

# GENERALI INVESTMENTS SICAV

## SRI EURO PREMIUM HIGH YIELD - CX

### 30 July 2021



Marketing communication for Professional investors

#### KEY DATA

<b>MANAGEMENT COMPANY</b>	Generali Investments Luxembourg S.A.
<b>INVESTMENT MANAGER</b>	Generali Investments Partners S.p.A Società di gestione del risparmio
<b>FUND MANAGER</b>	Benoist GRASSET
<b>BENCHMARK</b>	100% BOFA ML EURO BB-B HIGH YIELD (TR)
<b>FUND TYPE</b>	Sicav
<b>DOMICILE</b>	Luxembourg
<b>SUB-FUND LAUNCH DATE</b>	18/07/2003
<b>SHARE CLASS LAUNCH DATE</b>	29/05/2008
<b>FIRST NAV DATE AFTER DORMANT PERIOD</b>	No dormant period
<b>CURRENCY</b>	Euro
<b>CUSTODIAN BANK</b>	BNP Paribas Securities Services Luxembourg
<b>ISIN</b>	LU0169274494
<b>BLOOMBERG CODE</b>	GENHYBX LX
<b>VALUATION</b>	
<b>AUM</b>	77.99 M EUR
<b>NAV PER SHARE</b>	172.32 EUR
<b>HIGHEST NAV OVER THE LAST 12 MONTHS</b>	172.32 EUR
<b>LOWEST NAV OVER THE LAST 12 MONTHS</b>	160.49 EUR
<b>FEES</b>	
<b>SUBSCRIPTION FEE</b>	max. 5%
<b>MANAGEMENT FEE</b>	0.7000%
<b>CONVERSION FEE</b>	max. 5%
<b>REDEMPTION FEE</b>	max. 1%
<b>PERFORMANCE FEE</b>	n.a.
<b>ONGOING CHARGES</b>	0.8800%

#### CATEGORY AND RISK PROFILE

<b>CATEGORY</b>	Fixed Income
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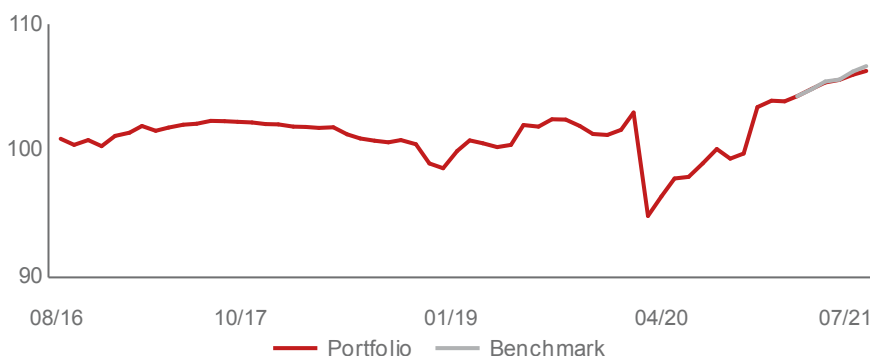
1	2	3	4	5	6	7
Lower risk						Higher risk
Potentially lower rewards						Potentially higher rewards

The risk and reward category shown is not guaranteed to remain unchanged and the categorisation of the sub fund may shift over time. For more information about risk, please see the KIID and Prospectus.

#### INVESTMENT OBJECTIVE AND POLICY

The objective of the Fund is to achieve capital growth and outperform its Benchmark by investing mainly in high-yield debt securities and debt-related securities denominated in Euro through a sustainable and responsible investment process. The Fund may also invest up to 30% of its net assets in bank deposits, Money Market Instruments, as well as in high-yield debt and debt-related securities denominated in non-Euro currencies. Investments in the following instruments are allowed up to the Fund's net assets below thresholds: - convertible bonds: 10%; - contingent convertible bonds: 20%; - distressed/defaulted securities (i.e. securities having a rating CCC+): 10%; - equities and other participation rights: 10%; - other funds: 10%. The Fund may also invest into "Rule 144A" and/or Regulation S securities. Eligible securities are identified based on a proprietary sustainable and responsible investment process, including an ethical filter and an ESG (Environmental, Social & Governance) scoring and covering at least 90% of the portfolio. The Fund may use standardized CDS. The Investment Manager has full discretion over the composition of the portfolio. The Benchmark is the ICE BofA BB-B Euro High Yield net return.

#### PERFORMANCE ANALYSIS AT 30 JULY 2021



	1M	YTD	1YR	3YR	5YR	3YR P.A.	5YR P.A.
Portfolio	0.29	2.25	7.34	5.45	6.30	1.78	1.23
Benchmark	0.41	2.28	-	-	-	-	-
Excess return	-0.13	-0.03	-	-	-	-	-

	SI	SI P.A.	2020	2019	2018	2017	2016
Portfolio	72.32	4.22	2.68	2.66	-3.38	0.88	3.67
Benchmark	-	-	-	-	-	-	-
Excess return	-	-	-	-	-	-	-

	07/21-07/20	07/20-07/19	07/19-07/18	07/18-07/17	07/17-07/16
Portfolio	7.34	-2.84	1.11	-1.53	2.38
Benchmark	-	-	-	-	-
Excess return	-	-	-	-	-

#### KEY FEATURES

- Optimized risk-reward portfolio and an actively managed credit exposure
- SFDR Classification - Art. 8: The fund promotes, among other characteristics, environmental or social ones, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

Past performance is not a guide to future performance and may be misleading. The performances are shown net of fees and expenses over the relevant period. All performance figures reflect the reinvestment of dividends and do not take into account the commissions and costs incurred on the issue and redemption of shares/parts. Please see the important information at the end of this document. Investing in the fund/sub-fund involves risks including the possible loss of capital. Please read the KIIDs and the prospectus to find out about these risks. Legal information concerning the fund/sub-fund are available on the website: [www.generali-investment.com](http://www.generali-investment.com)

## FUND MANAGER'S COMMENTS

### Market

The dog days of summer are often thought of as being sleepy but the 2021 calendar is breaking the norm. It has been quite a month with the yields on benchmark 10-year US Treasury rates plunging to levels not seen since early February and ample news flow on the Chinese equity markets. It is quite busy from the perspective of the macro outlook on many fronts as fiscal negotiations remain intense and the Fed is signaling its QE policy might change soon. Of course, the delta variant case surge has added uncertainty to whether the recent fast pace of activity will be disrupted. In this context, the EUR High Yield market has been little impressed and posted a decent +40bp total return over the month.

### Portfolio activity

This period of the year is not the time to pick a fight against market and the portfolio was left little changed over July. Our focus remains firmly on relative value and taking into account that compression has likely ran out of steam.

### Outlook

The June FOMC did not disturb financial markets. With that behind us, the next few weeks should see few calendar risks and limited supply. Hence, spreads are likely to drift sideways unless something dramatic happens in other markets that spills over into credit. Valuation concerns are the main caveat though. At these levels, credit is broadly priced for perfection, not just for a strong economic backdrop but also a prolonged period of easy liquidity, leaving it vulnerable to a negative surprise. But considering basically all risky assets are on the expensive side, High Yield looks good enough. As Europe sheds its "zombie firm" tag, we think this can only attract more long-term capital into the region, in search of quality yield opportunities. Within credit, even though valuations are also rich in both high yield and leveraged loans, relative valuations point to the investment grade sector being meaningfully richer than its high yield counterpart and we see BBs well supported at this stage.

Enter Fund Manager's comment here...

## HOLDINGS & TRANSACTIONS

### TOP 10 FIXED INCOME

HOLDING	SECTOR	RATING	GROSS %
CASINO GUICHARD 1.865 06/13/22	Consumer Staples	CCC+	2.04%
TELEFONICA EUROP PERP	Communication Services	BB	1.73%
UNIPOLSAI ASSICU 5.75 PERP	Financials	BB-	1.57%
VODAFONE GROUP 01/03/79	Communication Services	BB+	1.50%
INTRUM AB 4.875 08/15/25	Industrials	BB	1.49%
NE PROPERTY 2.625 05/22/23	Real Estate	BBB	1.48%
QUATRIM 5.875 01/15/24	Consumer Staples	B	1.47%
LLOYDS BK GR PLC PERP	Financials	BBB-	1.42%
ALTICE FRANCE 2.5 01/15/25	Communication Services	B	1.40%
TENNET HLD BV PERP	Utilities	BB+	1.36%
<b>Total Top 10 (%)</b>			<b>15.46%</b>
<b>Total Top 20 (%)</b>			<b>27.92%</b>

### TOP 3 SALES OVER THE LAST MONTH

SAPPI PAPIER HOL 3.125 04/15/26

### TOP 3 PURCHASES OVER THE LAST MONTH

VODAFONE GROUP 01/03/79

COOPERATIEVE RAB PERP

VALLOUREC SA 8.5 06/30/26

## RATIOS

### PERFORMANCE AND RISK ANALYSIS - SYNTHESIS

	1YR	3YR	5YR	SI
Standard Deviation Ptf	2.92	5.08	3.98	6.24
Standard Deviation Bmk	-	-	-	-
Tracking Error	-	-	-	-
Alpha	-	-	-	-
Beta	-	-	-	-
R-squared	-	-	-	-
Information Ratio	-	-	-	-
Sharpe Ratio	2.61	0.44	0.40	0.47
Treynor Ratio	-	-	-	-
Sortino Ratio	4.56	0.57	0.51	0.63

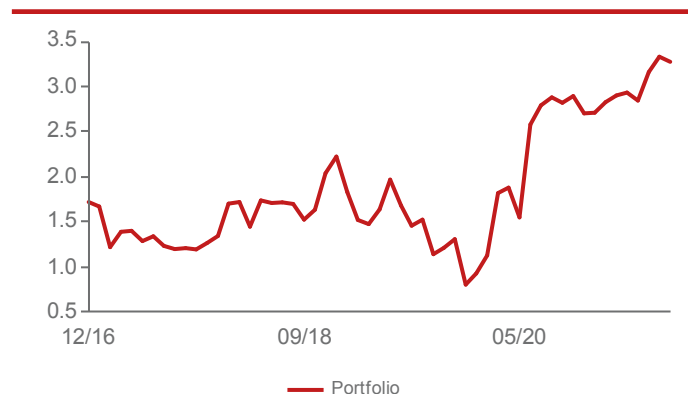
### DRAWDOWN

	SINCE INCEPTION
Maximum drawdown (%)	-28.8
Peak to trough drawdown (dates)	May 08 - Dec 08
Length (in days)	196
Recovery Period (in days)	266
Worst Month	October 2008
Lowest Return	-17.7
Best Month	April 2009
Highest Return	8.8

### FINANCIAL RATIO - FIXED INCOME


















	FUND	BENCHMARK
Z-Spread	260.19	223.68
DTS (Duration Times Spread)	890.53	838.84
Average Rating (2nd best)	BB-	BB-
Modified Duration	3.27	3.47
Effective Duration	2.58	3.41
Average Time to Maturity	3.13	4.59
Yield to Maturity	2.82	2.45
Current Yield	3.64	0.63
Average Coupon	3.79	-











### MODIFIED DURATION EVOLUTION

































## BREAKDOWNS

■ Fund ■ Benchmark ■ Relative

COUNTRY	NET		RELATIVE	
France	13.8%		1.2%	
United Kingdom	13.3%		6.7%	
United States	11.4%		-4.2%	
Italy	10.6%		-6.6%	
Spain	10.1%		1.8%	
Germany	8.9%		-2.5%	
Luxembourg	4.6%		-0.1%	
Others	25.6%		1.8%	
Cash	1.8%			

RATINGS (2ND BEST)	NET		RELATIVE	
BBB	11.3%		8.4%	
BB	56.7%		-14.7%	
B	25.5%		1.9%	
CCC	4.8%		2.7%	
Not Available	-0.1%		-0.1%	
Cash	1.8%			

SECTOR	NET		RELATIVE	
Financials	26.0%		9.1%	
Communication Services	13.6%		-2.3%	
Industrials	11.6%		-3.5%	
Materials	9.3%		-0.4%	
Utilities	8.6%		3.0%	
Consumer Discretionary	8.3%		-7.2%	
Real Estate	6.4%		3.7%	
Others	14.4%		-4.2%	
Cash	1.8%			

MATURITY	NET		RELATIVE	
0-1Y	27.3%		12.2%	
1-3Y	30.0%		-3.3%	
3-5Y	29.0%		-1.4%	
5-10Y	11.9%		-8.3%	
10-20Y	0.7%		-0.7%	
Over 20Y	0.2%		-0.2%	
Not Available	-0.1%		-0.1%	
Cash	1.8%			

Please see the important information at the end of this document. Investing in the fund/sub-fund involves risks including the possible loss of capital. Please read the KIIDs and the prospectus to find out about these risks. Legal information concerning the fund/sub-fund are available on the website: [www.generali-investment.com](http://www.generali-investment.com)  
The above holdings are neither representative of the overall portfolios performance nor do they represent the performance of other holdings held within the portfolio. The composition of the portfolio may change from time to time at the sole discretion of the investment manager.

#### DEALING DETAILS

CUT OFF TIME	T at 1 pm (T being the dealing day)
SETTLEMENT	T+3
VALUATION	Daily
NAV CALCULATION	Day +1
NAV PUBLICATION	Day +1

#### Important Information

The sub-fund is part of Generali Investments SICAV (an investment company qualifying as a "société d'investissement à capital variable" with multiple sub-funds under the laws of the Grand Duchy of Luxembourg) managed by Generali Investments Luxembourg S.A. who appointed Generali Investments Partners S.p.A. Società di gestione del risparmio as investment manager. The information contained in this document is only for general information on products and services provided by Generali Investments Partners S.p.A. Società di gestione del risparmio. It shall under no circumstance constitute an offer, recommendation or solicitation to subscribe units/shares of undertakings for collective investment in transferable securities or application for an offer of investments services. It is not linked to or it is not intended to be the foundation of any contract or commitment. It shall not be considered as an explicit or implicit recommendation of investment strategy or as investment advice. Before subscribing an offer of investment services, each potential client shall be given every document provided by the regulations in force from time to time, documents to be carefully read by the client before making any investment choice. Generali Investments Partners S.p.A. Società di gestione del risparmio, periodically updating the contents of this document, relieves itself from any responsibility concerning mistakes or omissions and shall not be considered responsible in case of possible damages or losses related to the improper use of the information herein provided. Past performance is not a guarantee of future performance and the sub-fund presents a risk of loss of capital. No assurance is released with regard to the approximate correspondence of the future performances with the ones above mentioned. Before adopting any investment decision the client shall carefully read, if applicable, the subscription form, and the offering documentation (including the KIID, the prospectus, the fund regulation or by-laws as the case may be), which must be delivered before subscribing the investment. The offering documentation is available at any time, free of charge and in the relevant languages on our website ([www.generali-investments.com](http://www.generali-investments.com)), on Generali Investments Luxembourg S.A. (Management Company of Generali Investments SICAV) website ([www.generali-investments.lu](http://www.generali-investments.lu)), and by distributors. An hardcopy of the offering documentation may also be requested to the Management Company, free of charge. Generali Investments is a commercial brand of Generali Investments Partners S.p.A. Società di gestione del risparmio, Generali Insurance Asset Management S.p.A. Società di gestione del risparmio, Generali Investments Luxembourg S.A. and Generali Investments Holding S.p.A.. Generali Investments is part of the Generali Group which was established in 1831 in Trieste as Assicurazioni Generali Austro-Italiche.

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