

GENERALI INVESTMENTS SICAV

GLOBAL MULTI ASSET INCOME - BX

30 July 2021



Marketing communication for Professional investors

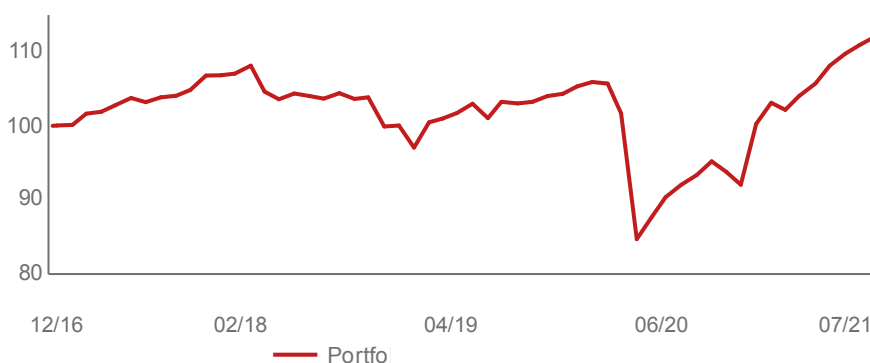
KEY DATA

MANAGEMENT COMPANY	Generali Investments Luxembourg S.A.
INVESTMENT MANAGER	Generali Investments Partners S.p.A Società di gestione del risparmio
FUND MANAGER	Cedric BARON
FUND TYPE	Sicav
DOMICILE	Luxembourg
SUB-FUND LAUNCH DATE	21/12/2016
SHARE CLASS LAUNCH DATE	21/12/2016
FIRST NAV DATE AFTER DORMANT PERIOD	No dormant period
CURRENCY	Euro
CUSTODIAN BANK	BNP Paribas Securities Services Luxembourg
ISIN	LU1357655544
BLOOMBERG CODE	GEEUMBX LX
VALUATION	
AUM	173.20 M EUR
NAV PER SHARE	112.01 EUR
HIGHEST NAV OVER THE LAST 12 MONTHS	112.01 EUR
LOWEST NAV OVER THE LAST 12 MONTHS	92.04 EUR
FEES	
SUBSCRIPTION FEE	max. 5%
MANAGEMENT FEE	0.6000%
CONVERSION FEE	max. 5%
REDEMPTION FEE	max. 1%
PERFORMANCE FEE	n.a.
ONGOING CHARGES	0.9400%

INVESTMENT OBJECTIVE AND POLICY

The objective is to achieve long-term capital appreciation and generate a stable level of income, by allocating globally across different assets classes with attractive yields. The Fund's net assets shall be essentially allocated globally between different assets including, but not limited to, equity, government and corporate bonds, Money Market Instruments and in time deposits. The allocation between the above asset classes is mostly determined on the basis of macro-economic analyses, quantitative models and risk indicators. In particular, the Fund shall invest in instruments such as, but not limited to, equities and equity-linked securities, real estate investment trusts ("REITs"), debt instruments of any kind, UCITS, UCIs, derivative instruments such as, but not limited to, index or single name futures, dividend futures, total return swaps ("TRS"), credit default swaps ("CDS") and equity options. The Fund exposure to Sub-Investment Grade Credit Rating securities may not exceed 50% of its net asset. Investment in contingent convertible bonds ("CoCos") is allowed up to 10% of the Fund's net assets. The Fund may use financial instruments and derivatives for hedging, for efficient portfolio management and for investment purposes.

PERFORMANCE ANALYSIS AT 30 JULY 2021



	1M	YTD	1YR	3YR	3YR P.A.
Portfolio	0.95	8.62	19.95	7.27	2.37

	SI	SI P.A.	2020	2019	2018	2017
Portfolio	12.01	2.49	-2.68	9.12	-9.32	7.03

	07/21-07/20	07/20-07/19	07/19-07/18	07/18-07/17
Portfolio	19.95	-9.37	-1.32	0.53

KEY FEATURES

- A flexible asset allocation to react to markets' movements and diversify globally
- Focuses on income generation without sacrificing long term capital growth
- Targets an income distribution of 4% per annum*
- The investment process includes a mechanism to reduce market's volatility: objective of 6% maximum annualised volatility
- Investors can benefit from quarterly income distribution**
- * Please note that the indicated percentage represents a target and the performance is not guaranteed.
- ** Income will be distributed to investors who subscribed the distribution share classes.

CATEGORY AND RISK PROFILE

CATEGORY		Multi Asset				
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.

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

FUND MANAGER'S COMMENTS

The path to normalcy of many economies has been disrupted by a global surge in coronavirus cases caused by the highly contagious Delta Variant. Europe's tourism sector is at risk as Spain, Portugal and Greece register a spike in cases, and adopt measures accordingly. The US will not lift travel restrictions either, whilst the UK government opened its borders to fully vaccinated travellers from the U.S. and the European Union. Above the spread of COVID-19, Europe is now worrying about floods too as the death toll reaches 188.

In July, the US Composite PMI further decreased to 59.7, moving further apart from May's record high of 68.1. The Services PMI (59.8) has fallen for 2 months in a row, amid labour shortages and declining consumer sentiment (down 5 pts). Despite PMIs being in expansionary territory, US GDP growth (6.5% annualized) in Q2 was below expectations. This month, as unemployment reached 5.9% and inflation registered its fastest gain since 1991 (3.5% yoy), Chairman Powell said the Fed is 'away from making substantial progress towards stable prices and maximum employment'. Accordingly, the Fed took a dovish stance, maintaining interest rates anchored near zero, yet rate hike expectations have been rising further.

In the Euro Area, business conditions appear stronger than in the US, with the Composite PMI up to 60.6 in July from 59.5 last month, reaching its steepest pace in 15 years. Both manufacturing and services PMI are in expansion but still constrained by supply shortages. In the second quarter, GDP across the European Union rose by 13.2% compared with the same period last year, but European GDP has yet to return to its pre-pandemic level. The ECB maintains a 'persistently accommodative' stance and, in order to tackle growth and unemployment without having to worry too much about inflationary pressures, it has adjusted its inflation target to a symmetric 2% from 'below but close to 2%'.

In the past month, there has been a decrease in benchmark yields, with the US 10-year yield falling by 20 bps to 1.24% and the 10-year Bund by 26 bps to -0.46. Non-core spreads have slightly increased, with the BTP-Bund spread up by 6 bps, reaching 109 and the Bonos-Bund spread by 10 bps to 73.

Considering Europe, the Investment Grade (IG) credit spread didn't move, and the High Yield (HY) credit spread increased by 10 bps. The US IG credit spread increased by 5 bps to 91 and the HY credit spread was up by 22 bps to 326.

Overall, global equities were positive with the MSCI World up 1.8%. Equity markets in the US performed better than in Europe with the S&P500 up by 2.4% and the Euro Stoxx 50 up by 0.8%. The S&P500 also outperformed the Nasdaq, which this month grew by 1.2%.

Portfolio Activity

The government bond weight has been increased in July in all geographical areas except in Italy and in Canada. This asset class remained underweighted compared to the strategic asset allocation (9.0% vs 30%). All the region are underweighted but US remain, by far, the highest exposure. However, we keep some exposure to this asset class as safe haven assets bring diversification to equity like exposures in a context where tail risks remain elevated (Central Bank disappointment, bad news regarding the number of contamination and of clusters, high probability in corporate default...). This bucket contribution was positive over the month (circa 9 bps).

Over the month, the weight of the investment grade has been increased by +1.4%. The IG exposure is overweighted compared to the neutral allocation (13.4% vs 10% at S.A.A.) despite gradual decrease for months. We intend to benefit from the extraordinary support announced by Central Banks and governments especially to investment grade companies to benefit from a price appreciation and an attractive carry in the medium term. The IG bucket contribution was positive in July (0.13%).

The High Yield bucket has been increased at 26.0% while the underweight in emerging market debt has been slightly reduced with a 3.7% allocation. The exposure to the HY segment and the Emerging market Debt is now very close to its neutral allocation (29.8% vs 30%). This bucket had a positive performance of 17bps.

The equity bucket contribution was mute in July as global markets have involved without a clear direction during the month. All the different geographical areas recorded slightly positive performances while the EM exposure offset the gains. This asset class has been decreased further as the source of concerns increased in the summer.

We keep a decent exposure to dividend futures within this bucket as more positive news regarding distribution and earnings growth over the next years have increased the attractiveness of this asset class. During the month, those positions had a positive contribution. The optionality took to play a recced in volatility levels did very well over the month. Overall, the opportunistic bucket contribution was largely positive (0.57%).

Outlook

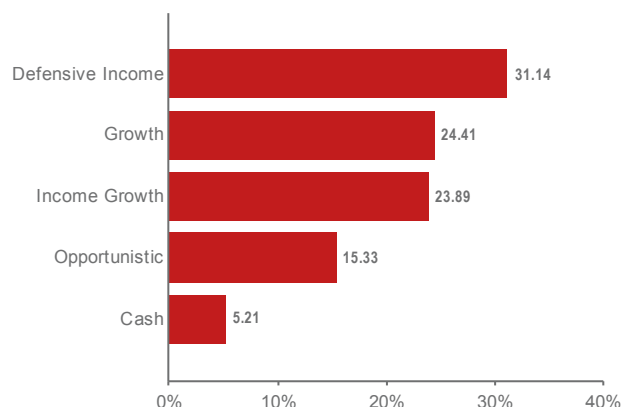
The view is slightly positive on equities at the asset class level over the short term. We continue to favor this asset class over the medium term as it should continue to benefit from the positive trend and because we think that the combination of a stronger than expected economic recovery in 2021 coupled with strong fiscal and monetary support as well as the lack of alternative for investors will be favorable to some sector in the months to come. However, Central Bank actions may negatively surprise and that would weight on risky assets. This is particularly true after an important YTD rally while the positioning is less stretched now in equities.

Government bond returns look asymmetric to the downside in core countries given the interest rates level and the cost of carry in Europe due to still negative interest rates. The case is slightly different in the US where carry is positive and growing. The recent decrease in interest rates gave little interest on this asset class as the carry is still not at an interesting level. We expect Central Banks to be attentive to further rise and should ultimately intervene if necessary to avoid the potential dramatic impact of higher interest rates on cost of debt.

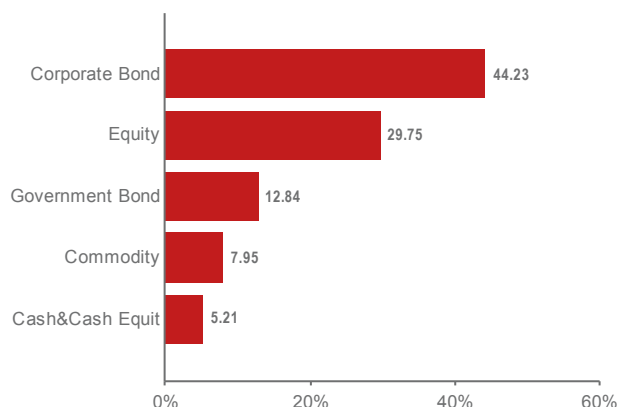
The view on corporate credit segment is slightly positive. This asset class should keep on being supported by investors search for yields in a very low interest rates environment as well as by Central Banks purchasing programs. When it comes to the HY, while bankruptcies could keep on rising in the coming months, especially for financially weak companies, it should remain much contain than expected last year. On top of this, the current yield level makes the asset class attractive in terms of carry and could still be chased by investors especially if risk appetite rise.

BREAKDOWNS

BREAKDOWN BY STRATEGY



BREAKDOWN BY ASSET CLASS



BREAKDOWN ALLOCATION	GEOGRAPHICAL AREA	%
Defensive Income	Eurozone	18.39
	North America	9.78
	UK	2.96
Defensive Income Total		31.14
Income Growth	Eurozone	8.56
	North America	10.93
	Emerging markets	3.74
	UK	0.64
Income Growth Total		23.89
Growth	Eurozone	8.12
	North America	10.47
	Emerging markets	1.39
	Japan	2.59
	UK	1.82
Growth Total		24.41
Opportunistic	Call Spread EuroStoxx Bank	0.44
	Call Spread Stoxx 600 Oil	0.54
	Call Spread Volatility	(0.13)
	Commodity	7.95
	Euro Stoxx Banks Dividend	1.52
	Euro Stoxx Div 30	1.23
	EuroStoxx 50 Dividend	0.49
	FTSE 100 Dividend	3.99
	Put Spread EuroStoxx 50	(0.04)
	Put Spread EuroStoxx Bank	0.12
	Put Spread MSCI Emerging	0.54
	Put Spread Volatility	(0.01)
	US Equity - long optional	(1.33)
Opportunistic Total		15.33
Cash Total		5.21

BREAKDOWN ALLOCATION	GEOGRAPHICAL AREA	%
Government Bond	Eurozone	2.97
	North America	5.63
	Emerging markets	3.74
	UK	0.48
Government Bond Total		12.84
Corporate Bond	North America	15.57
	Eurozone	25.53
	UK	3.12
Corporate Bond Total		44.23
Equity	Eurozone	10.46
	North America	9.47
	Emerging markets	1.39
	Japan	2.59
	UK	5.82
Equity Total		29.75
Commodity	Global	7.95
Commodity Total		7.95
Cash&Cash Equit Total		5.21
Total		100

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 KIID 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

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), on Generali Investments Luxembourg S.A. (Management Company of Generali Investments SICAV) website (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-Italiane.

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