

Ver Capital High Yield Italian PIR

The aim of the sub-fund is to increase the value of the invested capital, through a diversified portfolio mainly invested in high yield bonds issued by companies with a permanent establishment in Italy. The sub-fund can be considered as a qualified investment for the establishment of a "Piano individuale di Risparmio a lungo termine" (PIR) under the Law 232/2016. VCCF is structured as a sub-fund, UCITS IV Compliant, with daily NAV, of the Luxembourg Sicav Nextam Partners.

Available on [All Funds platforms](#) (both Institutional and Retail)

Inception date Dec. 18th, 2017

Market

The month of December extended the trend seen in October and November. Political and geopolitical risks continued to be critical on global credit markets. Concerns surrounding the global economic outlook, trade wars, weaker oil prices, Brexit and the Italian budget combined to create a more risk-off environment for all risk assets. Euro area has slowed from about 3% at the start of the year to just below 2% at the end of the 1 year. However, even if the European economy faces a range of risks in 2019, there are still some significant positives in Europe. Household incomes are growing strongly, given solid employment gains and a notable acceleration in wage growth plus the sharp fall in the oil price is positive for company margins which should benefit from the downturn from Q1. Hence the European economic slowdown is less worrisome than it

appears: the decline has been driven by export shocks and other one-off events that are less likely to be repeated in the current year. Furthermore, even if the European high yield market experienced a credit spreads widening to over 500 bps, low corporate default rates and strong credit fundamentals along with a low interest context represent a good entry point in the HY asset calls for 2019.

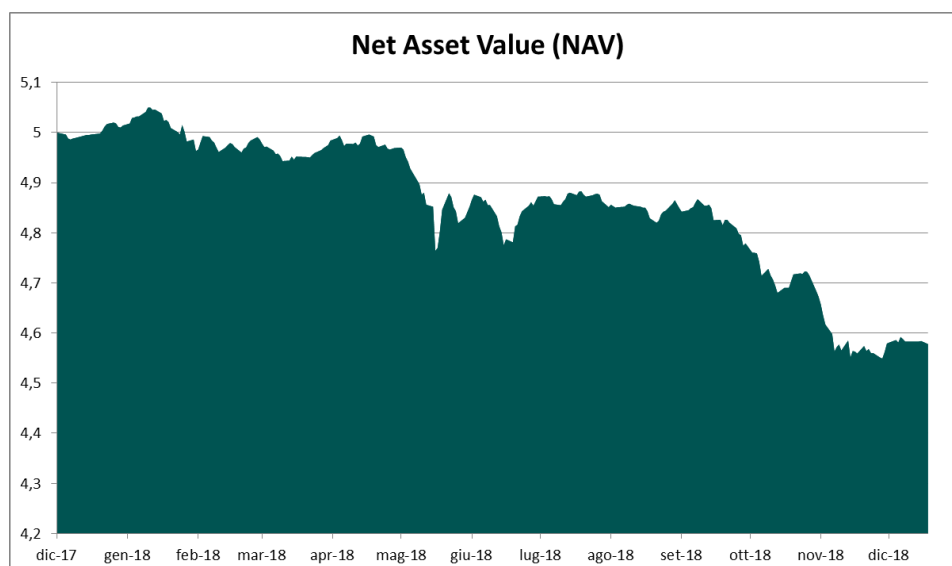
Investment Tactics

The strategy of the fund implies a 100% exposure to Italian issuers, a buy and hold approach and low portfolio turnover. The financial budget proposal and the negative market sentiment have raised uncertainties influencing negatively the fund performance. We do not foresee any changes in the current portfolio for the next month.

NAV Performance

1 Month	YTD	Since Inception (Dec. 18 th , 2017)
+0.42%	-8,37%	-8.82%

Performance



Ver Capital HY Italian PIR YTD performance.

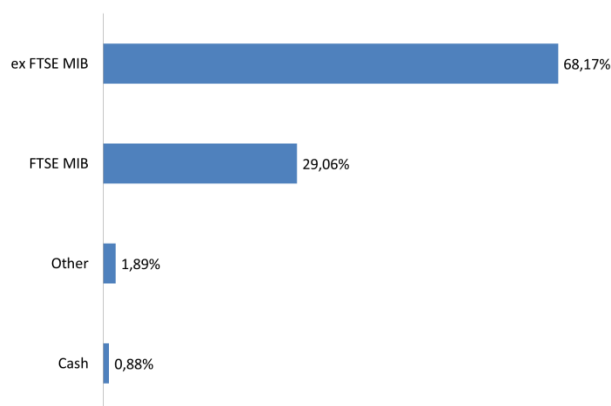
Portfolio Performance

Geographical distribution	100% Italy
Currency denomination	100% EUR
Average Rating	BB
Average Coupon	4,2%
Yield to Worst	5,1%
Yield to Maturity	5,3%
Modified Duration	4,01
Number of Sectors	27
Number of Issuers	45
Number of issuances	47
Top 10 holdings	32,2%

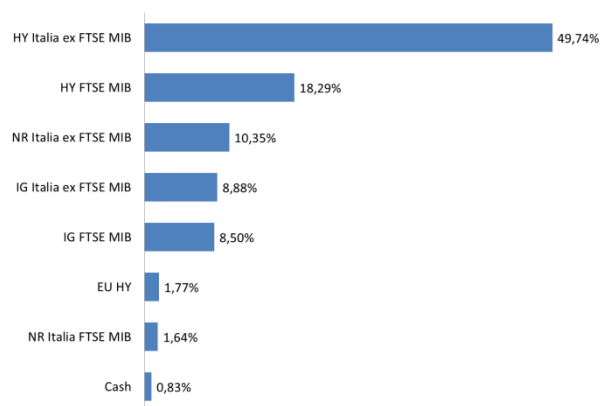
Top 10 holdings

TOP 10 SECURITIES	Ticker	Wgt	Cumulated Wgt
NWGLOV 7 10/15/23	EVOCA SPA	4,58%	4,58%
BPEIM 5 1/8 05/31/27	BPER BANCA	3,63%	8,20%
IFIM 4 1/2 10/17/27	BANCA IFIS SPA	3,62%	11,82%
ESSLNG 1 7/8 10/25/27	ESSELUNGA SPA	3,37%	15,19%
CASSIM 4 1/4 12/14/47	SOC CATTOLICA ASSIC	3,35%	18,54%
ANSALD 2 3/4 05/31/24	ANSALDO ENERGIA SF	3,03%	21,57%
ENIIM 3 5/8 01/29/29	ENI SPA	2,80%	24,37%
ASSGEN 5 1/2 10/27/47	ASSICURAZIONI GENEI	2,67%	27,05%
BACRED 3 3/4 06/16/26	MEDIOBANCA DI CRED	2,57%	29,61%
SCHMAN 7 07/31/23	SISAL GROUP SPA	2,55%	32,17%

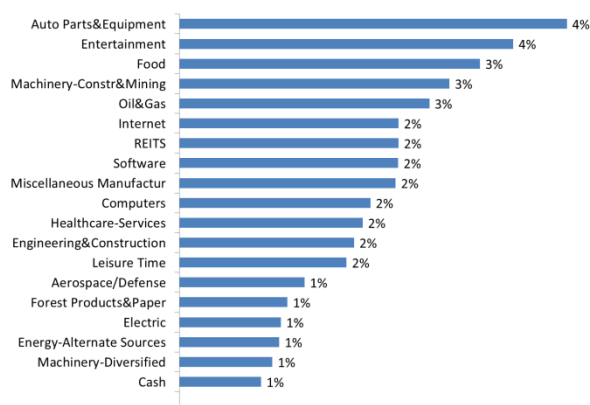
Broad Allocation



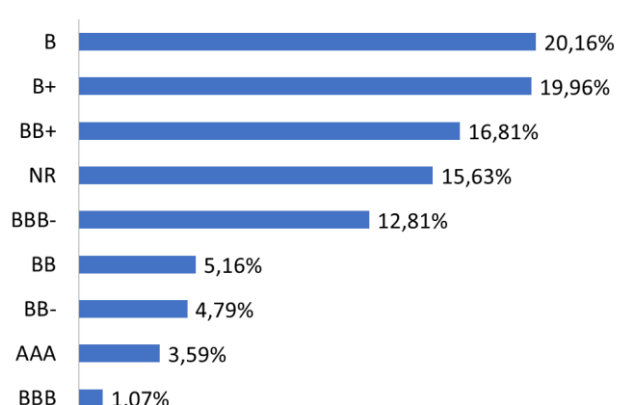
Asset Allocation



Sector allocation



Allocation by rating



Info

Country
Depository Bank
SICAV
NAV
Investment Manager

Luxembourg
State Street Bank Luxembourg SA
Nextam Partners SICAV
Daily
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