

KEY DATA

MANAGEMENT COMPANY	Generali Investments Luxembourg S.A.
INVESTMENT MANAGER	Generali Investments Partners S.p.A Società di gestione del risparmio
FUND MANAGER	Fabrizio VIOLA
BENCHMARK	100% BARCLAYS EURO AGG CORPORATE (TR)
FUND TYPE	Sicav
DOMICILE	Luxembourg
SUB-FUND LAUNCH DATE	02/04/2002
SHARE CLASS LAUNCH DATE	02/04/2002
FIRST NAV DATE AFTER DORMANT PERIOD	No dormant period
CURRENCY	Euro
CUSTODIAN BANK	BNP Paribas Securities Services Luxembourg
ISIN	LU0145482385
BLOOMBERG CODE	GENECAY LX
VALUATION	
AUM	148.22 M EUR
NAV PER SHARE	128.84 EUR
HIGHEST NAV OVER THE LAST 12 MONTHS	129.53 EUR
LOWEST NAV OVER THE LAST 12 MONTHS	125.22 EUR
FEES	
SUBSCRIPTION FEE	max. 5%
MANAGEMENT FEE	0.2000%
CONVERSION FEE	max. 5%
REDEMPTION FEE	max. 1%
PERFORMANCE FEE	n.a.
ONGOING CHARGES	0.3600%

CATEGORY AND RISK PROFILE

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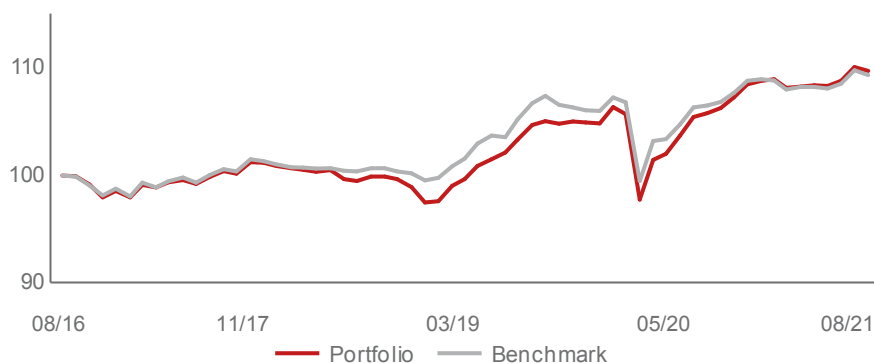
1	2	3	4	5	6	7
Lower risk						Higher risk
Potentially lower rewards						Potentially higher rewards

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 outperform its Benchmark investing in quality corporate debt securities denominated in Euro. The Fund shall essentially invest in corporate bonds denominated in Euro. The Fund shall mainly invest in securities with Investment Grade Credit Rating. Investment Grade Credit Rating is credit rating from AAA to BBB for Standard & Poors or from Aaa to Baa3 for Moody's or from AAA to BBB- for Fitch or an equivalent credit rating by a recognised credit rating agency or an equivalent credit rating as deemed by the Investment Manager. The Fund may use standardized credit default swaps ("CDS") and the total obligation may not exceed 25% of the Fund's net assets. The Fund may use financial instruments and derivatives for hedging purposes, for efficient portfolio management purposes and for investment purposes.

PERFORMANCE ANALYSIS AT 31 AUGUST 2021



	1M	YTD	1YR	3YR	5YR	3YR P.A.	5YR P.A.
Portfolio	-0.33	0.83	3.70	9.77	9.67	3.15	1.86
Benchmark	-0.41	0.34	2.63	8.56	9.29	2.77	1.79
Excess return	0.07	0.49	1.07	1.21	0.38	0.38	0.07

	SI	SI P.A.	2020	2019	2018	2017	2016
Portfolio	132.86	4.45	3.76	7.38	-3.23	2.36	4.41
Benchmark	124.99	4.26	2.77	6.24	-1.25	2.30	4.85
Excess return	7.87	0.18	0.99	1.14	-1.98	0.06	-0.43

	08/21-08/20	08/20-08/19	08/19-08/18	08/18-08/17	08/17-08/16
Portfolio	3.70	0.69	5.13	-0.50	0.42
Benchmark	2.63	-0.81	6.64	0.08	0.59
Excess return	1.07	1.50	-1.51	-0.59	-0.17

KEY FEATURES

- Active approach to investments in high quality, Euro denominated, IG corporate bonds
- Benefits from the expertise of our renowned credit team
- Disciplined risk control with below-the-average volatility over the long term
- Value added through securities' selection supported by proprietary bottom-up research

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

During August we put in place the following trading strategies:

o Essentially nothing on the cash side, as markets remained very muted and secondary flows did not offer any interesting switch opportunities. We just started to implement some trading activity the last day of the month, with the reopening of the primary.

o Concerning derivatives, we still hold a short on Lufthansa (leverage usage 0,7%). We are waiting some new catalyst to start thinking about new hedging strategies or single name trades.

Portfolio positioning is long with respect to pure credit risk and slightly short on interest rate duration (-0.14 years). The risk come from an overweight to BBB against single A and the addition to a small percentage of BB high Yield names (6.9%). In terms of curve positioning, we are concentrated into the 3-5 and 7-10 year part, while we have an underweight on the longest part of the curve 10+. Subordination levels are also an important element to look at and under this respect we continue to like corporate hybrids and selectively T1 financials. We are positively allocated to T2 and long now also on senior non-preferred bonds (T3) but we aim to add more those if they become cheaper, especially the ones with the green label that could prove to be more stable if volatility arrives. Finally, looking at the sector distribution, financials is the sector where we have done the greatest selection efforts, as it represents the first sector in terms of credit risk. Within financials we actually prefer to take risks on Insurance subordinated paper and high beta T1. Within non-financials we essentially favor corporate hybrids into materials, energy and utilities and underweight cyclical, heavy industries and capital goods. CDS strategies are also used for hedging and relative value ideas between indexes and single names.

Market and outlook

During August the monthly "excess return" of Euro investment grade corporate bonds have been 0%, while the 1-3 year maturity bucket segment returned +0,06%. Year to date excess return figures are in positive territory (1,03% and 0,79% respectively for the entire market and the 1-3 segment). Market levels indicates that the yield to worst of Euro IG bonds stands at 0,23% with little dispersion inside the different sectors. Subordinated financials stands at 0,42% while corporate hybrids at 1,26%. The yield curve shows a steepness contained in 100 bps, with the 1-3 year segment yielding -0,15% and the 10+ years yielding +0,86%.

August have been really a stable month and all attention was put to the Jackson Hole event. But as expected, no disruptive news came out from the debate. European credit, as well as US investment grade credits, should continue to benefit from this, in particular the interesting observation they made concerning the separation between tapering and rate increases. This concept of "separation" seems to work also in Eurozone and could be the new policy goal until we exit completely from the pandemic era. This means that rates could remain very low for a long period of time, leaving further room for the search of yield using credits and credit derivatives products.

Other elements to note were: the fact that spreads of AT1 reached a level similar to the one of HY bonds, and this occurred just few times in the past in other stretched market conditions, but this time it's the very low level of spread that makes the difference; positive signs from the earning season of eurozone companies with improving balance sheet data and the increased emphasis on ESG considerations to score better in the ESG tables; the record amount, again, of bonds worldwide with negative yield.

To conclude, current levels seem vulnerable, but there are not critical elements to generate negative volatility. With profits at the peak, markets at the peak and credit spread at the bottom it seems very difficult to call for further overperformance of risky assets. Nevertheless, we are living in an environment where only very positive or very negative news will create the conditions for having a clear market direction. In the middle, which is the base case, carry trade would be the most probable outcome, with spread that could even tighten a bit further in case of a slow-down in issuance and negative supply (highly possible).

HOLDINGS & TRANSACTIONS

TOP 10 FIXED INCOME

HOLDING	SECTOR	RATING	GROSS %
NESTLE FIN INTL 1.125 04/01/26	Consumer Staples	AA-	3.23%
AIB GROUP PLC 05/30/31	Financials	BB+	1.75%
STATE GRID OSEAS 1.75 05/19/25	Utilities	A+	1.72%
HONEYWELL INTL 0 03/10/24	Industrials	A	1.70%
CNH IND FIN 1.875 01/19/26	Industrials	BBB-	1.59%
MAPFRE 1.625 05/19/26	Financials	BBB+	1.55%
STANDARD CHART 0.75 10/03/23	Financials	BBB+	1.51%
PRAXAIR INC 1.625 12/01/25	Materials	A	1.47%
ARGENTA SPBNK 1 10/13/26	Financials	BBB	1.40%
NORDEA BANK 0.375 05/28/26	Financials	AA-	1.39%
Total Top 10 (%)			17.31%
Total Top 20 (%)			29.14%

TOP 3 SALES OVER THE LAST MONTH

CAIXABANK 1.75 10/24/23

TOP 3 PURCHASES OVER THE LAST MONTH

KBC GROUP NV 12/07/31

MUNICH RE 1 05/26/42

RATIOS

PERFORMANCE AND RISK ANALYSIS - SYNTHESIS

	1YR	3YR	5YR	SI
Standard Deviation Ptf	1.57	4.75	3.85	3.28
Standard Deviation Bmk	1.59	3.88	3.23	3.10
Tracking Error	0.37	1.60	1.28	1.12
Alpha	0.02	-0.00	-0.00	-0.00
Beta	0.96	1.16	1.13	1.12
R-squared	0.95	0.90	0.90	0.89
Information Ratio	2.83	0.24	0.06	0.16
Sharpe Ratio	2.72	0.75	0.59	0.70
Treynor Ratio	4.37	2.61	0.59	0.06
Sortino Ratio	5.46	0.94	0.75	0.92

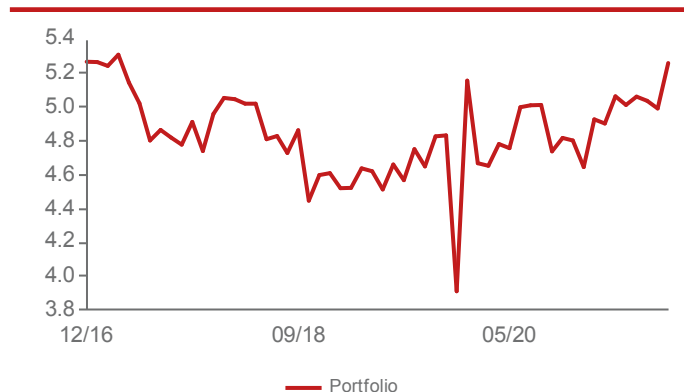
DRAWDOWN

	SINCE INCEPTION
Maximum drawdown (%)	-9.5
Peak to trough drawdown (dates)	Feb 20 - Mar 20
Length (in days)	28
Recovery Period (in days)	203
Worst Month	March 2020
Lowest Return	-7.5
Best Month	April 2020
Highest Return	3.8

FINANCIAL RATIO - FIXED INCOME

	FUND	BENCHMARK
Z-Spread	100.76	51.35
DTS (Duration Times Spread)	572.73	271.81
Average Rating (2nd best)	BBB	BBB+
Modified Duration	5.26	5.23
Effective Duration	5.14	5.21
Average Time to Maturity	5.40	5.65
Yield to Maturity	1.05	0.38
Current Yield	1.65	0.08
Average Coupon	1.79	1.44

MODIFIED DURATION EVOLUTION



BREAKDOWNS

Fund Benchmark Relative

COUNTRY	NET	RELATIVE
France	15.6% 20.2%	-4.6%
United States	14.5% 20.2%	-5.6%
United Kingdom	14.5% 8.6%	5.9%
Germany	7.8% 14.0%	-6.1%
Italy	6.8% 5.1%	1.7%
Spain	6.8% 5.8%	0.9%
Switzerland	5.9% 3.2%	2.7%
Others	27.3% 22.9%	4.3%
Cash	0.8%	

RATINGS (2ND BEST)	NET	RELATIVE
AAA	0.3%	-0.3%
AA	6.5% 5.9%	0.6%
A	26.1% 35.1%	-9.0%
BBB	55.7% 58.7%	-2.9%
BB	9.9%	9.9%
NR	0.9% 0.0%	0.9%
Not Available	0.0%	0.0%
Cash	0.8%	

SECTOR	NET	RELATIVE
Financials	46.7% 36.4%	10.3%
Real Estate	9.9% 5.0%	4.9%
Consumer Staples	7.9% 8.3%	-0.4%
Energy	5.8% 4.7%	1.1%
Utilities	5.6% 7.3%	-1.7%
Industrials	5.6% 8.6%	-3.0%
Health Care	4.8% 5.9%	-1.1%
Others	12.8% 23.7%	-10.8%
Cash	0.8%	

MATURITY	NET	RELATIVE
0-1Y	3.9% 1.1%	2.9%
1-3Y	20.0% 25.4%	-5.4%
3-5Y	27.1% 26.5%	0.6%
5-10Y	43.1% 37.5%	5.6%
10-20Y	3.9% 9.1%	-5.2%
Over 20Y	1.2% 0.4%	0.8%
Not Available	0.0%	0.0%
Cash	0.8%	

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-Italiche.

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. Certain information in this publication has been obtained from sources outside of Generali Investments Partners S.p.A. Società di gestione del risparmio. While such information is believed to be reliable for the purposes used herein, no representations are made as to the accuracy or completeness thereof.