

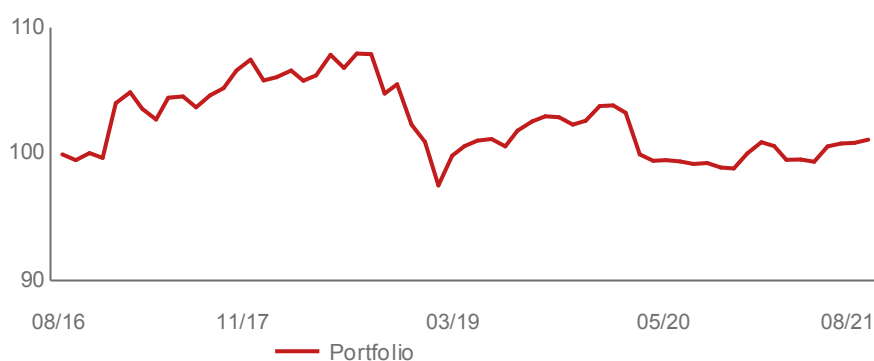
KEY DATA

MANAGEMENT COMPANY	Generali Investments Luxembourg S.A.
INVESTMENT MANAGER	Generali Investments Partners S.p.A Società di gestione del risparmio
FUND MANAGER	Salvatore BRUNO
FUND TYPE	Funds Of Funds
DOMICILE	Luxembourg
SUB-FUND LAUNCH DATE	04/07/2014
SHARE CLASS LAUNCH DATE	04/07/2014
FIRST NAV DATE AFTER DORMANT PERIOD	No dormant period
CURRENCY	Euro
CUSTODIAN BANK	BNP Paribas Securities Services Luxembourg
ISIN	LU1064857045
BLOOMBERG CODE	GDGAAAY LX
VALUATION	
AUM	166.04 M EUR
NAV PER SHARE	96.82 EUR
HIGHEST NAV OVER THE LAST 12 MONTHS	96.91 EUR
LOWEST NAV OVER THE LAST 12 MONTHS	94.65 EUR
FEES	
SUBSCRIPTION FEE	max. 5%
MANAGEMENT FEE	0.0800%
CONVERSION FEE	max. 5%
REDEMPTION FEE	max. 1%
PERFORMANCE FEE	n.a.
ONGOING CHARGES	0.2700%

INVESTMENT OBJECTIVE AND POLICY

The Fund seeks an increase of the value of your investment over a long-term by outperforming its benchmark. The Fund is managed actively and the composition of its portfolio may differ from its benchmark. The Fund invests at least 20% of its net assets in a selected portfolio of stocks of companies listed on European and US stock exchanges mainly with a large market capitalization. The Fund may also invest max. 80% in cash, short term debt instruments and bonds issued by European governments, government agencies and supra-national authorities. The Fund Manager may change the stock exposure depending on his market perception. The Fund may use financial derivatives to protect its portfolio against unfavorable market, interest rate or currency fluctuations. The Fund may also use financial derivatives to reduce other risks or to produce more revenues.

PERFORMANCE ANALYSIS AT 31 AUGUST 2021



	1M	YTD	1YR	3YR	5YR	3YR P.A.	5YR P.A.
Portfolio	0.26	0.21	1.86	-3.45	1.17	-1.16	0.23

	SI	SI P.A.	2020	2019	2018	2017	2016
Portfolio	0.56	0.08	-2.75	6.42	-8.02	1.94	-1.69

	08/21-08/20	08/20-08/19	08/19-08/18	08/18-08/17	08/17-08/16
Portfolio	1.86	-3.56	-1.71	-0.41	5.22

FUND MANAGER'S COMMENTS

Market View

Vaccinations in the US (and increasingly in Europe) are running into the speed limit of reluctant demand. Yet while resurgent Covid worries will retard the global recovery, they are unlikely to derail it. Mobility trackers are recovering and governments will not risk a fallback into harmful lockdowns with the majority of people in advanced economies already vaccinated.

In August, the US composite PMI declined for the third time in a row (to 55.4) but remained well into expansionary territory. The Manufacturing PMI (61.2) slowed amidst material shortages and high pressure on capacity. Similarly, the Services PMI (55.2) eased mainly due to labor shortages and the spread of the highly contagious Delta Variant. Inflation remained high (headline CPI at 5.3% yoy, core at 4.2%), although the transitory factors that fueled past readings have started to abate. On the monetary front, Powell opened to the case of a start of the tapering by year-end, although he remained very prudent on the path towards the first rate hike. On the fiscal front, the debate over the debt ceiling remained stuck as the Republicans refuse to endorse the US\$ 3.5 tn fiscal package proposal presented by the Democrats. On the positive side, an agreement over a US\$ 1 tn bipartisan infrastructure deal was reached.

In the Euro Area, despite the Composite PMI (59.5) declining from July's 15-year high of 60.2, business conditions still held well. The Manufacturing PMI (61.4) declined amid mounting capacity constraints, while the Services PMI (59.7) was roughly stable. Headline inflation hit 3% yoy in August (vs 2.2% in July), although energy and other temporary factors played a large role. The ECB may soon discuss some normalization in the pace of purchases as the economy is doing better than expected.

During the month, benchmark yields edged upwards, with the Treasury up by 6 bps to 1.30% and the German Bund up by 8 bps to -0.38%. Non-core spreads were roughly stable, with the BTP-Bund spread at 109 bps and the Bonos-Bund spread down to 72 bps. Similarly, credit spreads did not move much. In Europe, IG and HY spreads were up by 2 bps and down by 3 bps, respectively. In the US, the IG credit spread was up by 1 bps and the HY one was down by 5 bps.

Equities were positive despite new Covid risks and signs of toppish leading indicators. The MSCI World was up by 2.5%. The US performed slightly better than Europe, with the S&P500 up by 3% compared to the Euro Stoxx 50 up by 2.6%.

Portfolio Activity

In August, the Fund delivered a 25-bps profit, thanks to gains in equities, the short position in core bond futures and gains Emerging Market bonds.

The portfolio maintained a net equity exposure of 5%. The portfolio keeps an exposure to European Quality and Value, barbell strategy), on the FTSE 250 and on Global Infrastructure. On the derivative side, the relative trade on dividend yields (long Euro Stoxx 50 / short Euro Stoxx Banks dividend yield) was largely flat, while the long Dow Jones / short S&P 500 trade suffered due to the strong performance of Growth names.

In the fixed income space, we increased the duration exposure to Emerging Markets, that had lagged the downward movement in core yields in July. At the same time, we reduced the exposure to Italian BTPs, including linkers, taking advantage of the further rise in inflation breakevens. We currently have an exposure of 17.4% to Emerging Market bonds, with Romanian EUR-denominated and Chinese local-currency bonds being the largest positions. In the corporate bond arena, we maintained a differentiation outside EUR bonds, with 44% of the duration exposure in bonds denominated in AUD, GBP, USD and ZAR (all currency hedged), as whose curves are still steeper than in the euro area despite the flattening seen over the past months. On the derivative side, we kept the short positions on 5-year US Treasuries and 10-year German Bunds.

The duration of the portfolio was marginally increased from 0.58 years to 0.97. Overall, we kept a long duration exposure to corporate bonds (+0.88 years), EM bonds (+1.11 years, of which +0.14 years in USD-denominated bonds, +0.77 years in EUR-denominated ones, +0.20 years in local-currency bonds) and BTPs (+0.28 years). We are short Bunds (-0.94 years) and US Treasuries (-0.42 years).

On the FX side, we are long CNY (3.4% via bonds) vs TWD (-3.3%), long EUR (+0.8%) and GBP (+1.4%) and short CHF (-1.3%) and USD (-1.3%).

Outlook

The buy-the-dip attitude continued to support risky assets as abundant liquidity and record-ease financial conditions remained supportive. Real yields recovered marginally from the lows reached in July, but once again the dovish message on rates and the labor market provided by Fed's Powell at Jackson Hole put a lid on the extent to which rates can increase, favoring Growth stocks and defensive names. That said, there are increasing calls for a start of the tapering by the end of the year, both in the US and the Euro Area. Indeed, inflation in US remains elevated, with the transitory items in the basket having peaked, but with more structural ones likely to speed up as the labor market recovers. The start of the tapering and an ultimate agreement on the debt ceiling in the US (expected to occur before the end of October) will likely shift the balance of supply and demand in the Treasury market in Q4, resulting in more concrete upward pressures on yields. The speed of these events and the central banks' ability to smooth the process will be key to avoid turbulence in risky assets, in particular in equities.

In this context, we keep a short duration positions on core government bonds and a prudent duration approach overall to the whole fixed income basket. Carry strategies remain an important tool to offset the upward pressure in yields and we remain overweighted on corporate bonds (with low duration) and selected Emerging Market bonds, with the latter that have lagged the downward phase in global yields during the summer. In the equity space, we keep a prudent approach, favoring a barbell strategy, thus investing in Quality and Banks as the latter would benefit in case of an upward movement in yields.

HOLDINGS & TRANSACTIONS

TOP 10 FIXED INCOME

HOLDING	SECTOR	RATING	GROSS %
ROMANIA 4.625 04/03/49	Sovereigns (Frng Curr)	BBB-	2.31%
BTPS 2.45 09/01/50	Sovereigns	BBB-	2.14%
BTPS 1.45 11/15/24	Sovereigns	BBB-	1.91%
ROMANIA 3.624 05/26/30	Sovereigns (Frng Curr)	BBB-	1.76%
SERBIA REPUBLIC 3.125 05/15/27	Sovereigns (Frng Curr)	BB+	1.36%
N MACEDONIA BOND 3.675 06/03/26	Sovereigns (Frng Curr)	BB-	1.35%
BTPS 1.35 04/01/30	Sovereigns	BBB-	1.29%
COM BK AUSTRALIA 9 04/18/28	Financials	AA-	1.13%
UKRAINE GOVT 7.75 09/01/23	Sovereigns	B	1.10%
UKRAINE GOVT 7.75 09/01/21	Sovereigns (Frng Curr)	B	1.06%
Total Top 10 (%)			15.41%
Total Top 20 (%)			22.34%

TOP 10 EQUITY

HOLDING	SECTOR	GROSS %
IREN S.P.A.	Utilities	0.30%
COVESTRO AG (1COV GY)	Materials	0.00%
RED ELECTRICA CORPORACION SA (REE)	Utilities	0.00%
SAP SE (SAP GY)	Information Technology	0.00%
IREN S.P.A. INTERIM B	Utilities	0.00%
DEUTSCHE POST AG-REG (DPW GY)	Industrials	0.00%
EDP-ENERGIAS DE PORTUGAL SA (EDP PL)	Utilities	0.00%
FERROVIAL SA (FER SM)	Industrials	0.00%
PRYSMIAN SPA (PRY IM)	Industrials	0.00%
Total Top 10 (%)		0.32%
Total Top 20 (%)		0.32%

TOP 3 SALES OVER THE LAST MONTH

FIXED INCOME
BTPS 1.45 11/15/24
BTPS 1.4 05/26/25
BTPS 2 02/01/28

TOP 3 PURCHASES OVER THE LAST MONTH

FIXED INCOME
N MACEDONIA BOND 3.675 06/03/26
UKRAINE GOVT 7.75 09/01/23
ERSTE GROUP PERP

TOP 3 SALES OVER THE LAST MONTH

EQUITY
No Sales for this period

TOP 3 PURCHASES OVER THE LAST MONTH

EQUITY
No Purchases for this period

PORTFOLIO BREAKDOWNS

■ Fund

ASSET CLASS	NET	RELATIVE
Equities	48.8%	
Government	26.1%	
Corporate	18.9%	
Cash & Cash Equivalent	6.4%	
Others	-0.3%	

CURRENCY	NET	RELATIVE
EUR	100.8%	
USD	2.1%	
GBP	1.4%	
JPY	0.2%	
Others	-4.4%	

RATIOS

PERFORMANCE AND RISK ANALYSIS - SYNTHESIS

	1YR	3YR	5YR	SI
Standard Deviation Ptf	1.87	3.80	4.29	5.67
Sharpe Ratio	1.38	-0.20	0.14	0.09
Sortino Ratio	2.66	-0.27	0.22	0.14

DRAWDOWN

	SINCE INCEPTION
Maximum drawdown (%)	-11.3
Peak to trough drawdown (dates)	Apr 15 - Jul 16
Length (in days)	448
Recovery Period (in days)	672
Worst Month	January 2016
Lowest Return	-4.5
Best Month	December 2016
Highest Return	4.3

FINANCIAL RATIO - EQUITY

	FUND
Dividend Yield (%) (current)	1.39
Average Market Cap (in M€)	13,232
Median Market Cap (in M€)	9,234

PORTFOLIO RISK RATIO

	FUND
VaR (99% - 20days)	0.92

FINANCIAL RATIO - FIXED INCOME

	FUND
Z-Spread	145.54
DTS (Duration Times Spread)	381.73
Average Rating (2nd best)	BBB-
Modified Duration	4.24
Effective Duration	0.80
Average Time to Maturity	3.25
Yield to Maturity	1.91
Current Yield	1.39
Average Coupon	1.48

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

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.



EQUITY BREAKDOWNS

 Fund

COUNTRY	NET	RELATIVE	
Luxembourg	70.1%	<div><div></div></div>	
Cayman Islands	18.0%	<div><div></div></div>	
Ireland	9.8%	<div><div></div></div>	
United States	1.2%	<div><div></div></div>	
Italy	0.9%		
Germany	0.0%		
Spain	0.0%		
Others	0.0%		

SECTOR	NET	RELATIVE	
Funds	99.1%	<div><div></div></div>	
Utilities	0.9%		
Industrials	0.0%	<div><div></div></div>	
Materials	0.0%	<div><div></div></div>	
Information Technology	0.0%	<div><div></div></div>	
Energy	0.0%	<div><div></div></div>	

CURRENCY	NET	RELATIVE
EUR	77.0%	<div><div></div></div>
USD	19.1%	<div><div></div></div>
GBP	3.8%	<div><div></div></div>

MARKET CAP	NET	RELATIVE
Under 5 bn	80.8% 	
5-30 bn	0.0% 	
No Market Cap	19.1% 	
Over 30 bn	0.0% 	







FIXED INCOME BREAKDOWNS

■ Fund

COUNTRY	NET	RELATIVE
Italy	20.2%	
Ireland	12.8%	
Romania	8.7%	
United Kingdom	6.6%	
Australia	5.9%	
France	5.0%	
Ukraine	4.2%	
Others	36.6%	

SECTOR	NET	RELATIVE	
Sovereigns (Frng Curr)	26.2%	<div></div>	
Sovereigns	21.7%	<div></div>	
Financials	17.6%	<div></div>	
Funds	12.8%	<div></div>	
Utilities	4.1%	<div></div>	
Materials	3.3%	<div></div>	
Consumer Discretionary	2.9%	<div></div>	
Others	11.3%	<div></div>	

RATINGS (2ND BEST)	NET	RELATIVE
AA	3.3%	
A	7.0%	
BBB	56.0%	
BB	12.6%	
B	8.4%	
NR	0.7%	
Not Available	12.1%	

MATURITY	NET	RELATIVE	
0-1Y	5.2%		
1-3Y	10.0%		
3-5Y	33.1%		
5-10Y	30.4%		
Over 20Y	9.2%		
Not Available	12.1%		

DEALING DETAILS

CUT OFF TIME	T-1 at 2 pm
SETTLEMENT	T+3
VALUATION	Monthly
NAV CALCULATION	T (T-1 end of day close)
NAV PUBLICATION	T

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