

## Ver Capital Short Term

Ver Capital Short Term's (VCST) objective is capital preservation throughout a low-volatility market strategy. Ver Capital Short Term fund is UCITS IV compliant, with daily NAV. It mainly invests in EUR, USD and GBP bonds with a remaining maturity of less than 24 months. Non-Euro currencies are fully hedged. Key drivers of VCST return are: good credit quality and short maturity of the portfolio allow to reduce credit risk, in addition to an inherent hedging from rising interest rates. The portfolio manager strategically allocates resources between IG and HY based on credit cycle, market environment, monetary policy decisions and economic indicators.

Inception date Nov. 06<sup>th</sup>, 2020

### Market

In the month of August 2021 markets were positive overall. The spread of the Delta variant continues to raise concerns of a potential return of COVID curbs, that however continued to be overshadowed by strong corporate earnings, and by expectations that central banks will continue to stand ready to intervene if growth cools. In the US, Powell's long-awaited Jackson Hole speech produced no particular surprises. The Fed Chairman succeeded the balancing act of not giving precise references to tapering but stating that it might be appropriate to start it this year. The reduction of the bond purchase program will probably be announced at the beginning of November; the duration and pace of the slowdown will depend on the evolution of the pandemic and macro data, especially those related to employment. Powell also emphasized that the tapering is not a

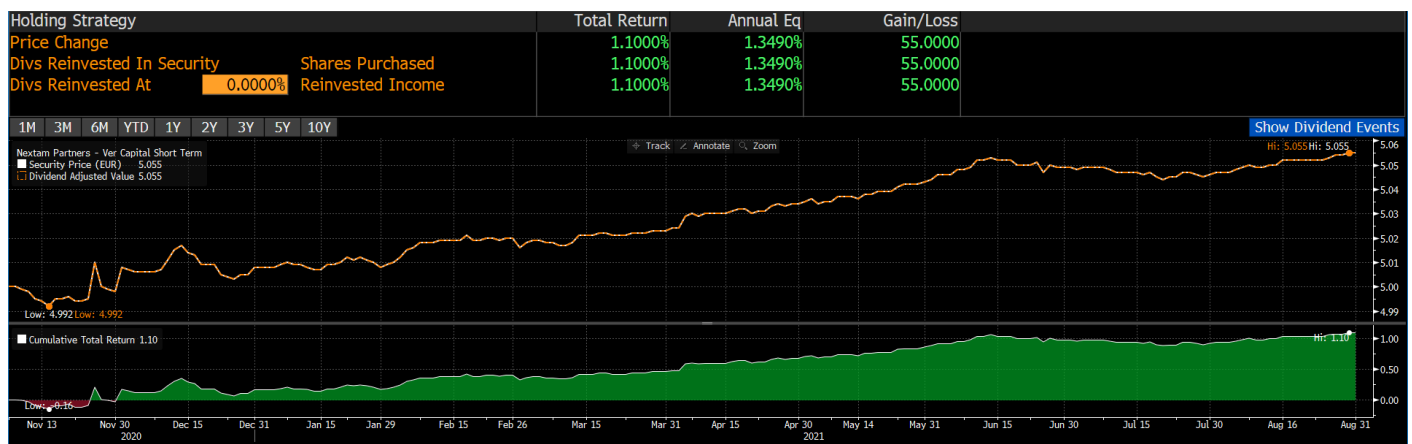
tightening. In Europe, inflation started to raise and investors are awaiting the next ECB meeting discussions of the future of its asset purchase program. The Crossover tightened in August due overall positive fundamental credit environment, closing the month at 228 bps from 235bps.

### Investment Tactics

The fund returned +1.10% since inception. The market is supported by increasing vaccination rates, continued policy supports, and the potential impact of the EU Next Generation plan. Therefore, we continue to forecast spread tightening of 30-40 bp in high yield market by the end of the year. We forecasts continued increase in the AUM of the fund, which together with the strong pipeline provides opportunity to increase the diversification of the fund.

### NAV Performance

1 Month	YTD	Since Inception (Nov. 06 <sup>th</sup> , 2020)
+0.16%	+0.94%	+1.10%



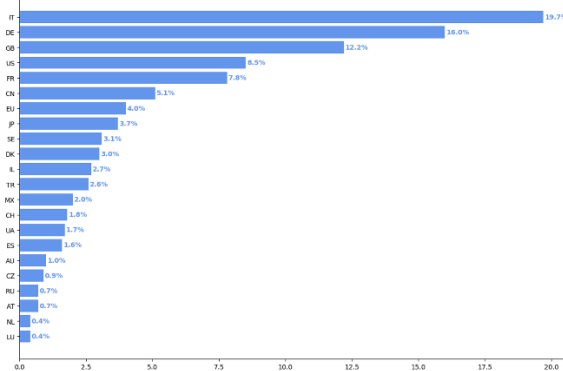
### Portfolio Performance

Geographical distribution (EU)	70.80%
Currency denomination (EUR)	81.10%
Average rating	BB-/B+
Average coupon (not including cash)	3.4%
Yield to worst (not including cash)	1.8%
Yield To Maturity (not including cash)	2.1%
Modified Duration	0.88
Number of sectors	41
Number of issuers	82
Number of issuances	98
Top 10 holdings	23%

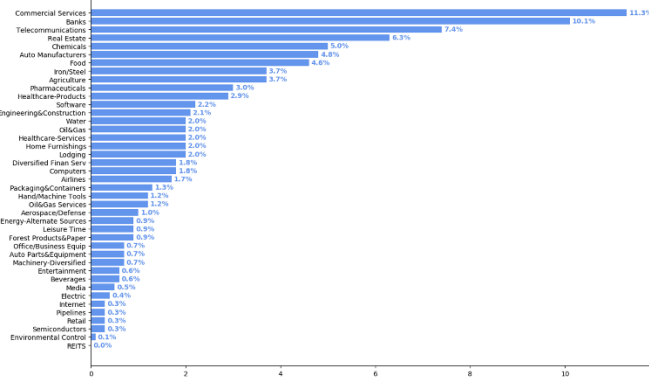
### Top 10 holdings

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
SOFTBK 4 04/20/23	XS1811213781	2.60%	2.60%
IFIM 2 04/24/23	XS1810960390	2.53%	5.13%
LIMACO Float 08/15/23	XS1662516217	2.49%	7.62%
TKAGR 1 ½ 03/06/23	DE000A2YN6V1	2.35%	9.98%
PEANSW 3 ½ 02/15/23	XS2010038060	2.34%	12.32%
VERISR 3 ½ 05/15/23	XS1908250191	2.24%	14.55%
COFP 1.865 06/13/22	FR0013260379	2.22%	16.78%
MEOGR 4 07/11/22	XS0801202069	2.16%	18.94%
PTECLN 3 ¾ 10/12/23	XS1849464323	2.15%	21.09%
MONTE 4 07/10/22	XS2026202643	2.11%	23.20%

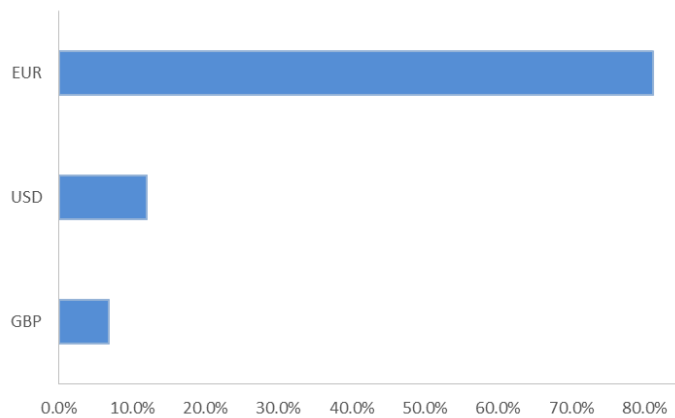
### Geographical allocation (Company headquarter)



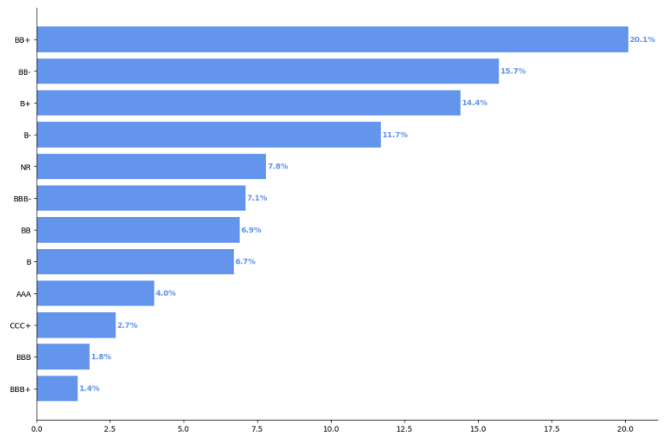
### Sector allocation



### Currency exposition



### Allocation by rating\*



### Info

NAV  
Investment Manager

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Ver Capital SGRpA

### Contacts

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