



Monthly review

In July, the Italian equity market moved sideways, driven both by developments related to the conflict between Iran and the United States and by the start of the earnings reporting season. With regard to developments in the Middle East, significant uncertainty remains, particularly concerning the management of the Strait of Hormuz, with the resulting volatility in oil prices. The reporting season has so far started on a positive note, with particularly strong results from financial institutions and banks such as Intesa Sanpaolo and UniCredit. STM and Prysmian also reported solid results, although the very high expectations led to some profit-taking on these stocks. The automotive sector continued to face challenges, with Brembo being the only company showing resilient results and attractive prospects. Among mid and small caps, we highlight the strong performance of Reply, which is recovering after a difficult first quarter. Consequently, the best-performing sectors were financials (banks and insurance companies), together with oil and gas companies, supported by Eni's strong half-year results, while semiconductors and the automotive sector lagged behind. From a sector allocation perspective, we reduced our exposure to utilities while maintaining our positions in the banking and insurance sectors. Among our preferred holdings are Monte dei Paschi di Siena and Unipol. We increased the portfolio's invested portion to 100% and raised the allocation to mid and small caps to approximately 61%. In particular, we purchased Reply and Intercos, while selling Iren, Acea and Ariston. Among the most significant positions within the small-cap segment are SOL, Danieli Risparmio, Mondadori and Philogen. Finally, we participated in the placement of Gens Aurea. In this context, the dynamic hedging strategy did not generate any hedging signals and resulted in full market exposure throughout the month.

Key fund information

Assogestioni category	Azionario Italia
Inception date	05/04/1990
Nav (Euro)	75.860
AUM (in Euro)	143,712,323
Benchmark	50% FTSE Mib TR (NET) 50% FTSE Italia Mid Cap TR (NET)

Past performance is not indicative of current or future results.

Performance	Fund	Benchmark
YTD	8.31%	12.37%
Last week	0.70%	0.33%
Last month	-0.13%	-0.16%
Last 3 months	9.59%	8.73%
1 year	17.54%	22.28%
3 years (*)	20.49%	20.16%
5 years (*)	13.93%	13.44%
Since inception (*)	7.68%	-

(*) Compound annual return

Risk statistics

Standard deviation	16.03%	Sharpe ratio	1.26
Standard deviation bench	16.30%	Information ratio	-0.59
VaR	-26.46%	Beta	0.97
Tracking error volatility	2.24%	Correlation	0.99

Asset class

Shares	100.0%
Liquidity	0.0%
Bonds	-
Total	100.00%

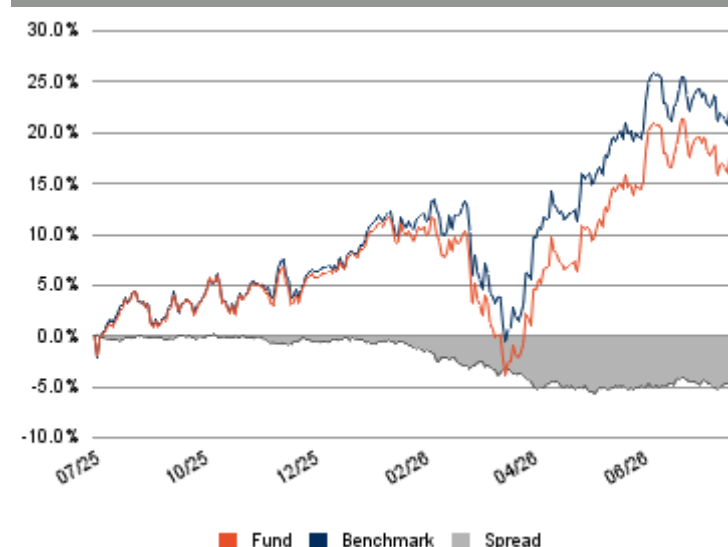
Currency exposure

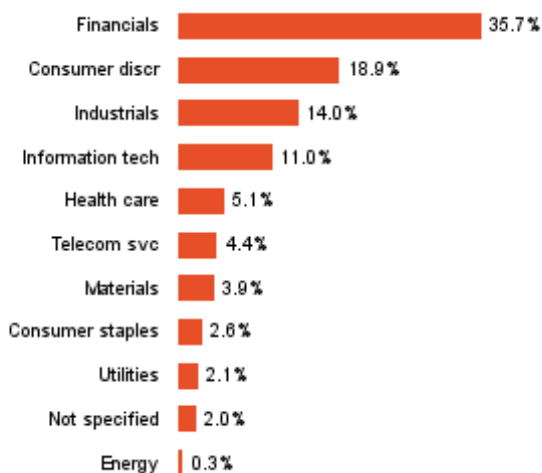
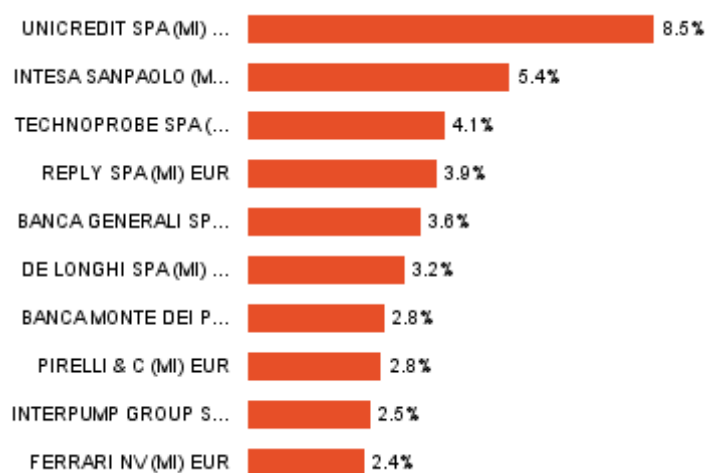
	Gross exp.	Coverage	Net exp.
Euro	100.0%	-	100.0%
Dollar	0.0%	-	0.0%
Europe ex Euro	0.0%	-	0.0%
Total	100.0%	-	100.0%

Equity portfolio structure

	Shares	Deriv	Total
Italy	90.8%	-	90.8%
Europe ex Italy	9.1%	-	9.1%
America	-	-	-
Total	100.0%	-	100.0%

Performance over last year



Composition by sector

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	LU1011692438
Bloomberg code	GLBPMIB LX
Frequency of NAV calculations	Giornaliera
NAV published on:	Sito Ersel

Investment objective

The fund predominantly invests in equity instruments listed in Italy or in shares of Italian issuers denominated in both Euro and foreign currency. Investments are made in small, medium and large capitalisation companies with the goal of obtaining adequate diversification in all economic sectors. The fund's main objective is appreciation of the value of capital over a long-term time horizon (indicatively over 7 years) with a high risk level. The investment philosophy is based on the centrality of fundamental analysis both by sector and individual company. Decisions are therefore made following research activity based on income prospects, valuation levels, cash flow analysis and risk control.

Conditions

Minimum investment	2.500 euro
Subsequent investments	0
Subscription fees	0
Redemption fees	0
Management fees	1,75% on an annual basis
Performance fees	15% of the difference recorded in the reference period between the percentage change in the unit value in the calendar year and the percentage change in the benchmark in the same period.

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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