

Performance		Portfolio Summary		Calendar year performance	
1 m	0,99%	Positions	49	2021	0,37%
3 m	2,54%	Current Gross Yield	8,96%	2022	-12,21%
Ytd	3,88%	Average Coupon	4,98%		
1 Year	8,76%	Duration	3,62		
Since inception	-8,47%	AUM	13,0		



Monthly Commentary

The fixed income markets in June were impacted by the softening of macroeconomic data, that fuelled fears of a coming recession, leading to some positive movements in rates, and still high inflation data, with subsequent hawkish comments from central banks on both sides of the Atlantic, that caused a sell-off in rates. Whilst the Fed remained on hold as expected, Powell sent an hawkish message for the future, driving an increase in the market's expectations for terminal rates. In the Eurozone, the ECB raised rates by 25bp as expected, with President Lagarde saying another raise in July is "very likely". Whilst a new hike in July was already expected, the update of ECB staff projections for inflation, have increased the probability of other hikes in September and October as well. Overall, the 2yr German rate increased by 49bp and the 10yr Bund by 11bp, further magnifying the curve inversion that reached -80bp at the end of the month. In credit, June was a month of two parts, with spreads tightening in the first two to three weeks, and slightly widening towards the end of the month as the market switched to a risk-off mood. On the whole, High Yield outperformed other credit sectors, delivering a total return of 45bp, versus Investment Grade and AT1 that delivered a negative total return of 44bp and 4bp, respectively. In this context, the portfolio delivered a total return of 0.99%, with the main contributors being the financial subordinated sector, both banking and insurance, especially thanks to Uncredit, BBVA and Unipol securities. In corporates, Carnival and AMS were the largest contributors, whilst the main detractors to the portfolio's performance were Intrum and Solenis. During the month we increased our exposure in CABB, Bentler and Fedrigoni and exited from Allwyn and Kongsberg. In corporate hybrids we sold our position in British American Tobacco and built a new position in ENI. The investment strategy remains consistent with the goal of reinvesting proceeds from coupons and reimbursements and taking advantage of market opportunities should they arise.

Top 10 largest issuers

SANTAN	6,03%
ISPIM	3,98%
CCL	3,89%
FEDRIG	3,71%
UCGIM	3,51%
USIMIT	3,33%
BENTLR	3,11%
BBVASM	3,05%
SABSM	2,99%
KBCBB	2,97%

Top 10 performers

CCL 1 10/28/29	18,14%
USIMIT 6 ¾ PERP	4,35%
DAN 3 07/15/29	4,34%
UCGIM 3 ¾ PERP	4,09%
LIBMUT 3 ¾ 05/23/59	3,71%
ALVGR 2 ¾ PERP	3,28%
BATSLN 3 PERP	2,98%
CMZB 6 ½ PERP	2,75%
SABSM 9 ¾ PERP	2,73%
AMSSW 6 07/31/25	2,71%

Bottom 10 performers

INTRUM 9 ¼ 03/15/28	-5,36%
SOLEIN 9 ¾ 11/15/28	-4,01%
INTRUM 3 09/15/27	-3,71%
STYRO 2 ¼ 01/16/27	-1,22%
ISPIM 4 ¾ PERP	-1,03%
SCOR 5 ¼ PERP	-0,85%
NEXIIM 1 ¾ 04/30/26	-0,70%
CABBCO 8 ¾ 05/01/28	-0,59%
ENIIM 3 ¾ PERP	-0,57%
IAGLN 1 ½ 07/04/27	-0,48%

Rating Allocation

AAA	0,00%
AA	0,90%
A	0,00%
BBB	22,15%
BB	64,47%
B	8,77%
CCC	0,00%
NR	1,87%
CASH	1,83%

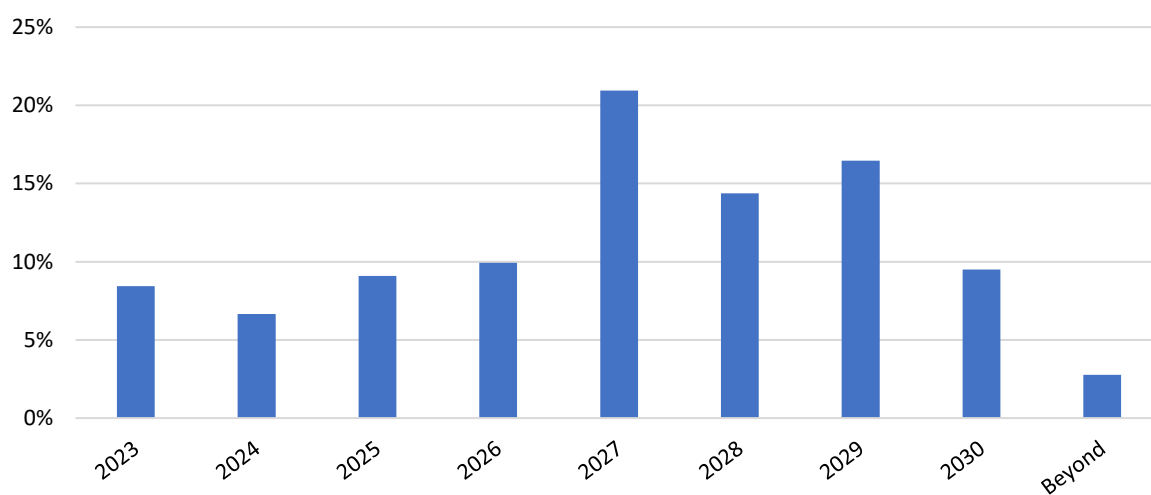
Sector Allocation

Banks	32,65%
Insurance	17,86%
Chemicals	4,34%
Airlines	4,12%
Auto Parts&Equipment	4,07%
Leisure Time	3,89%
Packaging&Containers	3,71%
Engineering&Construction	3,45%
Holding Companies-Divers	3,11%
Auto Manufacturers	2,79%

Country Allocation

Italy	22,38%
Spain	18,05%
UK	13,66%
US	8,83%
France	8,46%
Austria	7,36%
Netherlands	6,22%
Belgium	5,20%
Germany	2,81%
Israel	2,09%

Maturity Profile



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