

Performance		Portfolio Summary		Calendar year performance	
1 m	0.32%	Positions	38	2021	0.37%
3 m	-0.79%	Current Gross Yield	8.17%	2022	-12.21%
Ytd	5.35%	Average Coupon	5.56%		
1 Year	11.21%	Duration	2.99		
Since inception	-7.17%	AUM	12.6		



Monthly Commentary

October concluded on mixed performance within fixed income, with some soft signals of a flight to quality positioning and intra-month reversals in relative movements. Rates volatility continued, with some rollercoaster movements of subsequent tightening and widening, with eventually both the Germany and Italy 10-year yield closing 3bps and 6bps tighter respectively. During the first half of the month, renewed fears of global economic slowdown fuelled by Chinese data have weighted on risk premia, resulting in weak valuations on the corporate HY and AT1s and rating and capital structure decompression of spreads. Central Banks have delivered signals that the hiking cycle is concluded, at least for the time being, and unless inflation will start to strengthen again. These messages, together with the earning season showing only a moderate deterioration in corporate results, set the market on a risk-on mode toward the end of the month, although this was not enough to avoid HY and AT1 posting a negative 30bps and 17bps return respectively. The perspective of rates having peaked was in fact positive for IG, delivering a strong 10bps tightening and 26bps total return for the month. In this context, bond picking in HY and positioning in AT1 has been crucial to materially outperform the market. Declining rates favoured long duration AT1s such as Santander 3 5/8, while Commerz 4 1/4 was pushed by positive news development. Among corporate single names, we saw some underperformers from last month reverting to a positive territory in October in terms of performance contribution to the Fund. Namely, Jaguar Land Rover (+18bps), Dana (+4bps), and Pepco (+4bps). Dana and JLR have reported positive 3Q23 results, while Pepco held a Capital Markets Day where they announced a revised strategy, indicating slowing expansionary initiatives (credit positive) due to slower consumer spending and inflationary pressures. On the negative front, albeit small, Carnival29 (-8bps) and Sappi Papier28 (-2bps) recorded a drag. Both driven by duration and some profit taking on Carnival.

Top 10 largest issuers

KBCBB	6.31%
BOTS	5.88%
SANTAN	5.27%
CMZB	4.82%
AMSSW	3.90%
FEDRIG	3.82%
TTMTIN	3.68%
BENTLR	3.24%
ISPIM	3.24%
SOLEIN	3.18%

Top 10 performers, %

TTMTIN 4 1/2 07/15/28	4.11
CMZB 4 1/4 PERP	3.12
SANTAN 3 5/8 PERP	1.74
EOFP 3 3/4 06/15/28	1.72
DAN 3 07/15/29	1.70
SABSM 9 3/8 PERP	1.45
ASRNED 4 5/8 PERP	1.20
PEPGRP 7 1/4 07/01/28	1.09
SANTAN 8.1232 PERP	1.08
BTPS 3.8 08/01/28	1.00

Bottom 10 performers, %

CCL 1 10/28/29	-4.33
MONTE 7.708 01/18/28	-1.57
USIMIT 6 3/8 PERP	-1.41
CABBCO 8 3/4 05/01/28	-1.26
AGSBB 3 7/8 PERP	-1.00
FRTR 0 1/2 05/25/2072	-0.87
AMSSW 6 07/31/25	-0.16
EMPARQ 1 7/8 02/01/28	-0.12
BNP 6 7/8 PERP	-0.11
IPGIM 7 09/27/28	0.10

Rating Allocation

AAA	0.00%
AA	0.00%
A	3.13%
BBB	20.78%
BB	53.16%
B	12.85%
CCC	0.00%
NR	9.49%
CASH	0.59%

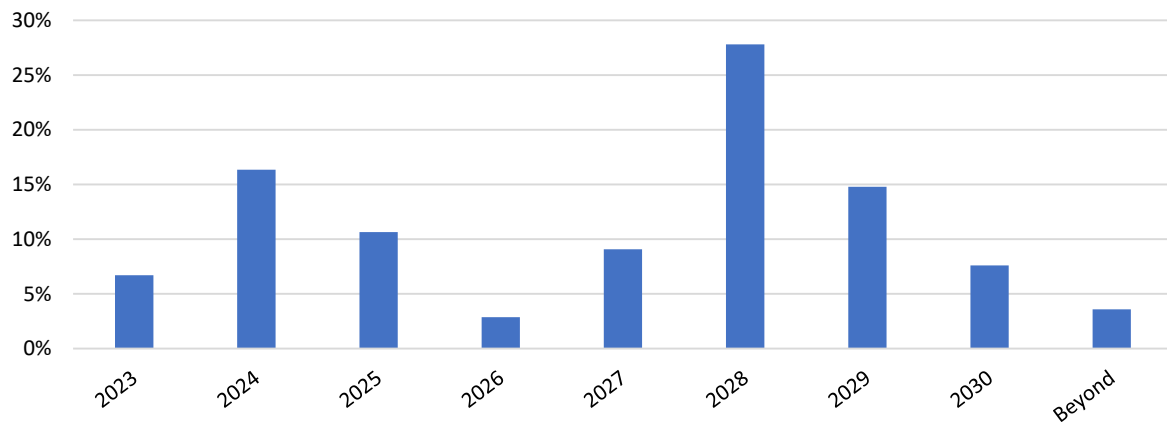
Sector Allocation

Banks	32.84%
Insurance	16.79%
Sovereign	7.46%
Chemicals	5.50%
Auto Parts&Equipment	4.03%
Semiconductors	3.90%
Packaging&Containers	3.82%
Auto Manufacturers	3.68%
Holding Companies-Divers	3.24%
Pharmaceuticals	3.18%

Country Allocation

Italy	26.07%
Spain	12.43%
US	11.57%
Belgium	8.61%
UK	8.27%
Germany	8.00%
France	7.63%
Netherlands	7.35%
Austria	7.15%
Luxembourg	2.32%

Maturity Profile



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In providing the information, no action has been taken to qualify any potential investor, in any jurisdiction, including without limitation in the United States under the Securities Act of 1933 or the US Investment Company Act of 1940. The Fund's shares are not, and will not be registered under the US Securities Act of 1933, as amended, or qualified under any applicable state securities statutes. The Funds are not, and will not be registered as investment companies under the US Investment Company Act of 1940, as amended.

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