

Ver Capital Credit Fund

Ver Capital Credit Fund's (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 a UCITS IV Compliant with daily NAV.

Available on [All Funds platforms](#) (for Institutional investors)

Inception date Dec. 16th, 2011

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

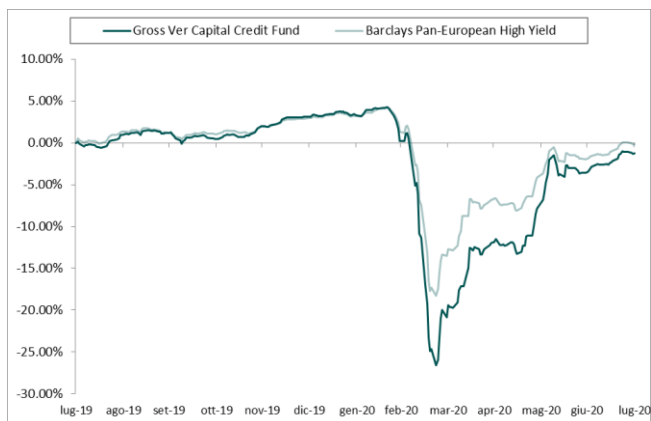
The fund in the month of July returned +2.17%. The portfolio is well balanced with some At1 and cyclical names which are highly responsive to positive market swings. The positive performance resulted by the exposure to certain names in the consumer cyclical, financial and industrial segments. We expect more volatility coming in the next few months so we recently added defensive names to the portfolio.

NAV Performance

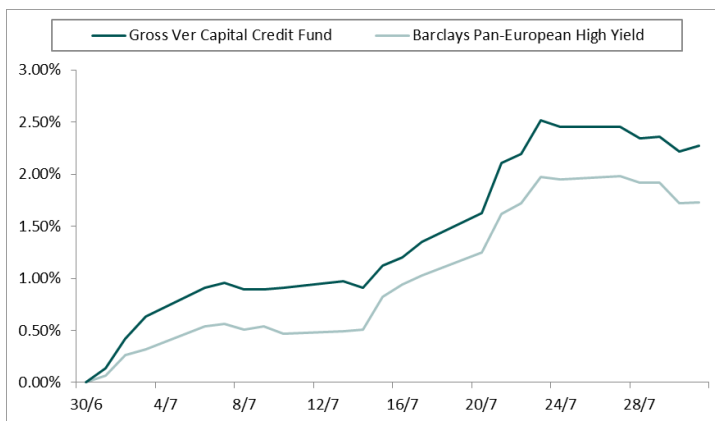
1 Month	YTD	1 Year	3 Years	Since Inception (Dec. 16 th , 2011)
+2,17%	-5,79%	-3,49%	-0,41%	+34,98%

Performance Comparison

Comparing to the Barclays Pan-European High Yield Index, the dividend adjusted VCCF performance (gross fees) experienced a 54 bps over-performance over the month and a -106 bps 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. Barclays Pan-European HY Index.



Performance Comparison: VCCF last month vs. Barclays Pan-European HY Index

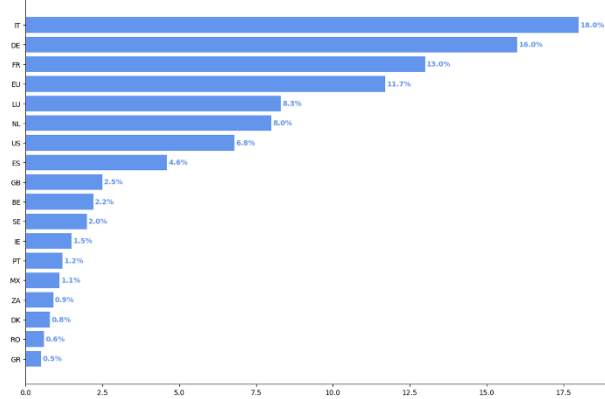
Portfolio Performance

Geographical distribution (EU)	91,12%
Currency denomination (EUR)	100,00%
Average rating	B+/B
Average coupon (not including cash)	4.2%
Yield to worst (not including cash)	5.9%
Yield To Maturity (not including cash)	5.6%
Modified Duration	3.11
Number of sectors	31
Number of issuers	81
Number of issuances	85
Top 10 holdings	22%

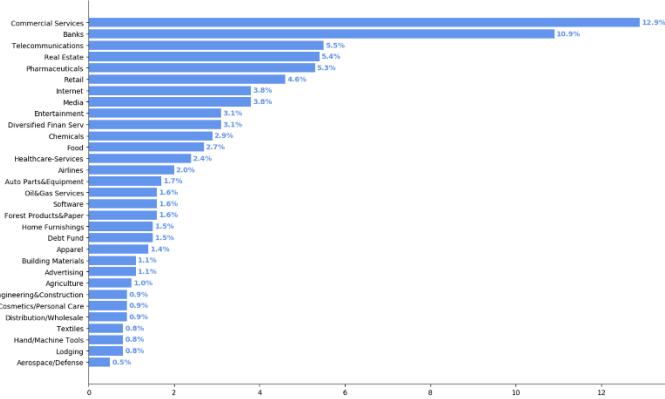
Top 10 holdings

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
UCGIM 3 ¾ PERP	XS2121441856	3.26%	3.26%
CONSUM 9 % 05/15/24	XS1843437465	2.40%	5.65%
SFRFP 8 05/15/27	XS2138128314	2.38%	8.04%
CHEPDE 3 ½ 02/11/27	XS2112973107	2.18%	10.22%
ADRBID 3 % 02/15/28	XS2111947748	2.13%	12.35%
ZIGGO 3 ¾ 02/28/30	XS2116386132	2.09%	14.44%
ESSGR 3 % 02/13/23	DE000A254Y55	1.96%	16.40%
ATALIA 5 ½ 05/15/25	XS1820759147	1.84%	18.24%
BAMIIM 6 ¾ PERP	XS2089968270	1.82%	20.07%
TCHEN 6 07/30/26	XS1859258383	1.69%	21.75%

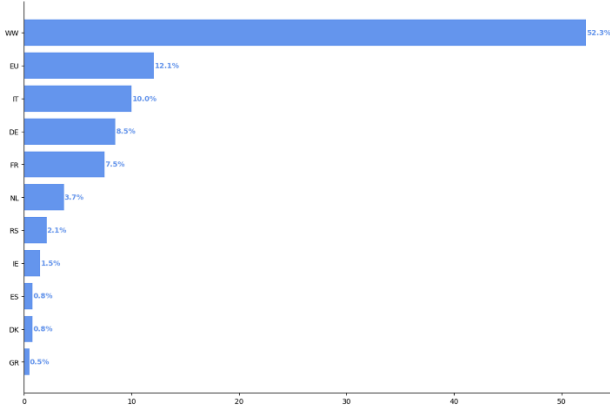
Geographical allocation (Company headquarter)



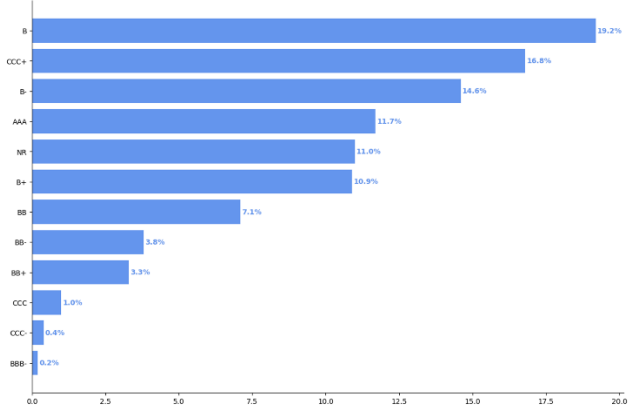
Sector allocation



Geographical allocation (Country of risk)



Allocation by rating



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