

## 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. 16<sup>th</sup>, 2011

### Market

In the month of October 2020 markets performed flatly, affected by an increasing amount of uncertainties contrasted by increased fiscal stimulus promises protecting markets' downside risks. In Europe, the rising amount of coronavirus infections has been an ongoing preoccupation to market participants. Ireland, UK and Spain were among the first to impose local lockdown, which are intended to decrease the speed of contagion and the strain on the healthcare infrastructures. As November was approaching, the main focus of market participants was the increase of coronavirus numbers fears smoothed by the most likely blue wave outcome in the presidential election. Overall, the cash credit space trended upwards with 20bps

of positive performance. On the synthetic side, instead, the Crossover widened from 345 to 369 bp signaling the market participants' expectations of volatility for the following months.

### Investment Tactics

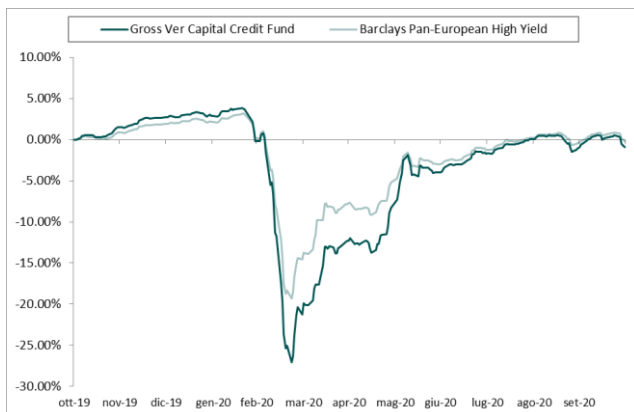
The fund in the month of October returned +0.06%. The portfolio is balanced with some At1 and cyclical names which are highly responsive market swings. We expect spikes of volatility until the end of the year. We bought protection to smooth the volatility of the higher beta names maintaining a good buffer of cash in order to take advantage of mispricing in the market.

### NAV Performance

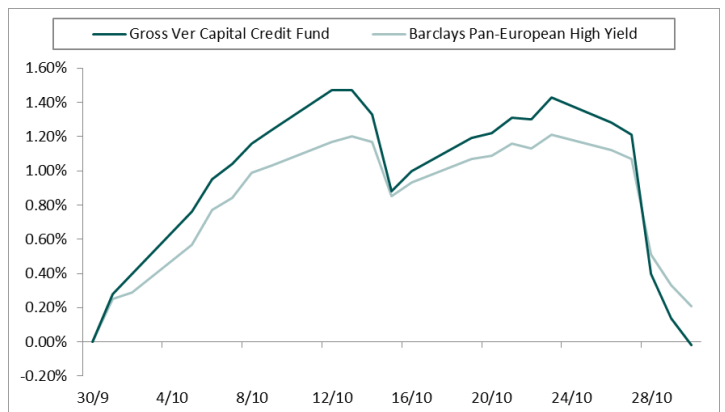
1 Month	YTD	1 Year	3 Years	Since Inception (Dec. 16 <sup>th</sup> , 2011)
+0.06%	-5.21%	-2.84%	-1.33%	+35.83%

### Performance Comparison

Comparing to the Barclays Pan-European High Yield Index, the dividend adjusted VCCF performance (gross fees) experienced a -23 bps underperformance-performance over the month and a -75 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

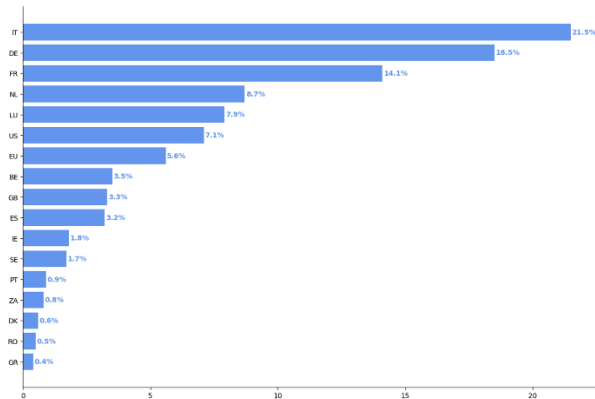
### Portfolio Performance

Geographical distribution (EU)	92.08%
Currency denomination (EUR)	100.00%
Average rating	B+/B
Average coupon (not including cash)	4.2%
Yield to worst (not including cash)	5.2%
Yield To Maturity (not including cash)	5.1%
Modified Duration	3.39
Number of sectors	34
Number of issuers	95
Number of issuances	103
Top 10 holdings	21%

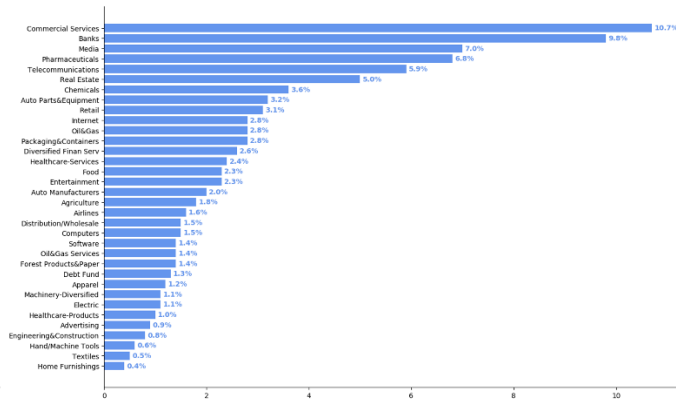
### Top 10 holdings

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
UCGIM 3 ¾ PERP	XS2121441856	3.02%	3.02%
ENIIM 3 ¾ PERP	XS2242931603	2.79%	5.81%
SFRFP 8 05/15/27	XS2138128314	2.05%	7.85%
CONSUS 9 ¾ 05/15/24	XS1843437465	2.03%	9.88%
TNETBB 3 ½ 03/01/28	BE6300371273	1.93%	11.81%
PHARGR 2 ¾ 08/05/25	XS2212959352	1.87%	13.68%
CHEPDE 3 ½ 02/11/27	XS2112973107	1.81%	15.49%
ZIGGO 3 ¾ 02/28/30	XS2116386132	1.80%	17.29%
ADRBID 3 ¾ 02/15/28	XS2111947748	1.78%	19.07%
BAMIIM 6 ¾ PERP	XS2089968270	1.72%	20.79%

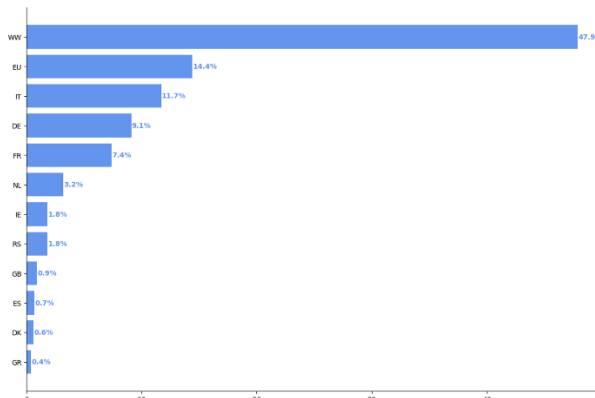
### Geographical allocation (Company headquarter)



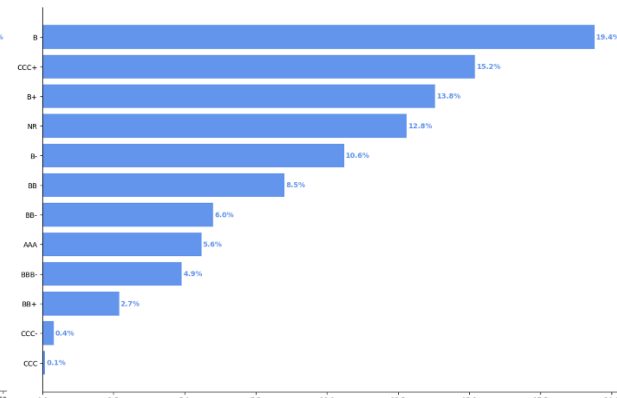
### Sector allocation



### Geographical allocation (Country of risk)



### Allocation by rating



### Info

NAV  
Investment Manager

Daily  
Ver Capital SGRpA

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