

## 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.

### 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

Inception date Dec. 16<sup>th</sup>, 2011

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

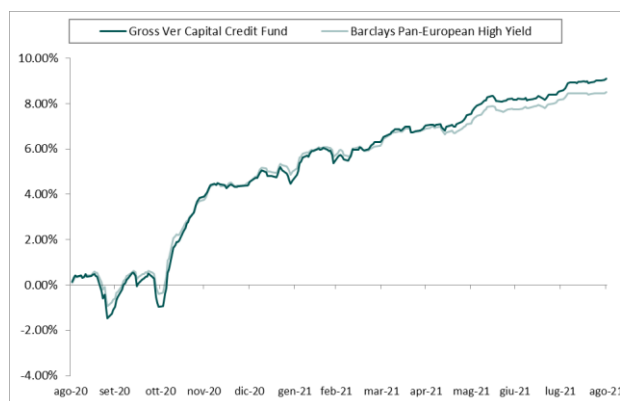
The fund in the month of August returned +0.37%. The supply of new issuances ceased during August. We maintained the current positions and monitored the portfolio's positions earning releases, which presented a substantial number of positive earnings surprises and upward end-of-year guidance.

### NAV Performance

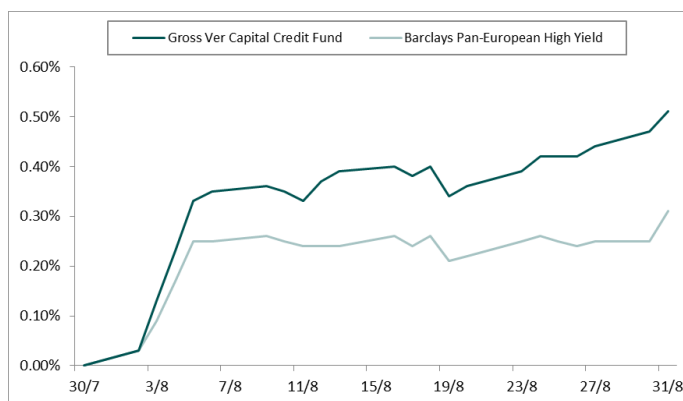
1 Month	YTD	1 Year	3 Years	Since Inception (Dec. 16 <sup>th</sup> , 2011)
+0.37%	+3.36%	+7.55%	+8.63%	+47.58%

### Performance Comparison

Comparing to the Barclays Pan-European High Yield Index, the dividend adjusted VCCF performance (gross fees) experienced a +20 bps over-performance over the month and a +59 bps over-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

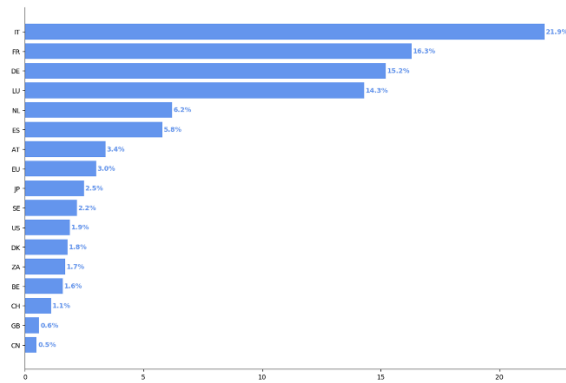
**Portfolio Performance**

Geographical distribution (EU)	90.03%
Currency denomination (EUR)	100.00%
Average rating	B+/B
Average coupon (not including cash)	4.6%
Yield to worst (not including cash)	3.5%
Yield To Maturity (not including cash)	4.2%
Modified Duration	2.41
Number of sectors	35
Number of issuers	80
Number of issuances	88
Top 10 holdings	22%

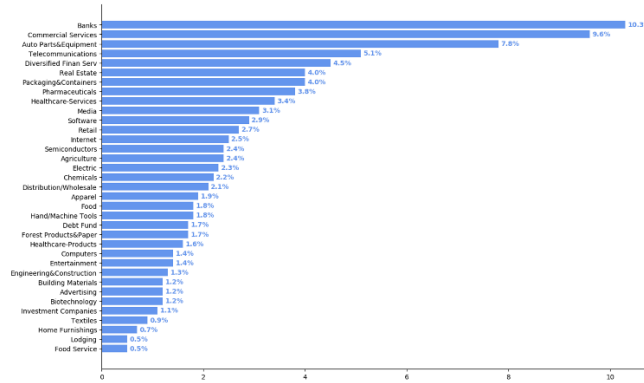
**Top 10 holdings**

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
AMSSW 6 07/31/25	XS2195511006	2.42%	2.42%
ARDFIN 5 06/30/27	XS2079032483	2.33%	4.75%
CONGLO 4 ½ 08/01/25	XS1859543073	2.30%	7.05%
LNCFIN Float 04/01/24	XS1974797950	2.26%	9.31%
TITANL Float 02/15/28	XS2295691633	2.25%	11.57%
ATALIA 5 ½ 05/15/25	XS1820759147	2.25%	13.81%
PELHOL 4 ½ 04/01/24	XS1533914591	2.22%	16.03%
UCGIM 3 ¾ PERP	XS2121441856	2.21%	18.24%
ALTICE 4 ¾ 01/15/28	XS1577952440	1.98%	20.21%
BAMIIM 6 ¾ PERP	XS2089968270	1.91%	22.12%

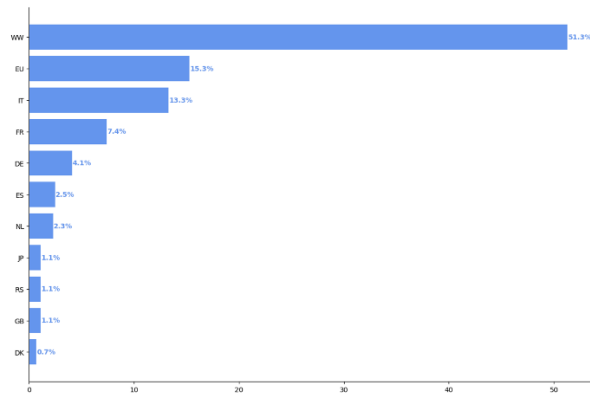
**Geographical allocation (Company headquarter)**



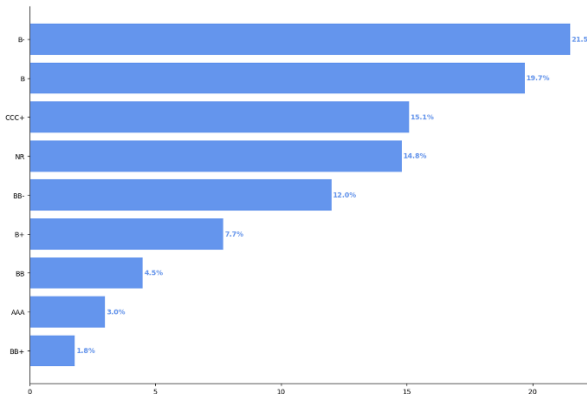
**Sector allocation**



**Geographical allocation (Country of risk)**



**Allocation by rating**



**Info**

NAV  
Investment Manager

Daily  
Ver Capital SGRpA

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