

Ver Capital Short Term

Ver Capital Short Term's (VCST) objective is capital preservation throughout a low-volatility market strategy. Ver Capital Short Term fund is UCITS IV compliant, with daily NAV. It mainly invests in EUR, USD and GBP bonds with a remaining maturity of less than 24 months. Non-Euro currencies are fully hedged. Key drivers of VCST return are: good credit quality and short maturity of the portfolio allow to reduce credit risk, in addition to an inherent hedging from rising interest rates. The portfolio manager strategically allocates resources between IG and HY based on credit cycle, market environment, monetary policy decisions and economic indicators.

Market

May marked a notable shift in market tone, as optimism cautiously returned across asset classes despite continued geopolitical noise and lingering macroeconomic uncertainty. The rebound that began in late April gained momentum, supported by temporary trade truces and resilient risk appetite. On the geopolitical front, the U.S. and U.K. announced a symbolic trade agreement, including targeted tariff reductions on steel, aluminum, ethanol, and automobiles. Meanwhile, a 90-day tariff truce between the U.S. and China eased tensions and offered temporary relief to global markets. However, investor nerves remain taut, especially with U.S. President Trump resuming attacks on Fed Chair Powell, publicly calling him an "idiot" on social media. Equity markets surged throughout May, with the S&P 500 climbing 6.5%, the Nasdaq up 9%, and EuroStoxx advancing 4%. Credit markets mirrored this positive trend: European high yield (HY) gained 1.5%, driven by a 52 basis point tightening in spreads amid a stable rate environment. Yield to maturity dipped back below the 6% threshold, settling at 5.7%. Since the start of the year, HY returns have shown limited differentiation by rating: BBs are up 2.0%, single-Bs +2.5%, and CCCs +1.8%. This flattening trend reflects a still-risk-on environment, albeit with some caution toward lower-rated names after their outsized early-year rally. May was a record month for credit issuance, as both Investment Grade and High Yield issuers took advantage of calmer macro conditions and the end of earnings blackouts. In the HY segment alone, gross issuance reached €19 billion, with net issuance at €6.8 billion. Roughly 75% of deals were refinancing-driven, continuing a two-year trend.

Key primary market transactions included:

- Golden Goose (Sneakers, unrated): Floating-rate notes, +375 bps, 6 years.
- Trivium Packaging (Metal packaging, B): 6.625%, 5 years.
- Dufry (Travel retail, BB-): 4.5%, 7 years.
- Air France-KLM (Hybrid, unrated): Perpetual, 5.75%
- Akropolis (Real estate, BB+): €350 million, 5 years, 6%
- Shift4 Payments (Fintech, BB-): €680 million, 5 years, 5.5%.

Looking forward, the months of June and July will be crucial. With a potential Fed rate hike looming on July 9, alongside dense macroeconomic data and heavy primary issuance, volatility may reemerge. While sentiment has improved, risk remains asymmetrically skewed to the downside in case policy or geopolitical tensions resurface.

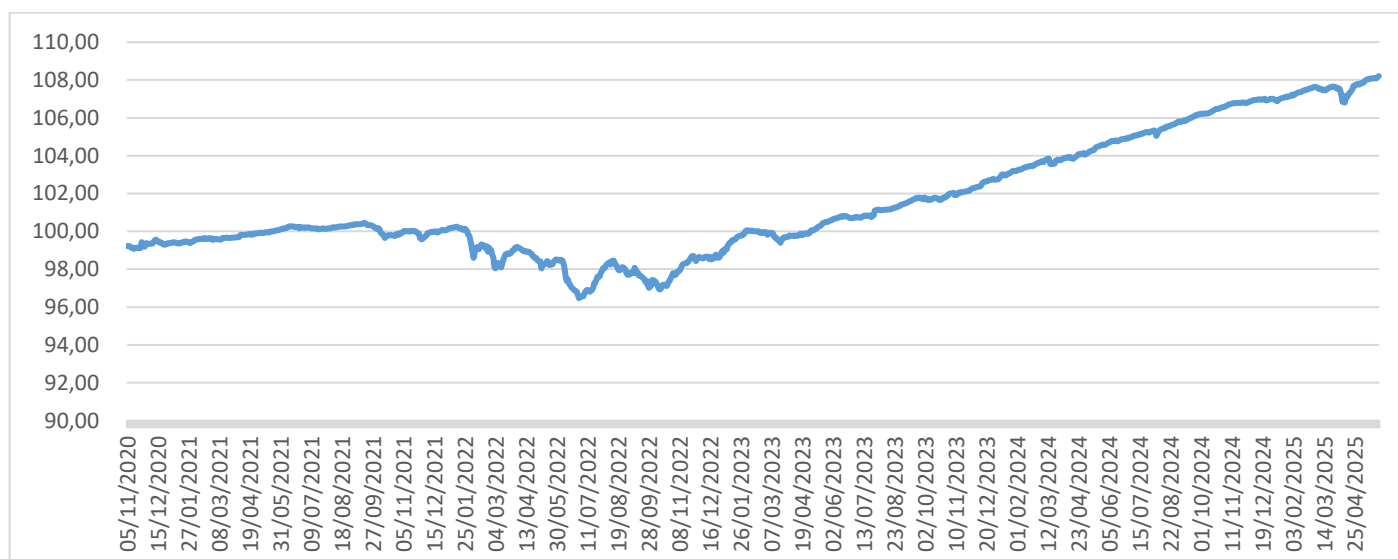
In summary, May offered a reprieve from April's turbulence, but caution remains warranted. Risk assets performed strongly, but structural fragilities suggest the path ahead is far from settled.

Investment Tactics

In the coming weeks, we will selectively invest in specific opportunities that arise, guided by our ongoing monitoring of fundamental indicators.

NAV Performance

Share Class	ISIN	Mgmt Fee	1 Month	YTD	1 Year	3 Years	Volatility
BX	LU2344413377	0,60%	0.45 %	1.22%	3,52%	9,88%	0,81%
DX	LU2344412726	0,90%	0,43%	1.10%	3,24%	9,08%	0,82%



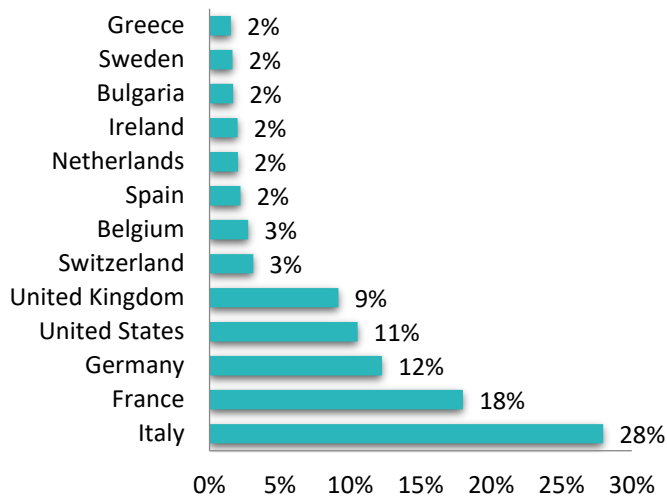
Portfolio Performance

Currency denomination (EUR)	100%
Average rating	BB/BB-
Average coupon (not including cash)	3.8%
Yield to worst (not including cash)	3.9%
Yield To Maturity (not including cash)	4.2%
Modified Duration	1.00
Number of sectors	35
Number of issuers	95
Number of issuances	103
Top 10 holdings	24%

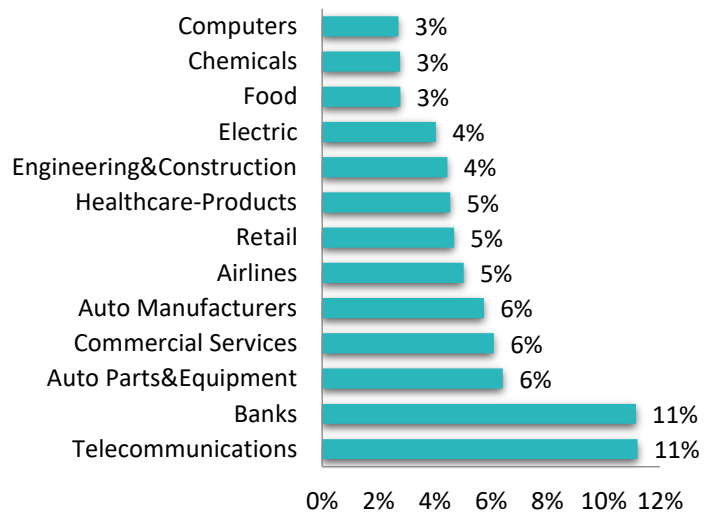
Top 10 holdings

	Ticker	wgt	Cumulated Wgt
1	JAGUAR LAND ROVER AUTOMO	2,87%	2,87%
2	RENAULT SA	2,73%	5,61%
3	FIBERCO SPA	2,72%	8,32%
4	MARCOLIN SPA	2,39%	10,71%
5	WEBUILD SPA	2,20%	12,91%
6	ONTEX GROUP NV	2,19%	15,10%
7	ELIOR GROUP SA	2,19%	17,29%
8	TECHNIPFMC PLC	2,17%	19,46%
9	LUTECH	2,16%	21,62%
10	AVANTOR FUNDING INC	2,16%	23,79%
	Totale		23,79%

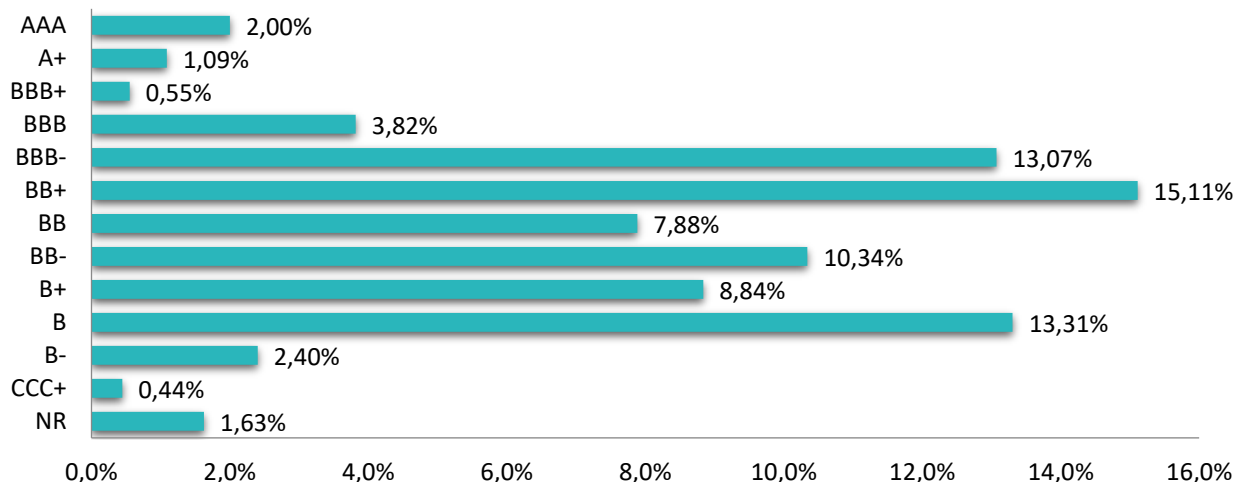
Geographical allocation (Company headquarter)



Sector allocation



Allocation by rating



Info

Investment Manager

Sienna IM Italia

Sales Contacts

Sergio Trezzi

Sergio.trezzi@sienna-im.com

Portfolio Managers

Alberto Gesualdi
Giacomo Bergamo

Alberto.gesualdi@sienna-im.com;
Giacomo.bergamo@sienna-im.com