

Monthly review

August proved a challenging month, marked by energy-related tensions, record investment in artificial intelligence and rising interest rates. Geopolitical tensions in the Middle East, coupled with the impasse in negotiations between the United States and Iran, pushed Brent crude above \$90 per barrel, leading to higher fuel costs. This, in turn, slowed the pace of disinflation globally. Against this backdrop, developed-market bond markets were particularly volatile, with yields on thirty-year US Treasuries rising above 5.3%. US public debt breaching the psychologically significant threshold of \$40 trillion, together with resurgent inflation, robust economic growth and Warsh's hawkish remarks at Jackson Hole, all contributed to keeping interest rates elevated. Equity markets held up well, supported primarily by exceptional levels of investment across the technology sector. The quarterly results of the leading technology companies confirmed a sharp acceleration in capital expenditure aimed at expanding data-centre capacity dedicated to artificial intelligence, alongside sustained growth in cloud-related revenues. Nvidia's results further underscored the strength of this trend, with sales guidance exceeding even the most optimistic forecasts. Market gains were by no means uniform. Higher mortgage rates and the persistently elevated cost of living continued to weigh on household consumption, to the detriment of retail and consumer discretionary stocks. Turning to portfolio positioning, towards the end of July, part of the fund's direct exposure to the S&P 500 was replaced with short-dated call options. This allowed the fund to retain participation in any further upside while limiting the risks associated with potential disappointments in the earnings reported by the large technology companies. During the first few days of August, the fund realised the gains on these options without fully reinstating its direct exposure. As a result, the fund's exposure to US equities was marginally reduced. This positioning may help to contain risk should market conditions deteriorate, particularly at a time of year when lower trading volumes tend to amplify volatility. No material changes were made to the fixed-income allocation, while inflation-linked bonds held up comparatively well relative to nominal government bonds. Overall, we believe the strategy remains well placed to deliver an attractive return even in the absence of a decline in interest rates.

Key fund information

Assogestioni category	Obbligazionario Misto
Inception date	24/05/2023
Nav (Euro)	115.330
AUM (in Euro)	13,970,295
Benchmark	

Past performance is not indicative of current or future results.

Performance	Fund	Benchmark
YTD	2.39%	-
Last week	-0.01%	-
Last month	0.37%	-
Last 3 months	-0.96%	-
1 year	3.52%	-
3 years (*)	4.48%	-
5 years (*)	-	-
Since inception (*)	4.26%	-

(*) Compound annual return

Risk statistics

Standard deviation	5.63%	Sharpe ratio	0.18
Standard deviation bench	-	Information ratio	-
VaR	-9.29%	Beta	-
Tracking error volatility	-	Correlation	-
Average fund duration	4.8		

Asset class

Bonds	63.8%
Shares	20.2%
Liquidity	8.0%
Alternative inv.	7.9%
Total	100.0%

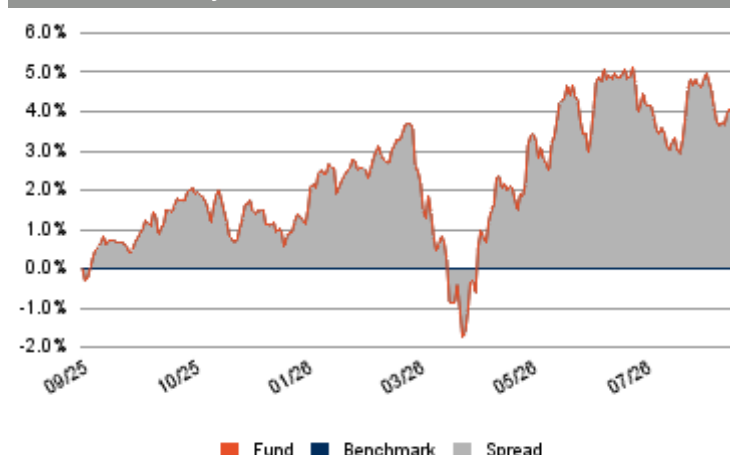
Currency exposure	Gross exp.	Coverage	Net exp.
Euro	71.8%	0.5%	72.3%
Dollar	16.1%	-0.5%	15.5%
Emerging countries	6.5%	-	6.5%
Yen	3.4%	-	3.4%
Europe ex Euro	1.9%	-	1.9%
Pacific ex Japan	0.3%	-	0.3%
Total	100.0%	-	100.0%

Bond portfolio structure

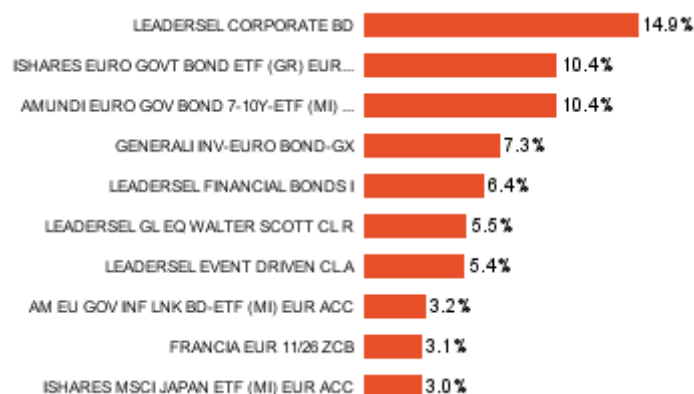
Europe ex Italy	31.3%
Italy	23.3%
America	5.9%
Emerging countries	3.3%
Pacific ex Japan	0.0%
Japan	-
Total	63.8%

Equity portfolio structure	Shares	Deriv	Total
America	6.4%	9.2%	15.6%
Emerging countries	4.6%	-	4.6%
Japan	3.3%	-	3.3%
Europe ex Italy	3.2%	-	3.2%
Italy	2.4%	-	2.4%
Pacific ex Japan	0.3%	-	0.3%
Total	20.2%	-	29.4%

Performance over last year



Main securities in the portfolio



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	LU2598629579
Bloomberg code	LETBACE LX
Frequency of NAV calculations	Giornaliera
NAV published on:	Sito Ersel

Rating classes	Corp	Govt	Totale
AAA	-	8.8%	8.8%
AA	0.6%	14.3%	14.9%
A	4.5%	6.9%	11.4%
BBB	11.5%	12.4%	23.8%
BB	3.8%	0.6%	4.4%
B	0.1%	0.0%	0.1%
<= C	0.0%	-	0.0%
NO RATING	-	0.7%	0.7%
Total	20.4%	43.6%	64.0%

Investment objective

The Fund is actively managed and aims to achieve capital growth and generate income, without reference to any benchmark. To pursue these objectives, the Fund primarily invests in a diversified portfolio of international fixed-income and equity securities, as well as money market instruments, including through Undertakings for Collective Investment in Transferable Securities (UCITS) and/or other collective investment schemes. The Fund may allocate up to 30% of its total net assets to equities and equity-related instruments and may use derivatives not solely for hedging purposes. Investment decisions are made on a discretionary basis. The Fund's net asset value (NAV) is calculated and expressed in euros.

Conditions

Minimum investment	2.500 euro
Subsequent investments	0
Subscription fees	-
Refund Fees	-
Management fees	1,1% on an annual basis
Incentive commissions	Up to a maximum of 15% of the fund's return in accordance with the High Water Mark method.

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.

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