

Monthly review

May was characterised by a highly volatile climate in which the drop in rates following the slowdown in labour market and consumer price data was partly retraced as less accommodative tones prevailed among Fed members. Investment Grade nevertheless benefited from the rate movement in USD with a positive performance of about 1.5 points, while in the EUR area rates returned above their end-April levels. Spreads tightened on high beta, supporting risk assets, with high yields advancing about 1 point and cocos 2.5. Against this backdrop, the strategy posted a positive performance, widening the gap with the benchmark to about 50 bps since the beginning of the year, benefiting from the increased exposure to credit risk, particularly in the subordinated segment. At the operational level, portfolio carry was increased during the month by participating in the primary offering of some AT1, T2 and senior HY issues. Following the good start on the secondary market, profits were taken on some of the new issues subscribed, in particular on the high yield segment, bringing exposure back to around 4%. HY valuations remain unattractive in our view, while subordinates continue to offer more attractive carry and better risk-reward. Looking forward, we thus believe that the conditions continue to be in place to gradually increase portfolio duration, taking advantage of the retracement of rates, and to maintain an overweight on subordination risk.

Key fund information

Assogestioni category	Euro bond corporate investment grade fund
Inception date	01/03/2024
Nav (Euro)	100,830
Strategy AUM (in Euro)	149.912.597
Benchmark	ICE BofAML Euro Corporate

Performance	Fund	Benchmark
YTD	-	-
Last week	-0,12%	-0,09%
Last month	0,40%	0,24%
Last 3 months	-	-
1 year	-	-
3 years (*)	-	-
5 years (*)	-	-
Since inception (*)	0,83%	0,54%
(*) Compound annual return		

Risk statistics

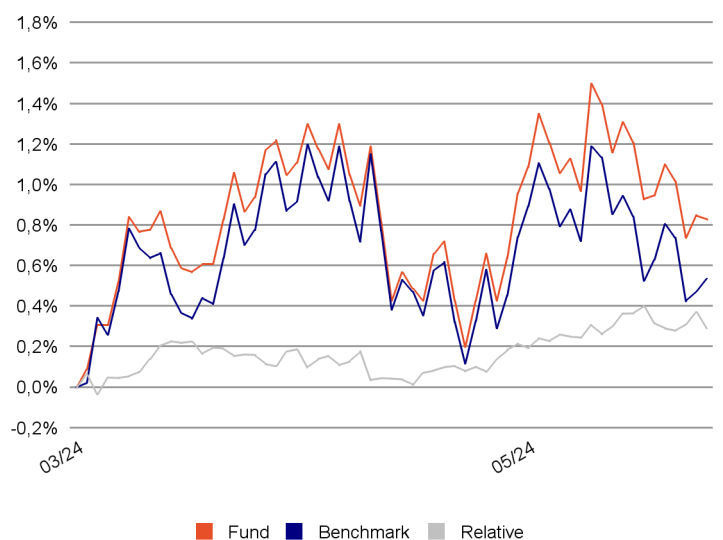
Standard deviation	2,85%	Sharpe ratio	-0,19
Standard deviation bench	2,92%	Information ratio	2,1
VaR	-4,71%	Beta	0,96
Tracking error volatility	0,54%	Correlation	0,98
Effective duration	4,56		

Asset class

Bonds	97,0%
Liquidity	3,0%
Shares	-
	-
Total	100,0%

Currency exposure	Gross exp.	Coverage	Net exp.
Euro	99,2%	0,7%	99,9%
Dollar	0,8%	-0,7%	0,1%
Emerging countries	0,0%	-	0,0%
Europe ex Euro	0,0%	-	0,0%
Global	-	-	-
Japanese Yen	-	-	-
Pacific ex Japan	0,0%	-	0,0%
	-	-	-
Total	100,0%	-	100,0%

Regional Exposure	Bond	Derivat.	Total
America	5,4%	-	5,4%
Emerging countries	-	-	-
Europe ex Italy	74,8%	-	74,8%
Italy	16,8%	-	16,8%
Japan	-	-	-
Pacific ex Japan	-	-	-
Total	97,0%	0,0%	97,0%

Performance over last year


Credit Rating	Corp	Govt	Conv	Total
AAA	-	-	-	-
AA	-	-	-	-
A	27,4%	-	-	27,4%
BBB	56,8%	1,3%	-	58,2%
BB	10,5%	-	-	10,5%
B	0,8%	-	-	0,8%
<CCC	-	-	-	-
NR	0,0%	-	-	0,0%
Total	95,6%	1,3%	-	97,0%

Maturity Profile			
0 - 0,5 years	1,4%	3 - 5 years	56,0%
0,5 - 1 years	-	5 - 7 years	30,5%
1 - 2 years	3,4%	7 - 10 years	5,6%
2 - 3 years	3,1%	> 10 years	-

Fund technicals	
Management Company	Ersel Gestion Internationale SA
Investment Manager	Ersel Asset Management Sgr SpA
Custodian bank	Caceis Bank Luxembourg SA
Independent auditors	Ernst & Young S.A.
Offices of Ersel Group	Piazza Solferino, 11 - 10121 Torino +39 01155201 Via Caradosso, 16 - 20123 Milano +39 02303061 Via M. D'Azeglio, 19 - 40123 Bologna +39 051273232 35 Boulevard Joseph II, L-1840 Luxembourg
Base currency	Euro
ISIN code	LU2751622304
Bloomberg code	LDRCRPA LX
Frequency of NAV calculations	Daily

Main securities in the portfolio	
SOC.GEN EUR 11/31 MCP CALL 30	2,84%
DEUTSCHE BK EUR 11/30 MCP CALL 29	2,37%
BNP PARIBAS EUR 04/32 2,1%	2,35%
CAIXABANK EUR 11/30 MCP CALL 29	2,20%
B.CO SABADELL EUR 06/29 MCP CALL 28	2,18%
ABANCA CORP EUR 04/30 MCP CALL 29	2,16%
THALES EUR 10/31 4,25% CALL 31	2,11%
LLOYDS BK EUR 01/29 MCP CALL 28	2,08%
COMMERZBANK EUR 01/31 MCP CALL 30	2,08%
HSBC HLDG EUR 03/28 MCP CALL 27	2,06%

Investment objective

The Fund seeks to grow capital and to generate income. In order to achieve the above said aims the Fund invests mainly in bonds, debt securities and credit instruments issued by companies in any sector whatsoever and more than 50% of its assets in "investment grade" credit instruments. The Fund may invest in instruments denominated in currencies other than the Euro.

Charges	
Minimum amount of the first subscription:	2.500 euro
Minimum amount of subsequent subscriptions:	250 euro
Entry charge:	None
Exit charge:	None
Maximum management fees:	0.8% on an annual basis
Performance fee:	Calculated quarterly on 20% of the positive difference between the net return of the Fund and its reference index: 90% Merrill Lynch EMU Corporate Large Cap Index and 10% Merrill Lynch Euro Government Bill Index

Risk level						
1	2	3	4	5	6	7

The synthetic risk indicator assumes that the product is held for 5 years and is an indicative indication of the level of risk of this product compared to other products.

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