

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

After the high volatility at the beginning of the month, triggered by the historic decision of the Bank of Japan to return interest rates to positive territory for the first time since 2016, August provided few market catalysts, leading to the consolidation of expectations regarding central banks' next moves at more balanced levels. The initial reaction, driven by the unwinding of many Yen-financed carry trades, sparked a sell-off in all risky assets, from equities to Emerging Markets and European peripheral bonds. However, this trend quickly reversed after Japanese bankers announced they would place more emphasis on market stability when defining future monetary policy actions. Expectations of Fed support, with a 50bp cut priced in for September and over 120bp by the end of 2024, quickly returned to late July levels, i.e., 25bp for each of the next three meetings. In the U.S., confirmation of a continued slowdown in inflation in July, at 2.9% YoY, and a significant downward revision in new employment numbers between April 2023 and March 2024 (-818,000) solidified expectations, bringing yields, especially short-term ones, back to early August lows along with a general steepening of yield curves. Powell's opening remarks on the start of a new monetary policy cycle at the Jackson Hole symposium further reinforced market confidence, though these expectations seem overly optimistic and may be disappointed if a significant economic deterioration in the U.S. does

Inception date Dec. 18th, 2017

not materialize. In Europe, yields stabilized at their lowest levels since the beginning of the year, with the 2-year German bond hovering around 2.35%, about 25bp lower than at the end of July. After an initial drop, yields on longer maturities rose (the 10-year bond went from 2.35% to 2.5%), reducing the 2-10 year curve inversion by more than 15bp. The total ECB rate cuts expected by the end of the year remain just under 75bp, with a September cut widely anticipated. By the end of August, the confirmation of a decline in European inflation to 2.2% YoY from 2.6% in July strengthened market convictions, despite cautious comments from the more hawkish members of the council, such as Holzmann and Schnabel.

In August, the European HY market saw no significant primary volumes, with only €970m issued. The YTD return at the end of August was +5.31%, showing a clear outperformance compared to the corporate IG index (+2.46%).

Investment Tactics

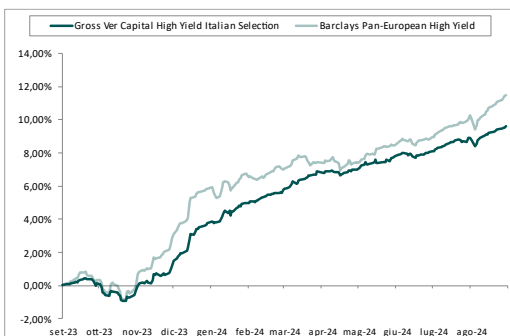
In the month of August 2024, the Fund experienced +0.61% of returns. The portfolio monitoring activities and we do not expect to rotate portfolio composition.

NAV Performance

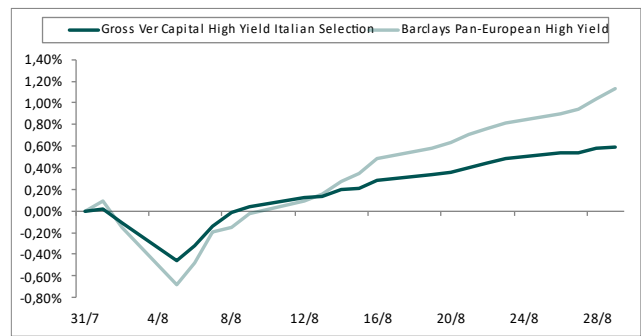
1 Month	YTD	1 Year	3 Years
+0.61%	+5.13%	+8.85%	+11.71%

Performance Comparison

Comparing to the Barclays Pan-European High Yield Index, the dividend adjusted VC HYIS performance (gross fees) experienced a 50bps under-performance over the month and a 183 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: VC HYIS Capital performance LTM, vs. Barclays Pan-European HY Index.



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

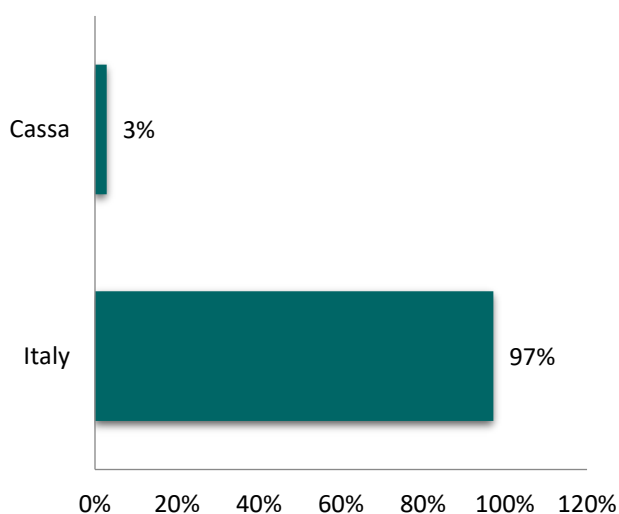
Portfolio Performance

Geographical Distribution (EU)	100%
Currency denomination (EUR)	100%
Average rating	B+/B
Average coupon (not including cash)	6,0%
Yield to worst (not including cash)	5,6%
Yield To Maturity (not including cash)	6,9%
Modified Duration	1,98
Number of sectors	21
Number of issuers	38
Number of issuances	38
Top 10 holdings	36%

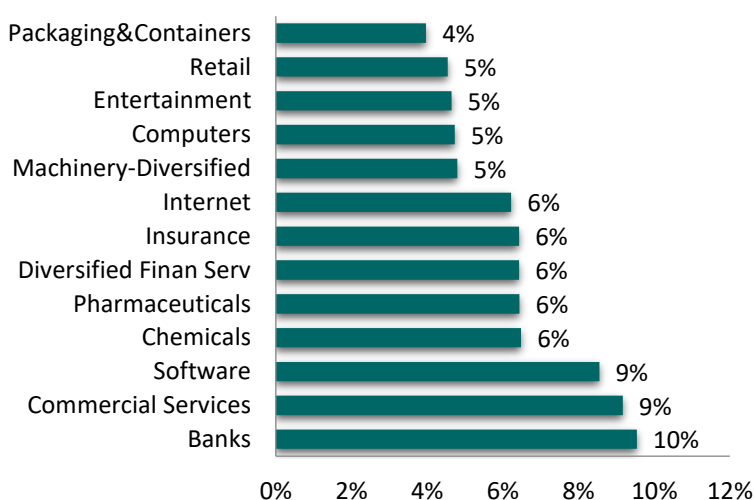
Top 10 holdings

Top 10 securities	Ticker	wgt	Cumulated Wgt
1	EVOCA SPA	4,80%	4,80%
2	INTER MEDIA COMMUNICATIO	4,64%	9,44%
3	BANCA IFIS SPA	3,47%	12,91%
4	ITALMATCH CHEMICALS SPA	3,37%	16,28%
5	NEOPHARMED GENTILI SPA	3,29%	19,57%
6	CASSA DI RISPARMIO ASTI	3,26%	22,83%
7	INTESA SANPAOLO VITA SPA	3,22%	26,05%
8	UNIPOLSAI ASSICURAZIONI	3,21%	29,26%
9	ALMAVIVA THE ITALIAN INN	3,18%	32,44%
10	MARCOLIN SPA	3,17%	35,61%
Totale			35,61%

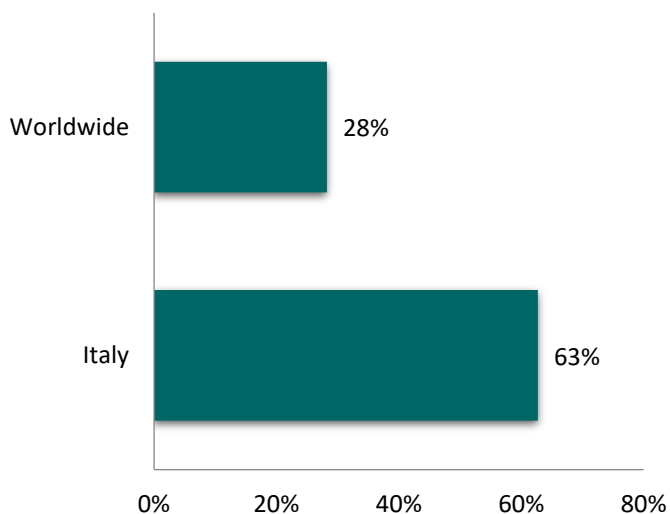
Geographical allocation (Company headquarter)



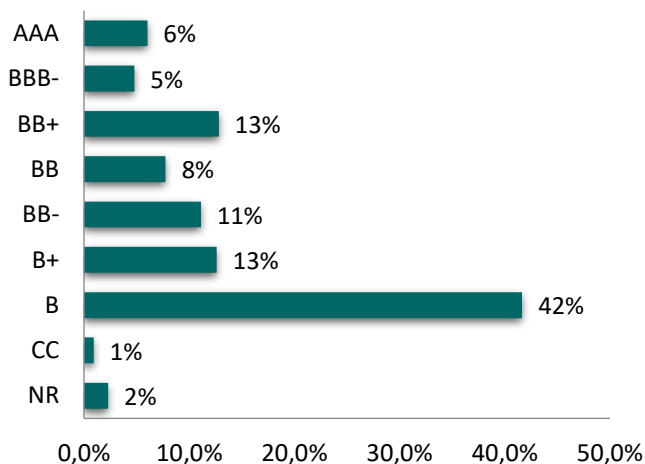
Sector allocation



Geographical allocation (Country of risk)



Allocation by rating



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