

Monthly review

In June, the market continued to be dominated by negotiations in the Middle East. Further upward pressure on rates in the US came from higher-than-expected inflation, consumption, and labor market data, along with a central bank with less expansive rhetoric than expected. In Europe, the mid-month memorandum of understanding between the US and Iran allowed for some recovery. Spreads remained essentially unchanged across all segments, except for COCOs, which tightened marginally. In this context, performance was positive by approximately 0.5 points on Investment Grade bonds, 0.7 points on High Yield bonds, and 1.1 points on COCOs. The dollar strengthened across the board during the period, driven by AI and the regime change at the Fed, with DOTS fueling expectations of a rate hike: EUR/USD fell from 1.1659 to 1.1414 (-2.1%). Only at the end of the month did a lower US PCE partially dampen the greenback's rally. Given this, the fund put approximately one year of duration back into play during the second half of the month, reaching over four and a half years, while maintaining both its bet on the short end of the German curve and its position on the Australian dollar.

Key fund information

Assogestioni category	Obbligazionario Flessibile
Inception date	31/03/2017
Nav (Euro)	107.330
AUM (in Euro)	80,092,660
Benchmark	

Past performance is not indicative of current or future results.

Performance	Fondo	Benchmark
YTD	0.96%	-
Last week	0.33%	-
Last month	0.31%	-
Last 3 months	2.23%	-
1 year	1.82%	-
3 years (*)	3.72%	-
5 years (*)	0.63%	-
Since inception (*)	0.77%	-

(*) Compound annual return

Risk statistics

Standard deviation	2.53%	Sharpe ratio	0.19
Standard deviation bench	-	Information ratio	-
VaR	-4.18%	Beta	-
Tracking error volatility	-	Correlation	-
Average fund duration	3.96	Yield to maturity (YTM)	3.56%

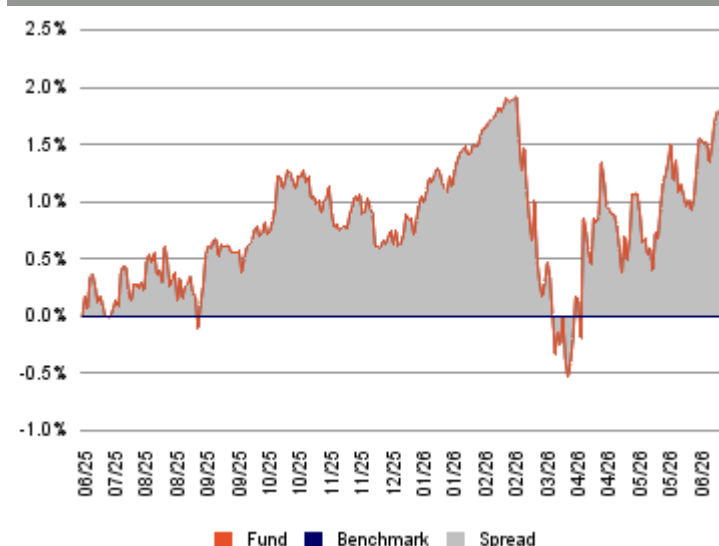
Asset class

Bonds	93.0%
Liquidity	7.0%
Not Specified	0.0%
Total	100.00%

Currency exposure	Gross exp.	Coverage	Net exp.
Euro	88.3%	4.1%	92.5%
Dollar	6.6%	-4.1%	2.5%
Pacific ex Japan	2.2%	-	2.2%
Europe ex Euro	1.6%	-	1.6%
Emerging countries	1.3%	-	1.3%
Yen	0.0%	-	0.0%
Not specified	-	-	-
Total	100.0%	-	100.0%

Bond portfolio structure	Bond	Deriv	Total
Europe ex Italy	50.6%	13.0%	63.6%
Italy	19.3%	-	19.3%
Emerging countries	12.1%	-	12.1%
America	8.7%	-	8.7%
Pacific ex Japan	2.3%	-	2.3%
Japan	-	-	-
Total	93.0%	13.0%	106.0%

Performance over last year



Rating classes	Corp	Govt	Total
AAA	1.6%	15.9%	17.6%
AA	1.8%	0.1%	1.9%
A	26.6%	0.6%	27.2%
BBB	19.1%	17.1%	36.1%
BB	3.9%	5.2%	9.1%
B	0.8%	0.0%	0.8%
<= C	0.1%	-	0.1%
NO RATING	0.1%	0.1%	0.2%
Total	54.0%	39.0%	93.0%

Duration classes			
0 - 0,5 anni	4.4%	3 - 5 anni	45.4%
0,5 - 1 anni	0.0%	5 - 7 anni	18.7%
1 - 2 anni	18.0%	7 - 10 anni	7.5%
2 - 3 anni	5.8%	Oltre 10 anni	0.2%

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 35 Boulevard Joseph II, L-1840 Luxembourg
Base currency	Euro
ISIN code	LU1578335538
Bloomberg code	LEADFB LX
Frequency of NAV calculations	Giornaliera
NAV published on:	Sito Ersel

Share class facts	
Minimum investment	2.500 euro
Subsequent investments	250 euro
Subscription fees	-
Redemption fees	-
Management fees	0,6% on an annual basis
Performance fees	

Risk level

1	2	3	4	5	6	7
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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.

Main securities in the portfolio

GERMANIA EUR 08/28 2,5%	13.8%
BTP 01/10/30 2,7%	10.8%
AUSTRALIA AUD 11/27 2,75%	2.2%
REP.BRAZIL EUR 04/36 5,5%	2.0%
MESSICO EUR 05/37 5,125% CALL 37	1.5%
REP.BRAZIL EUR 04/33 4,875%	1.2%
UNICREDIT EUR 01/31 MCP CALL 30	1.0%
INWIT EUR 10/32 3,625% CALL 32	1.0%
BBVA EUR 02/37 MCP CALL 32	0.9%
BNP PARIBAS EUR 07/35 MCP CALL 30 4,198%	0.9%

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.

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