

Monthly review

In March rates moved against a backdrop of high volatility in the face of higher-than-expected inflation in both producer and consumer prices, along with still accommodative central banks and still weak leading indicators. After fully recouping the losses of the first half of the month, they then came back down to close marginally below the levels of late February. Spreads tightened moderately on investment grade and subordinated bonds, while high yield bonds recorded their first widening since the end of October. Some idiosyncratic situations with potential debt restructuring risks weighed on the segment, especially on lower ratings. Against this backdrop, performance was only marginally positive on high yield, while high grade credit advanced by more than 1 point and subordinates outperformed all other segments, with euro CoCos gaining almost 3 points during the month. Over the period in question, the strategy recorded a positive performance slightly above the benchmarks due to the higher exposure to subordination risk. At the operational level, part of the resources from new subscriptions were reinvested in the investment grade segment, exploiting the primary market to increase exposure to financial issuers. Although credit spreads have compressed significantly since the beginning of the year, euro investment grade and bank subordinates still remain attractive relative to other segments. Investment grade offers greater potential in a downward rate scenario, while AT1 – and, to a lesser extent Tier 2 – banks, have a better risk-return profile than high yield due to a risk premium with greater compression potential. In this context, a gradual increase in duration and the maintenance of an overweight on subordination risk relative to cyclical risk, especially on European names, still appear attractive.

Key fund information

Assogestioni category	Euro bond corporate investment grade fund
Inception date	01/03/2024
Nav (Euro)	101,220
Strategy AUM (in Euro)	144.427.693
Benchmark	ICE BofAML Euro Corporate

Performance	Fund	Benchmark
YTD	-	-
Last week	0,39%	0,47%
Last month	-	-
Last 3 months	-	-
1 year	-	-
3 years (*)	-	-
5 years (*)	-	-
Since inception (*)	1,22%	1,11%
(*) Compound annual return		

Risk statistics

Standard deviation	-	Sharpe ratio	-
Standard deviation bench	-	Information ratio	-
VaR	-	Beta	-
Tracking error volatility	-	Correlation	-
Effective duration	4,03		

Asset class

Bonds	89,2%
Liquidity	10,8%
Shares	-
	-
Total	100,0%

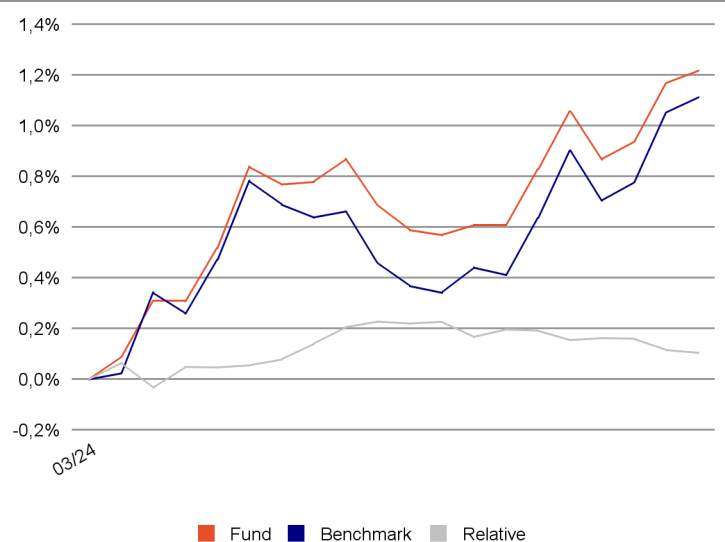
Currency exposure

Currency exposure	Gross exp.	Coverage	Net exp.
Euro	99,2%	0,8%	99,9%
Dollar	0,8%	-0,8%	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

Regional Exposure	Bond	Derivat.	Total
America	3,6%	-	3,6%
Emerging countries	-	-	-
Europe ex Italy	68,4%	-	68,4%
Italy	17,1%	-	17,1%
Japan	-	-	-
Pacific ex Japan	-	-	-
Total	89,2%	0,0%	89,2%

Performance over last year



Credit Rating	Corp	Govt	Conv	Total
AAA	-	-	-	-
AA	-	-	-	-
A	21,5%	-	-	21,5%
BBB	55,3%	1,4%	-	56,6%
BB	10,3%	-	-	10,3%
B	0,8%	-	-	0,8%
<CCC	-	-	-	-
NR	0,0%	-	-	0,0%
Total	87,8%	1,4%	-	89,2%

Maturity Profile			
0 - 0,5 years	1,5%	3 - 5 years	64,2%
0,5 - 1 years	-	5 - 7 years	21,6%
1 - 2 years	3,8%	7 - 10 years	5,2%
2 - 3 years	3,5%	> 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	
ABANCA CORP EUR 04/30 MCP CALL 29	2,30%
CAIXABANK EUR 11/30 MCP CALL 29	2,29%
B.CO SABADELL EUR 06/29 MCP CALL 28	2,26%
LLOYDS BK EUR 01/29 MCP CALL 28	2,17%
COMMERZBANK EUR 01/31 MCP CALL 30	2,15%
HSBC HLDG EUR 03/28 MCP CALL 27	2,14%
UNICREDIT EUR 01/31 MCP CALL 30	2,13%
INTESA S.PAOLO EUR 07/29 1,75%	1,93%
SOC.GEN EUR 03/29 1,75%	1,90%
BNP PARIBAS EUR 04/32 2,1%	1,90%

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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