

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

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 credit bond market, which is on course for its worst month since September 2022.

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.

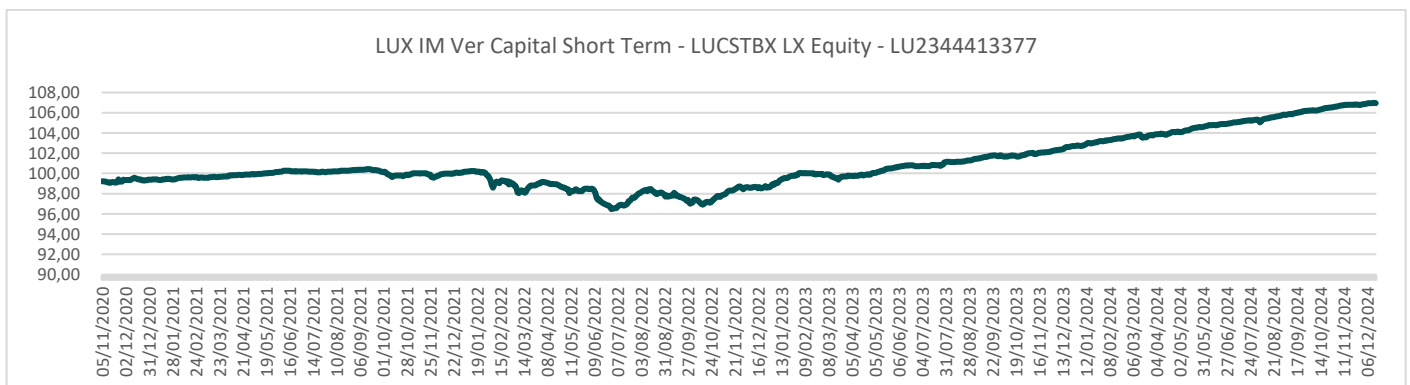
Forvia (BB-/B1): The Nanterre-based company, which makes products for cars such as lights and seats.

Investment Tactics

In the following weeks we will continue to reinvest the funds received from matured and called bonds into bonds mainly maturing in 24 months and our monitoring activities on fundamentals.

NAV Performance

Share Class	ISIN	Mgmt Fee	1 Month	YTD	1 Year	3 Years	Volatility
BX	LU2344413377	0,60%	-0,09%	0,55%	3,64%	8,60%	0,49%
DX	LU2344412726	0,90%	-0,11%	0,48%	3,36%	7,80%	0,49%



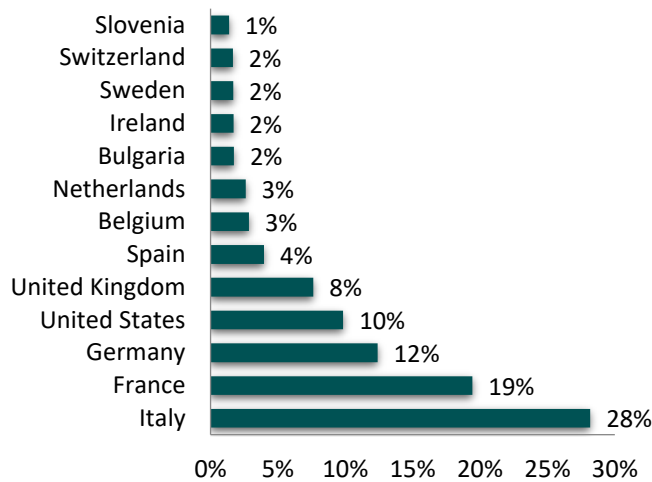
Portfolio Performance

Currency denomination (EUR)	100%
Average rating	BB/BB-
Average coupon (not including cash)	3,8%
Yield to worst (not including cash)	3,7%
Yield To Maturity (not including cash)	4,5%
Modified Duration	1,06
Number of sectors	35
Number of issuers	95
Number of issuances	106
Top 10 holdings	25%

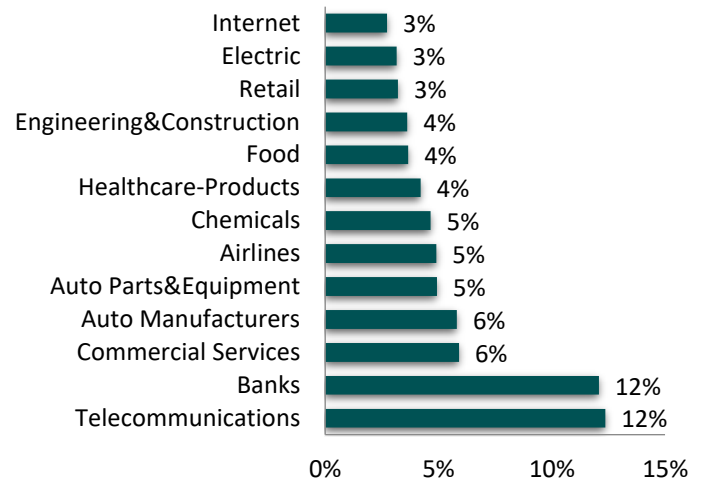
Top 10 holdings

p 10 securities	Ticker	wgt	Cumulated Wgt
1	JAGUAR LAND ROVER AUTOMO	2,99%	2,99%
2	RENAULT SA	2,82%	5,81%
3	FIBERCOP SPA	2,79%	8,60%
4	TELECOM ITALIA SPA	2,53%	11,13%
5	WEBUILD SPA	2,27%	13,40%
6	ONTEX GROUP NV	2,26%	15,66%
7	AVANTOR FUNDING INC	2,26%	17,93%
8	ELIOR GROUP SA	2,26%	20,19%
9	BANCA MONTE DEI PASCHI S	2,25%	22,44%
10	ELO SACA	2,11%	24,55%
Totale			24,55%

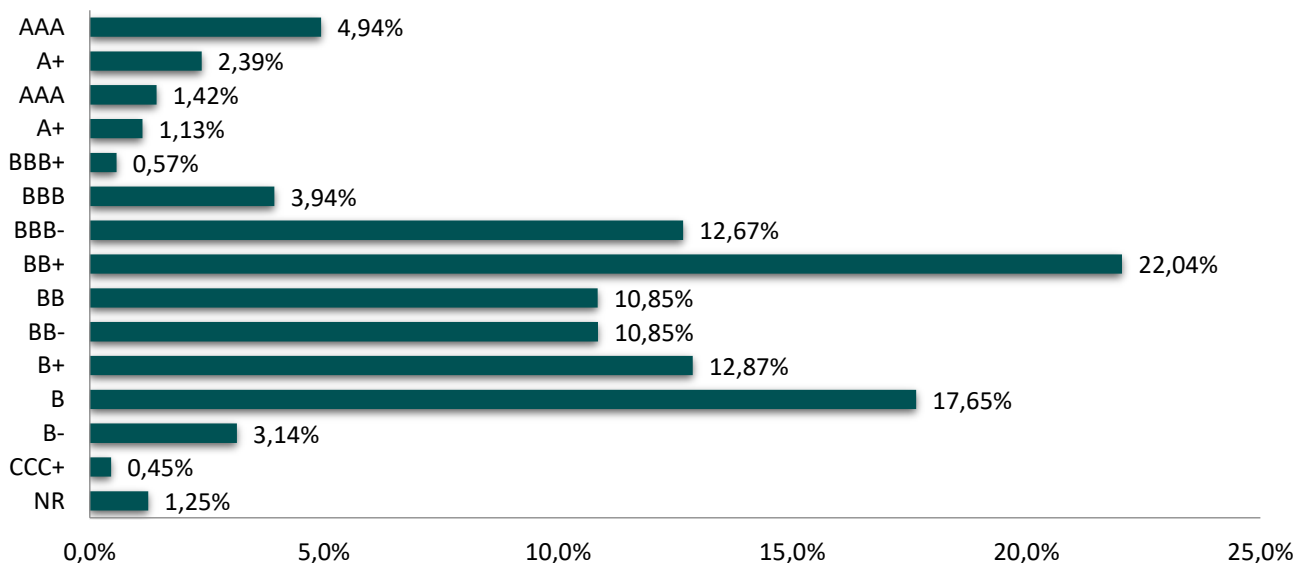
Geographical allocation (Company headquarter)



Sector allocation



Allocation by rating



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