

Monthly review

September was a very volatile month for risk assets, which started out with a downward trend driven by oil and concerns about Chinese growth, with rates stagnating in Europe but rising in the US, where the significant downward movement in August was accompanied by a 50 bps cut by the Fed, which however was still uncertain. The change of course came in mid-month with the US Fed delivering its expected move to the market, with a half-point cut in policy rates. A few days later, China announced a series of stimulus measures, including cutting the reference rate (RRR) and short-term rates and allowing funds to access central bank liquidity to support equities. Credit and equity recovered and rates returned to their August lows in the US and started to discount a bit more in Europe as well, ending the month with an October cut for the European Central Bank priced in at 90%. Credit spreads, after a moderate expansion on high beta in the first half of September, returned to the previous month's levels. In this context, euro credit marked positive performance by about 1.2 points on high grade categories and 1 point on high beta segments. In the currency sphere, central bank actions positively influenced the performance of the AUD (+1.65%) and the Yen (+1.21%), while the US dollar lost 0.9% against the euro. We followed performance for the month, managing to align the duration again after the late August sell-off and thus returning close to 5 years prior to the Fed meeting. The fund then benefited from the steepening of the European curve, thanks to a leveraged position on the German 2-year.

Key fund information

Assogestioni category	Flexible bond
Inception date	16/01/2020
Nav (Euro)	103,590
Strategy AUM (in Euro)	111.112.038
Benchmark	

Performance	Fund	Benchmark
YTD	3,57%	-
Last week	0,27%	-
Last month	1,06%	-
Last 3 months	2,72%	-
1 year	8,34%	-
3 years (*)	0,19%	-
5 years (*)	-	-
Since inception (*)	0,75%	-

(*) Compound annual return

Risk statistics

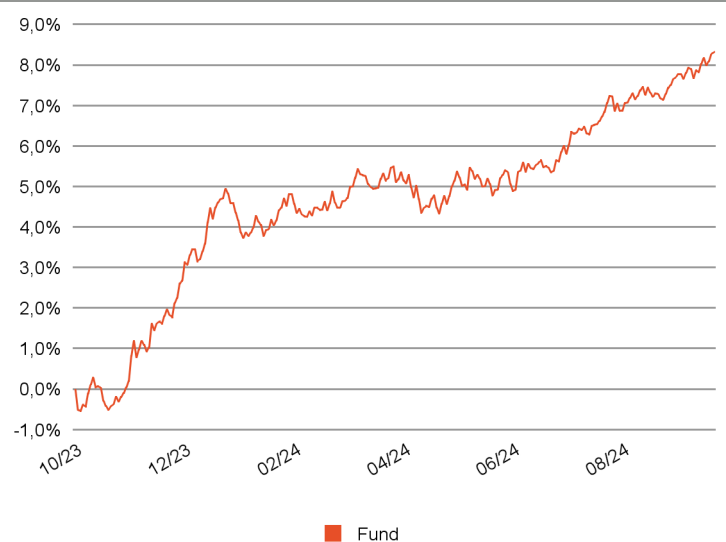
Standard deviation	3,01%	Sharpe ratio	0,38
Standard deviation bench	-	Information ratio	-
VaR	-4,97%	Beta	-
Tracking error volatility	-	Correlation	-
Effective duration	3,79		

Asset class

Bonds	85,1%
Liquidity	14,9%
Shares	-
	-
Total	100,0%

Currency exposure	Gross exp.	Coverage	Net exp.
Euro	91,0%	1,4%	92,4%
Dollar	4,7%	-1,4%	3,3%
Emerging countries	1,9%	-	1,9%
Europe ex Euro	2,4%	-	2,4%
Global	-	-	-
Japanese Yen	0,0%	-	0,0%
Pacific ex Japan	0,0%	-	0,0%
	-	-	-
Total	100,0%	-	100,0%

Regional Exposure	Bond	Derivat.	Total
America	7,4%	-	7,4%
Emerging countries	2,4%	-	2,4%
Europe ex Italy	60,9%	14,4%	75,3%
Italy	14,4%	-	14,4%
Japan	-	-	-
Pacific ex Japan	0,0%	-	0,0%
Total	85,1%	14,4%	99,5%

Performance over last year


Credit Rating	Corp	Govt	Conv	Total
AAA	-	-	-	-
AA	-	32,5%	-	32,5%
A	14,8%	5,0%	-	19,7%
BBB	10,2%	7,0%	-	17,2%
BB	6,5%	1,4%	-	7,9%
B	0,7%	-	-	0,7%
<CCC	-	-	-	-
NR	5,7%	-	-	5,7%
Total	37,9%	45,8%	-	83,7%

Maturity Profile			
0 - 0,5 years	17,2%	3 - 5 years	53,4%
0,5 - 1 years	3,0%	5 - 7 years	9,3%
1 - 2 years	6,1%	7 - 10 years	-
2 - 3 years	0,7%	> 10 years	3,0%

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	LU2065928777
Bloomberg code	LEADFBA LX
Frequency of NAV calculations	Daily
Performance Fee	Maximum of 10% of the annual performance exceeding both the Highwatermark (the highest year end value attained prior to the calculation date) and the Hurdle Rate (annual performance of Euribor 12 Month + 2%). Paid annually.

Main securities in the portfolio	
FRANCIA EUR 11/24 ZCB	11,66%
BTP 01/05/33 4,4%	6,99%
AUSTRIA EUR 06/20 0,85%	2,54%
NATL BANK GREECE EUR 11/27 MCP CALL 26	1,24%
POSTE IT EUR PERP MCP CALL 29 2.625%	1,00%
UNICREDIT EUR 01/31 MCP CALL 30	0,96%
FERRARI EUR 05/25 1,5%	0,89%
PETROLEUM GEO USD 03/27 13,5% CALL 25	0,88%
VODAFONE EUR 08/80 MCP CALL 26	0,88%
VOLKSW.INTL EUR PERP MCP CALL 29 3.875%	0,85%

Investment objective

The fund pursues an absolute return objective with moderate volatility and a time horizon of 2-3 years. To achieve this objective, the fund adopts a discretionary investment style in which the control of risk factors is an integral, pervasive part of the investment process. Without any benchmark constraints, the fund will undertake the bond investments deemed the most attractive in terms of risk/return profile in the light of the prevalent market scenario. The fund may invest in bonds of all kinds and in other similar kinds of debt, exchange-traded funds (ETFs), undertakings for collective investment in transferable securities (UCITS) and other undertakings for collective investment (UCIs). It may invest in instruments denominated in currencies other than the euro and may hold liquidity of less than 50% of its net asset value (NAV). The fund will make use of listed and OTC derivative instruments to take long and short positions designed to take opportunistic advantage of the efficiencies identified from time to time in the various segments of the bond market.

Isin	Currency	Min.initial Subs.	Mgmt. fee	AUM (mln€)
LU1578335538	Euro	2.500 euro	0,6%	62,34
LU2065928777	Euro	2.000.000 euro	0,5%	48,77
Total				111,11

Return (net of fees)													
	1	2	3	4	5	6	7	8	9	10	11	12	YTD
2024	0,22%	-0,18%	0,83%	-0,87%	0,33%	0,51%	1,52%	0,12%	1,06%				3,57%
2023	1,27%	-1,88%	0,41%	0,32%	-0,12%	-0,42%	0,74%	-0,28%	-0,50%	0,21%	2,47%	1,86%	4,09%
2022	-0,71%	-1,31%	-0,29%	-1,58%	-0,51%	-2,43%	3,07%	-1,65%	-2,40%	0,41%	1,67%	-0,63%	-6,30%
2021	-0,16%	-0,35%	0,59%	-0,02%	-0,17%	0,24%	0,26%	-0,16%	-0,19%	-0,26%	-0,28%	0,10%	-0,42%
2020		-0,60%	-2,95%	1,62%	0,66%	1,17%	1,11%	0,29%	-0,09%	0,41%	1,20%	0,27%	2,98%

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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