

Performance		Portfolio Summary		Calendar year performance	
1 m	1.49%	Positions	47	2021	0.37%
3 m	3.15%	Current Gross Yield	6.18%	2022	-12.21%
Ytd	6.50%	Average Coupon	5.26%	2023	12.77%
1 Year	13.04%	Duration	3.10	2024	6.50%
Since inception	5.83%	AUM, EURm	14.1		



### Monthly Commentary

A solid month for fixed income returns, driven by two main forces. First, markets gained more confidence that Central Banks are in fact at the very beginning of a rate cut cycle that will continue into year end and 2025, given the efforts to tame inflation seem to deliver results in the right direction. Second, abundance of available liquidity, paired with low net supply, triggered compression trades in high yield, where the riskier part of the market outperformed higher quality issuers, and in financials, where AT1s have been consistently trading on the offer side and reached historical spread lows. The Fund delivered a very positive performance, the second-best month of the year so far. Insurance subordinated led the return contribution in July, as they benefitted from both the higher duration profile and the hunt for healthy spreads. The IG component of the Fund, skewed to the medium-long end of the curve have as well been a net contributor to the performance as investors rushed to lock-in current level of yields in anticipation of them going down in the near future. Among the main contributors for HY corporate credit performance was ION Corporates, which traded up on the back of good 2Q results with company delivering double digit recurring revenue growth and maintaining solid margins. Benteler was the only position in negative territory in July. The bond has retraced a couple of percentage points following a read across from negative sentiment expressed by peers Vallourec and Tenaris. The two firms both stressed how US steel tube prices are impacted by elevated imports and thus inventories at distributors, as well as still declining rig count in the US. We nevertheless remain confident on Benteler ability and desire to early refinance the bond. Benteler will report results at the end of August. HY primary market remained active in the first half of July, mostly with refinancing transactions. We maintained a selective approach and invested in Kelvion, a global heat exchanger solutions provider that priced its 2029 senior secured floating rate note at Euribor plus 500bps with 99 issuance price, now trading above par. In light of relentless spread tightening, we took profit on several AT1s and selected HY names, and increased the defensive and cash equivalent exposure in expectation of market correction.

### Top 10 largest issuers

CMZB	5.3%
BTPS	4.7%
ASRNED	4.0%
SANTAN	3.9%
BOTS	3.9%
ERSTBK	3.8%
DBR	3.6%
ISPIM	3.5%
ACHMEA	2.9%
BENTLR	2.9%

### Top 10 performers

ENGIFP 1 1/4 10/24/41	4.8%
ALVGR 2 5/8 PERP	4.2%
ACHMEA 5 5/8 11/02/44	4.0%
SANTAN 3 5/8 PERP	3.6%
BTPS 0.95 06/01/32	3.6%
BPLN 1.467 09/21/41	3.5%
AGSBB 3 7/8 PERP	3.1%
ASRNED 4 5/8 PERP	2.8%
BAMIIM 9 1/2 PERP	2.8%
NETIM 5.1 09/28/31	2.8%

### Bottom 10 performers

BENTLR 9 3/8 05/15/28	-0.7%
INTDGP 10 11/15/28	-0.2%
FEDRIG Float 01/15/30	0.1%
DBR 1 08/15/24	0.3%
MANUCH 7 1/4 06/30/27	0.3%
TEVA 1 1/8 10/15/24	0.3%
DAN 8 1/2 07/15/31	0.4%
STYRO 2 1/2 01/15/26	0.5%
CONGLO 2 3/4 01/01/26	0.5%
ADRBID Float 02/15/31	0.5%

### Rating Allocation

AAA	5.4%
AA	0.0%
A	5.8%
BBB	20.0%
BB	38.3%
B	19.8%
CCC	0.0%
NR	9.3%
CASH	0.0%

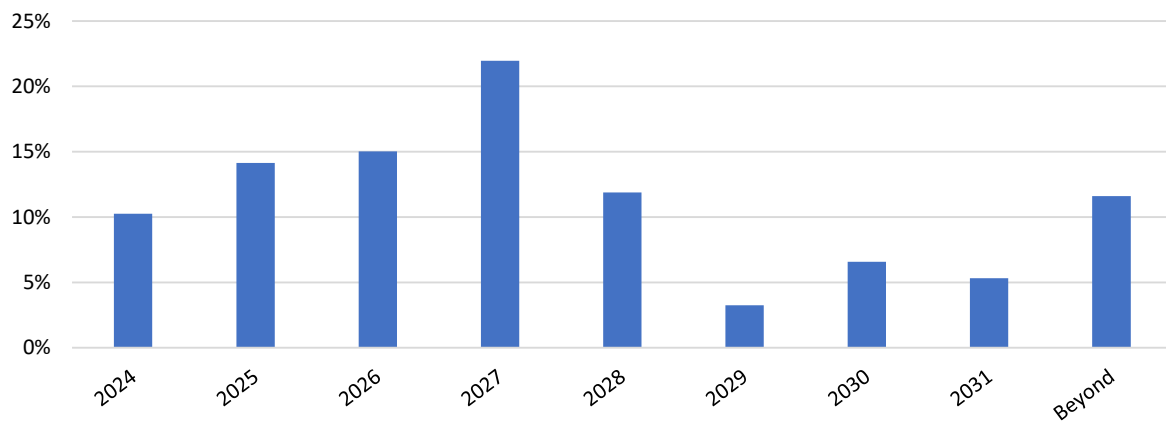
### Sector Allocation

Banks	20.6%
Insurance	18.8%
Sovereign	14.0%
Chemicals	4.4%
Retail	4.3%
Auto Parts&Equipment	3.5%
Software	3.5%
Electric	3.3%
Holding Companies-Divers	2.9%
Telecommunications	2.2%

### Country Allocation

Italy	22.0%
Germany	13.1%
UK	11.4%
Netherlands	10.5%
France	9.7%
Austria	8.2%
US	7.7%
Spain	5.2%
Belgium	3.8%
Luxembourg	3.5%

### Maturity Profile



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