

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 tone of the central bankers seems to have become softer, the mood of the markets is still risk-on in an environment of low volatility. Forecasts seem to be increasingly pointing towards the expected start of the normalization process of restrictive monetary policies with June as the first date. The calendar would force the ECB to move before the Fed: the Frankfurt Governing Council meeting is scheduled for 6 June and the FOMC on the following Wednesday. President Christine Lagarde and also Chief Economist Philip Lane have repeatedly expressed confidence in the 'good progress' in the fight against inflation thanks also to the normalization process of wage inflation. There is a restrained satisfaction with a difficult battle that is being won without leading to a recession. This tolerance reinforces expectations of a 'no landing' and fuels the ongoing trends in equity markets, which continue their march towards new global highs. Since 1950, only five times has the S&P 500 index recorded double-digit performance for two consecutive quarters.

In the US, data confirm that the labor market, although robust, is gradually rebalancing. Inflation for personal consumer purchases (Pce) rose 0.3% in February, a tenth less than consensus expectations, and 2.5% year-on-year, in line with estimates. In contrast, core Pce inflation rose 0.3% month-on-month and 2.8% year-on-year. This is the Fed's preferred indicator for assessing monetary policy adjustments. There was also a strong rebound for consumer spending, which rose 0.8% in February against the consensus 0.5%.

In March, euro area inflation fell a tenth more than expected, to 2.4% y/y from a previous 2.6% (0.8% m/m from 0.6% in February). The core

Inception date Dec. 18th, 2017

index (excluding food, energy, alcohol & tobacco) also fell a tenth more than expected, to 2.9% from 3.1% previously. The core ECB measure (net of energy and fresh food) decreased to 3.1 % from 3.3 % (one tenth less than in our estimates); however, this is a new low for more than two years. The deflationary contribution from energy is decreasing, the disinflationary impulse from food is intensifying and non-energy industrial goods are showing signs of recovery, in a picture where inflation remains very sticky in services.

In March, spreads widened by c.10bp in the Euro High Yield market, partly due to the collapse of Altice, Intrum and Ardagh bonds. The widening partially reversed the tightening seen in the previous two months and reduced spread compression to 35bp. The European HY market is now a binary market, with strong demand for resilient credits and a harsh reaction to those that prove hostile to bondholders, such as Altice, Intrum and Ardagh. At the same time, the ITraxx Xover was overall unchanged at 305bp against a backdrop of stronger equities, generally satisfactory FY23 results and some issuers considering a less aggressive capital structure. Q1 FY2024 total return stood at 1.54% for the European HY market, demonstrating both its resilience to the economic crisis and its detachment from equities. The first quarter of 2024 was thus the sixth positive quarter in a row in terms of total return.

Investment Tactics

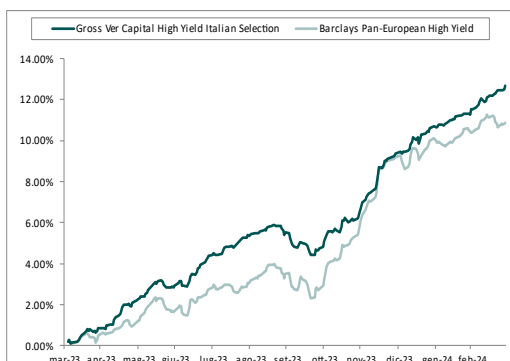
In the month of March 2024, the Fund experienced +0.96% of returns. The portfolio was not subject to any specific rotation. We will continue our monitoring activities and we do not expect to rotate portfolio composition.

NAV Performance

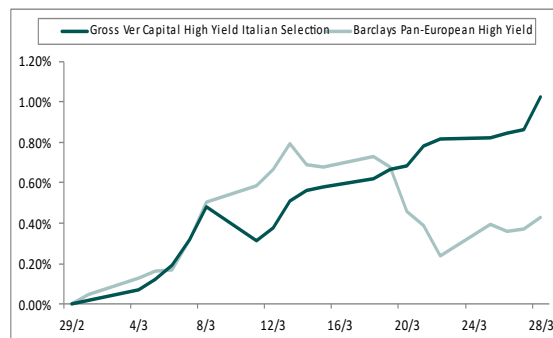
1 Month	YTD	1 Year	Since Inception (Dec. 18 th , 2017)
+0.96%	+ 2.83%	+12.48%	+ 25.60%

Performance Comparison

Comparing to the Barclays Pan-European High Yield Index, the dividend adjusted VC HYIS performance (gross fees) experienced a 60-bps over-performance over the month and a +180 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: VC HYIS Capital performance LTM, vs. Barclays Pan-European HY Index.



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

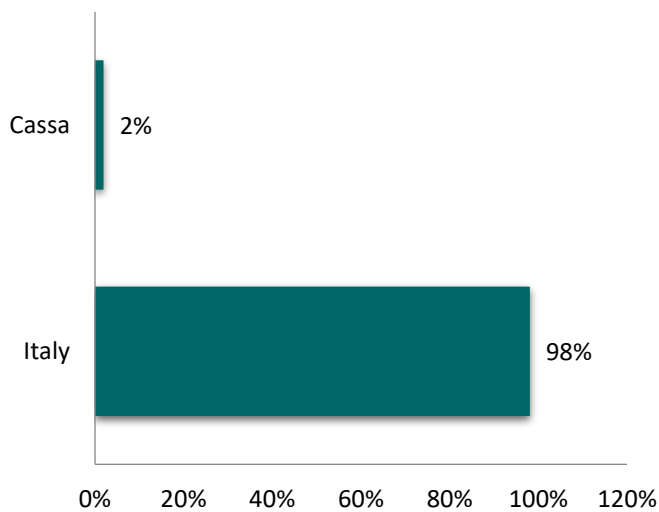
Portfolio Performance

Geographical Distribution (EU)	100%
Currency denomination (EUR)	100%
Average rating	B+/B
Average coupon (not including cash)	6.4%
Yield to worst (not including cash)	7.2%
Yield To Maturity (not including cash)	9.8%
Modified Duration	1.87
Number of sectors	21
Number of issuers	38
Number of issuances	40
Top 10 holdings	41%

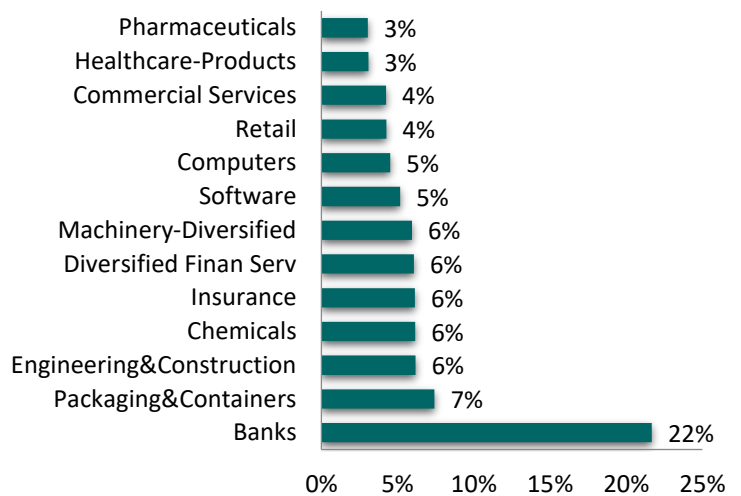
Top 10 holdings

Top 10 securities	Ticker	wgt	Cumulated Wgt
1	BPER BANCA	6.60%	6.60%
2	WEBUILD SPA	6.17%	12.77%
3	EVOCA SPA	5.94%	18.71%
4	FIBER BIDCO SPA	3.24%	21.96%
5	ITALMATCH CHEMICALS SPA	3.23%	25.18%
6	BANCA IFIS SPA	3.20%	28.39%
7	UNIPOLSAI ASSICURAZIONI	3.12%	31.50%
8	CASSA DI RISPARMIO ASTI	3.08%	34.59%
9	BANCO BPM SPA	3.08%	37.67%
10	MARCOLIN SPA	3.08%	40.75%
Totale			40.75%

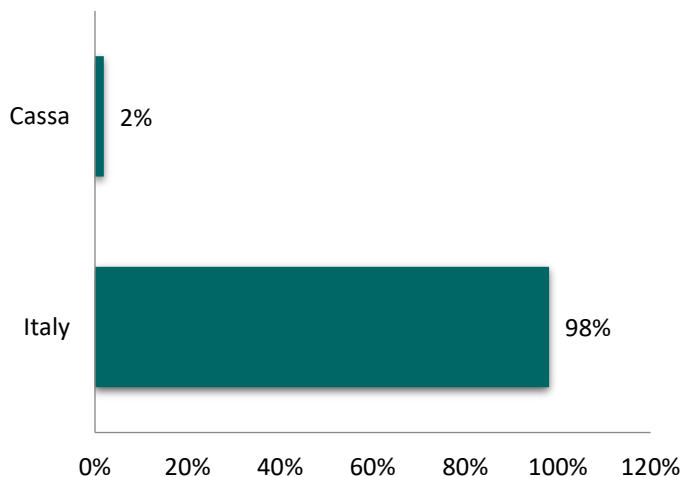
Geographical allocation (Company headquarter)



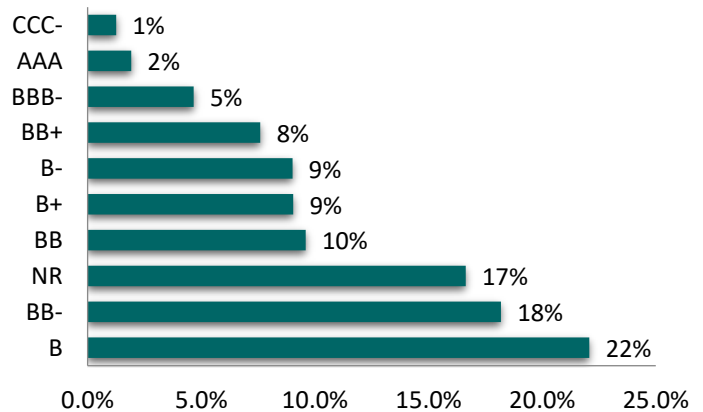
Sector allocation



Geographical allocation (Country of risk)



Allocation by rating



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