

Ver Capital High Yield Italian Selection

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 UCITS IV Compliant with daily NAV.

Market

The bond market saw a significant steepening of yield curves in March. Long-term yields in the U.S. surged while the decline in short-term yields was fueled by expectations of Fed rate cuts amid concerns over the negative growth impact of tariffs. In Europe, the steepening trend continued, with short-term rates falling on the back of trade war risks, pushing the German 2-year yield down to 2.04%. Meanwhile, concerns over increased issuance due to German fiscal expansion limited the decline in long-term yields, keeping the 10-year yield at 2.73%. Signs of an escalating trade dispute with the U.S. further cloud the European economic outlook, increasing the likelihood of ECB intervention. The latest inflation data from France and Spain came in below expectations, reinforcing market expectations for a potential rate cut as early as April. On a broader macroeconomic level, political uncertainty in the U.S. is weighing on investor sentiment. The impact of new tariffs, combined with signs of economic slowdown and a weaker labor market, has fueled downside risks to growth. In contrast, the Euro Area benefits from Germany's newly approved fiscal stimulus package, which is expected to support growth in the coming years. While short-term risks remain tilted to the downside due to trade policy concerns, the medium-term outlook is improving thanks to public spending support. For monetary policy, the outlook remains unchanged. The Fed and ECB are both set to proceed with rate cuts but will likely wait for greater clarity on U.S. trade policy.

European high yield issuance accelerated in March after a slow start to 2025, although volumes are still lagging last year. Non-financial supply totalled €22.6bn in Q1 compared with €26bn in 1Q24, but in line with the 10y average of €23bn. BBs accounted for more than half (52%) of all corporate high yield supply over the quarter, with 40% single-B rated. Euro high yield spreads rebounded from a low of c.300bp in early March to end the quarter of 357bp, 18bp wider on the year. Euro rates have also pushed upwards in 2025, driven by

German stimulus. The index yield has risen 30bp to 5.76%, a level not seen since October. The fallout from US President Donald Trump's aggressive tariff regime has hit the HY market, which is on course for its worst month since September 2022. However, Italian bonds showed more resilience than the HY market, as in the past.

New Issuances in March:

Itelyum (B/B2): a European provider of environmental and circular economy solutions, specialized in recycling complex streams of hazardous waste.

Ontex (B+/B1): The Belgian personal care products manufacturer.

Opella (B1): the third-largest global sector constituent in the highly fragmented over the counter (OTC) drugs and vitamins, minerals, and supplement (VMS) markets.

Celanese (BB/Ba2): a global chemical and specialty materials company.

Sappi (BB/Ba2): Johannesburg-based pulp and paper company.

Schaeffler (BB+): leading integrated global supplier to the automotive and industrial sectors.

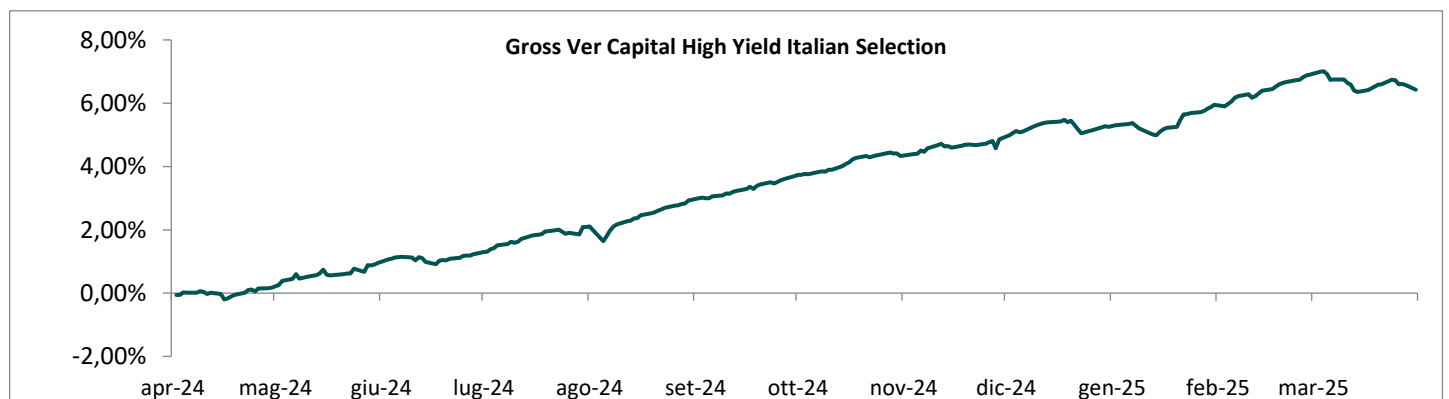
Forvia (BB-/B1): The Nanterre-based company, which makes products for cars such as lights and seats.

Investment Tactics

In the upcoming weeks, we will extend the portfolio's duration by participating in new issuances in the primary market and purchasing longer-duration, BB-rated securities in the secondary market.

NAV Performance

Share Class	ISIN	Mgmt Fee	1 Month	YTD	1 Year	3 Years
BX	LU2344422014	0,45%	-0,56%	0,75%	4,22%	16,71%
DXL	LU2344420745	1,55%	-0,67%	0,50%	3,21%	13,02%



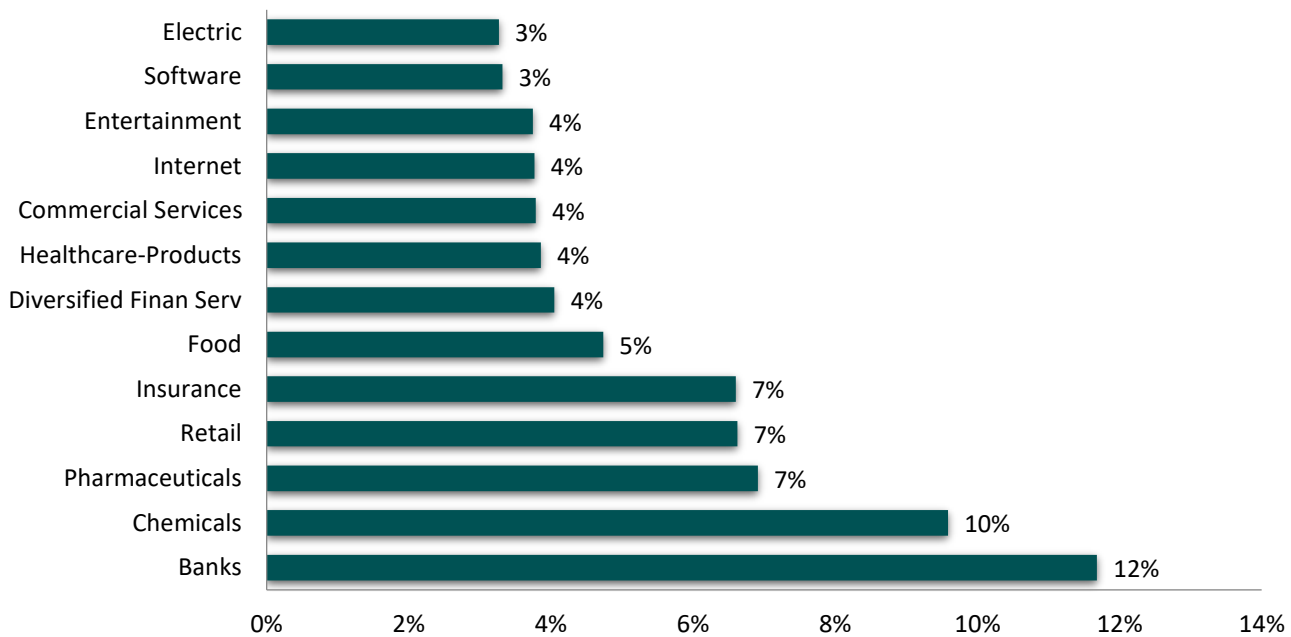
Portfolio Performance

Currency denomination (EUR)	100%
Average rating	BB-/B+
Average coupon (not including cash)	5,5%
Yield to worst (not including cash)	4,7%
Yield To Maturity (not including cash)	5,8%
Modified Duration	2,50
Number of sectors	24
Number of issuers	46
Number of issuances	48
Top 10 holdings	35%

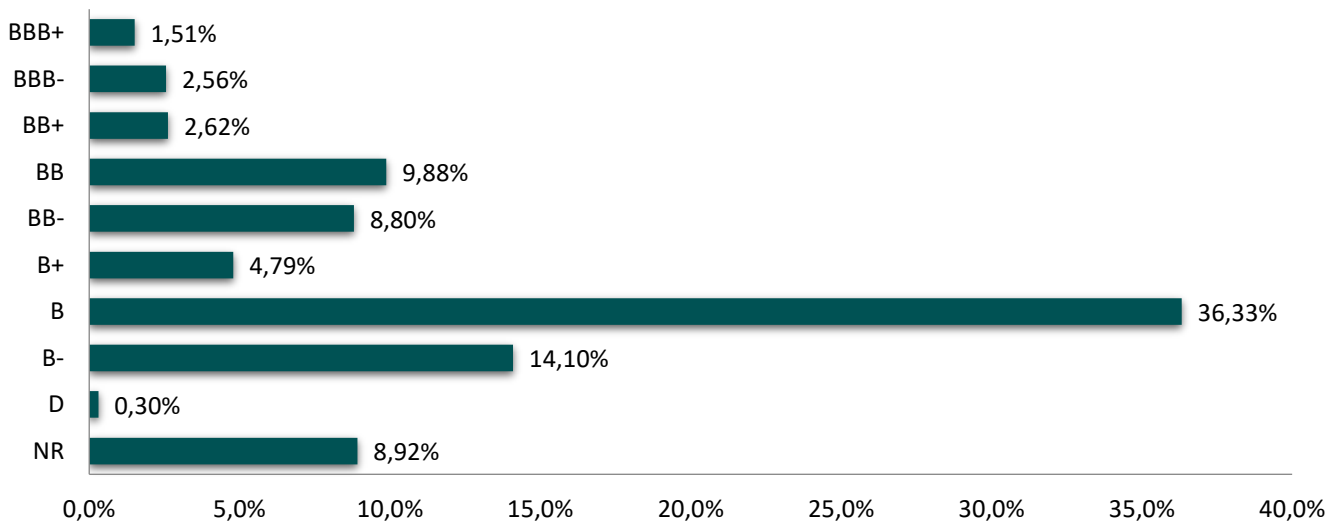
Top 10 holdings

securities	Ticker	wgt	Cumulated Wgt
1	ITELYUM REGENERATION SPA	4,71%	4,71%
2	NEOPHARMED GENTILI SPA	4,06%	8,77%
3	UNIPOL GRUPPO SPA	3,98%	12,75%
4	MARCOLIN SPA	3,86%	16,61%
5	INTER MEDIA COMMUNICATIO	3,75%	20,36%
6	WEBUILD SPA	2,95%	23,31%
7	EVOCA SPA	2,89%	26,19%
8	AGRIFARMA SPA	2,87%	29,06%
9	FABBRICA ITA SINTETICI	2,85%	31,92%
10	ROSSINI SARL	2,85%	34,76%
Totale			34,76%

Sector allocation



Allocation by rating



Info

NAV
Investment Manager

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