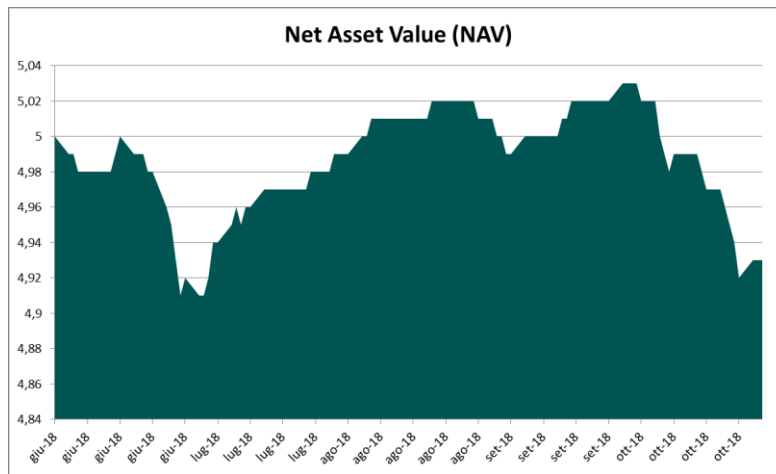
However, Euro HY has historically showed contained volatility and duration relatively to other asset classes, in particular, during periods of rising interest rates and similar to the current one described by the Banque the France governor as “Exiting unconventional monetary policies in an uncertain world”.

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. The over-exposure to the automotive sector paid out for the month of September and it explains the negative performance for the month of October. 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)
-1.79 %	-1.38%



Performance: Ver Capital European Corporate Selection NAV since inception

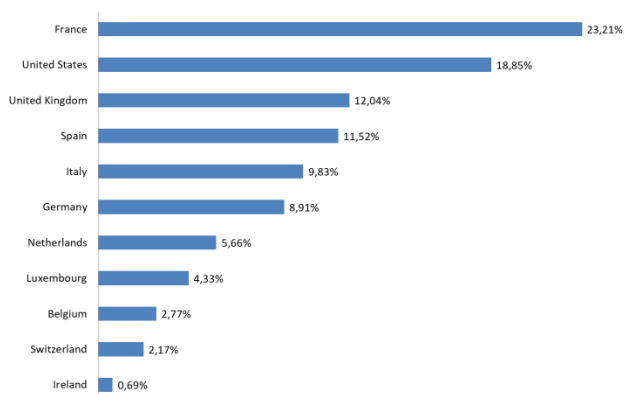
Portfolio Performance

Geographical distribution	81,15% EU
Currency denomination	100% EUR
Average rating	BB-
Average coupon (not including cash)	3,92%
Yield to worst (not including cash)	4,01%
Yield To Maturity (not including cash)	4,20%
Modified Duration	3,77
Number of sectors	20
Number of issuer	32
Number of issuances	35
Top 10 holdings	50,62%

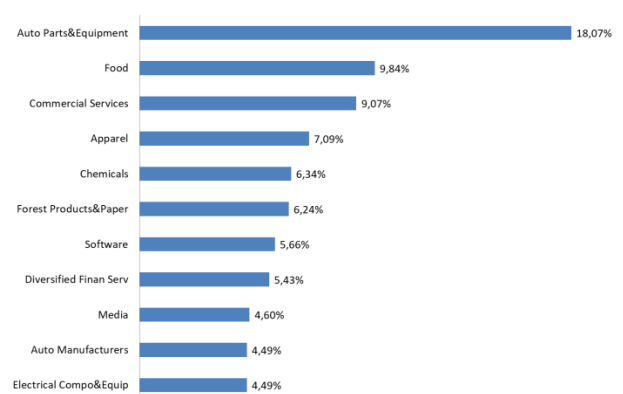
Top 10 holdings

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
INTERXION HOLDING N INXN 4 ¾ 06/15/25		5,66%	5,66%
WEPA HYGIENEPROD WEPAPHY 3 ¾ 05/15/24		5,55%	11,22%
CHEMOURS CO CC 4 05/15/26		5,43%	16,65%
ARROW GLOBAL FINA ARWLN Float 03/01/26		5,43%	22,08%
PICARD GROUPE SAS PICSUR Float 11/30/23		5,29%	27,37%
GRUPO-ANTOLIN IRAU ANTOLN 3 ¾ 04/30/26		5,01%	32,37%
TENNECO INC FDML 5 07/15/24		4,75%	37,13%
BANIJAY GROUP SAS BANIJA 4 07/01/22		4,60%	41,73%
NOMAD FOODS BOND IGBOND 3 ¼ 05/15/24		4,55%	46,29%
AVIS BUDGET FINAN CAR 4 ¾ 01/30/26		4,34%	50,62%

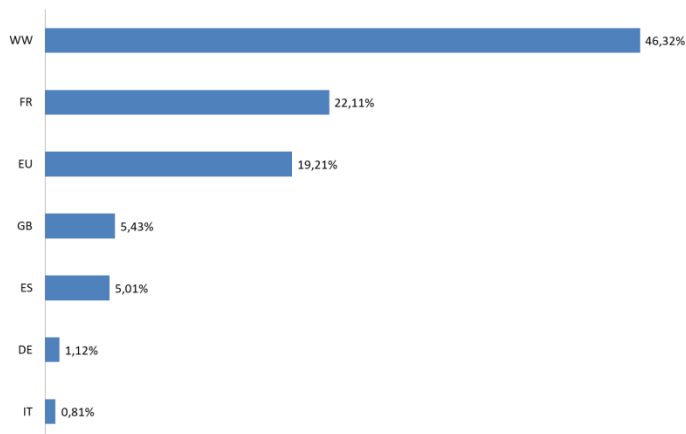
Geographical allocation (Company headquarter)



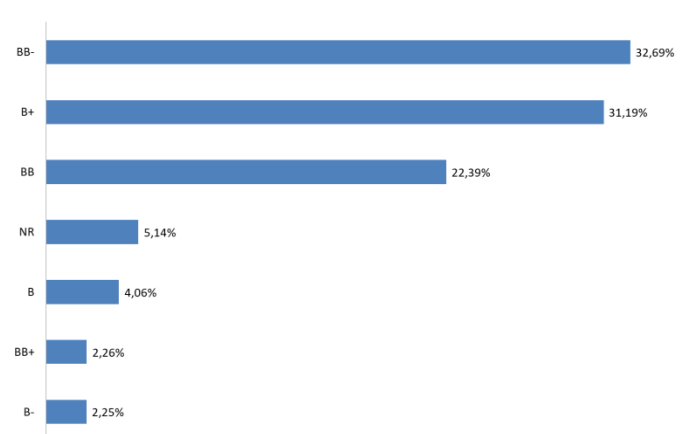
Top 20 sector allocation



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
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