Signatory of: PRI Principles for Responsible Investment

Plenisfer INVESTMENTS

Destination Value Total Return Fund^

Monthly commentary | July 2024

31 July 2024

Marketing Material

The portfolio recorded a strong performance during the month, despite the sideways movement of the markets in the final weeks of July, within a context marked by increasing volatility and the first signs of weakness in the global economy. The Income strategy was the best performer within the portfolio, benefiting from the increase in duration - due to the repricing of the U.S. yield curve - and the attractive returns offered by the short- and medium-term segments of the curve.

Portfolio Update: Plenisfer Destination Value Total Return Fund

July was a **volatile** month for the markets, with the U.S. labor market showing the first signs of weakness. This, combined with the normalization of inflationary pressures, rekindled expectations of rate cuts by the Federal Reserve. The market is anticipating the first rate cut in September, currently pricing in three reductions totaling approximately 150 basis points by June 2025. Benefiting from the revision in timing and magnitude of the cuts were small-cap companies, supported by a significant rotation, along with asset classes most sensitive to interest rate dynamics.

The rally in the short end of the yield curve resulted in a *steepening* of the curve, with the spread between the 10-year and 2-year Treasury narrowing to -21 basis points, the lowest since January 2024. Positive returns were also seen in the credit sector, with the global corporate market, represented by the Bloomberg Global Aggregate Corporate Index—which includes global investment grade bonds in developed and emerging markets—closing at +2.4% for the month. The high-yield sector underperformed, both in the U.S. and Europe, at +2.0% and +1.2% respectively for the month.

U.S. equities posted positive performance in July, with the S&P 500 rising by +1.2%, as more than half of the companies in the index reported overall favorable results. A notable rotation was observed from technology companies to small caps. Despite the weakness in the growth segment for the month, the performance of technology stocks remains largely positive year-to-date, accounting for a significant portion of market gains. **European equities** were flat, highlighting a slowdown in the Eurozone economy over the summer. Positive performance was seen in Eurozone government bonds, favored by the market's intention to lock in attractive yield levels ahead of the anticipated ECB cuts.

China declined, weighed down by ongoing difficulties in the real estate sector and their broader economic implications. Beijing authorities implemented expansive measures to support the financial system, aiming to stimulate credit growth and sustain the economy in a complex scenario. In the **commodities** sector, oil prices continued to decline, impacted by weak demand from China amidst rising tensions in the Middle East that could pressure supply. **Gold**, however, continued its positive performance.

The Fund closed the month with a return of **+0.84%** for the **institutional** share class in **EUR** and **-0.05%** for the **institutional** share class in **USD** (EUR/USD exchange rate change during the month: +0.85%).

The return for the EUR-Hedged share classes, **IYH** and **IXH** (where the hedge covers the exchange rate variations for all non-EUR denominated assets), was **+0.10%** for both. In the retail classes, the USD share class is not available; hence, the **SX EUR** share class had a return of **+0.58%** for the month, while the **SXH EUR Hedged** class had a return of **-0.16%**. (For complete performance information, please refer to the end of the document).

For the IX dollar share class, the **volatility** since inception has been **8.68%**, while for the IYH EUR hedged and SX EUR Retail classes, it has been **7.17%** and **7.61%**, respectively.

Performance commentary

Income **+1.03%**	The **subordinated financials** subgroup led the Strategy's performance with a contribution of +0.32%. Italian banks such as UNICREDIT SPA and INTESA SANPAOLO SPA provided a significant positive impact, collectively contributing +0.10% to the performance. Following, TIPS (Treasury Inflation-Protected Securities) had a contribution of +0.29%, reflecting the movement in the US yield curve during the month. Other positive contributors included VODAFONE GROUP, which added +0.17% to the performance, followed by the Energy sector (+0.13%) and the Telecom sector (+0.03%).
Special Situations **+0.93%**	The **Equity Value** sector maintained a strong performance this month with a return of +0.71%, primarily driving the Strategy's results through the allocation in WEBUILD SPA. The company reported good results, driven by improved margins and solid growth in orders, particularly from Italy, the United States, and Australia. This was followed by the **Stressed & Distressed** sector with a return of +0.22%, where GOL FINANCE SA and DTEK RENEWABLES FINANCE BV were the top contributors.
Alternatives **+0.91%**	**Gold stocks** were the best contributors to the Strategy, totaling +0.73%, with NEWMONT CORP standing out by contributing +0.58% alone. Physical gold ETCs also performed well, adding +0.15%. This was followed by the systematic sub-strategies on Volatility and Trend Following, which together contributed +0.20%.
Macro **+0.57%**	The best contribution came from the allocation in **banking equities**, with +0.47%, led by UNICREDIT SPA with +0.19% and HSBC HOLDING PLC with +0.14%. Chinese equities also posted positive results, with ALIBABA GROUP gaining +0.09%. Among the detractors, the **Semiconductors** sector lost 0.21%, primarily due to the position in SK HYNIX INC. We believe this is a temporary phase of weakness, related to the rotation out of the technology sector and some profit-taking after the good performance since the beginning of the year. In the uranium-related names, our position in SPROTT closed the month positively with +0.07%, while YELLOW CAKE was negative with -0.10%. The overall **Energy Stocks** subcategory lost -0.01%. The Long Duration position also contributed positively, with +0.1% thanks to the repricing of the U.S. yield curve. The Relative Value sub-strategy on the S&P 500 also performed well, contributing +0.06%. This

*All performance data for the Strategies are gross and denominated in euros.

	strategy, constructed during the month, involved a long position on the S&P equal-weight index and a short position on the market-weight index to take advantage of the high concentration of the index and the relative valuation discrepancy.
Compounders **-0.29%**	The performance of the **Best in Class** sector had the most significant negative impact on the overall Strategy, with a return of -0.22%, driven by META PLATFORMS (-0.12%) and INTERACTIVE BROKERS (-0.07%). META PLATFORMS experienced a correction due to the rotation from technology stocks to small-caps in the U.S. market. On the positive side, AIR LIQUIDE (+0.08%) reported solid results with growing revenues, expanding margins, and cash flows exceeding expectations. AUTOSTORE HOLDINGS (+0.07%) also performed well, partially offsetting the negative positions. The New Way of Living subgroup was also negative this month, mainly due to MICROSOFT CORP, which contributed -0.07%.

Investment activity commentary

The portfolio recorded a strong performance during the month, despite the sideways movement of the markets in the final weeks, in a context characterized by increasing volatility and the emergence of early signs of weakness in the global economy.

Focusing on our **MACRO STRATEGY**, the allocation in **real assets** — **uranium, copper, and gold**— continues to be a key component, with an average exposure of around 12%. Our position in uranium reflects our belief in the strategic importance of this commodity in the context of increasing electricity demand and an evolving energy paradigm, aligning with global decarbonization and energy security goals. We also remain positive on select names in **banking equities**, supported by solid interest margins and robust capital structures, which have enhanced shareholder returns recently through dividends and share buybacks.

Regarding the **ALTERNATIVE RISK PREMIA STRATEGY**, global central banks, led by China, continue to increase their gold reserves in a context of rising geopolitical tensions and a gradual reduction in the use of the dollar by BRICS countries. We have partially taken profits on physical gold ETCs to fund the position in NEWMONT CORP, a global leader in gold production. We remain convinced of gold's structural importance within the fund, as a way of inflation protection and portfolio stabilization. The gradual easing of monetary policies is expected to further support its prices in the coming months, given the anticipated decline in real yields.

In the **equity segment** of our **COMPOUNDERS STRATEGY**, our benchmark-independent approach allows us to hold positions in companies of all sizes, including a selection of small and mid-cap leaders in their respective sectors, capable of offering sustainable long-term returns independent of market beta. In the area of **artificial intelligence**, we continue to see value in companies best positioned to benefit indirectly, such as leaders in semiconductor testing, who can quickly monetize competitive advantages from significant R&D investments.

We have progressively increased the portfolio **duration** during the period—to approximately 4.5 years—in line with our view of the macroeconomic cycle. In our **INCOME STRATEGY**, the portfolio benefited from the increased duration, thanks to the repricing of the U.S. yield curve following lower-than-expected CPI data and initial signs of labor market weakness. We continue to benefit from the attractive yields offered by the short and medium segments of the curve. The normalization of the curve has also favored our Steepening position.
Consequently, our positioning aims at quality and low default risk, summarized in our exposure to **subordinated financials and industrials**, benefiting from high carry and current yield. This approach prioritizes the quality of issuers, reducing default risk, and maximizing risk-adjusted returns.

Outlook Third Quarter 2024

The outlook for the coming months reflects market conditions with **elements of vulnerability**: on one hand, declining inflation allows breathing room in bond markets, which suffered in terms of absolute returns earlier in the year. On the other hand, equity markets remain characterized by extreme concentration in a few technology sector stocks, making sectoral diversification prospects futile for index investors.

Our view for the next few months remains one of **continued tension between inflationary and deflationary forces,** within a framework of increasing convergence between U.S., European, and Chinese economic performances. The ongoing slowdown in the U.S. economy supports a return of inflation, albeit at levels higher than those prevailing over the past two decades. This suggests a progressive scenario of interest rate cuts by year-end. However, the prevalence of high public deficits, ongoing geopolitical tensions, and reshoring activities all advise caution in declaring victory over inflation. In Europe, the most critical phase seems to have passed for the continent's largest economy, Germany, as there is currently a significant increase in exports. Nonetheless, this should not prevent the **ECB** from continuing its path of interest rate cuts, already initiated.
Structural issues persist in **China**, such as weaknesses in the real estate market, with little decisive action to stimulate domestic demand.

Regarding investment opportunities, we are not only at peak equity market valuations but also at **reduced** levels of **credit spreads**: credit costs and risks are perceived as very low by the market. We believe a rational approach involves using duration as an effective hedging tool for equity and credit portfolio risks. We are progressively increasing the portfolio's **duration** in this regard.

We believe there are still opportunities in the **short- to medium-term parts of the yield curve** in both the U.S. and Europe. We expect the curves to steepen: with the normalization of the curve and the reappearance of the premium in the long-end we maintain a **steepening** position on the US curve.

On the **equity front**, particularly in **Compounders** and **Special Situations** strategies, we continue to look with interest at companies benefiting from major **secular transitions underway**. These include the **revision of global supply chains and energy mix security**. Vulnerabilities in global supply chains, highlighted by the Covid-19 pandemic, have led many companies to diversify their sourcing to reduce risks and invest in supply diversification and new production facilities across regions to avoid critical dependencies. Significant investments in automation and robotics are also being made to offset higher costs of local production. Trade tensions and supply disruptions are prompting companies to bring production closer to consumer markets.

We are also investing in secular trends such as **electrification, decarbonization, and infrastructure investments,** particularly benefiting **indirect beneficiaries** like infrastructure producers and **raw material suppliers**. For instance, **charging infrastructures** that manage renewable energy intermittency require advanced storage systems. Smart grids are also crucial for managing **renewable energy integration** and improving energy efficiency. Companies like ***Siemens*** and ***Schneider Electric*** are developing technologies for smart grids that enable more efficient energy management. **Sustainable construction** practices are also on the rise, emphasizing energy efficiency and the use of ecological materials.
In terms of **technological innovation**, **digitalization** continues to expand across all sectors, driving demand for advanced technologies such as cloud services, big data solutions, and artificial intelligence. Implementing **automation** and **robotics** solutions enhances **production efficiency** and reduces operating costs, making industrial operations more competitive.

However, the medium- to long-term structural framework presents less encouraging prospects: we are currently at historically high levels of **public debt**, not only as a legacy of post-Covid economic stimulus policies but also to support necessary **public investments in economic transitions, particularly energy**. Public infrastructure investments can create a demand cycle that benefits equipment and service companies for several years. This also increases demand for raw materials, with potential inflationary repercussions, especially in terms of rising energy costs. Additionally, it can exert pressure on profit margins for energy-dependent companies.

These structural changes can represent not only a break from the status quo but also significant investment opportunities.
Currently, we maintain portfolio exposure to **commodities** and the **energy, industrial, and financial sectors**, favoring value stocks that can benefit from cyclical rotation. We adopt an active approach ready to exploit short-term volatility and tactical opportunities. The allocation in **real assets** — **gold, uranium, copper** — remains a key component. We believe these commodities and precious metals will continue to hold strategic importance in the new paradigm of the aforementioned trends.

Therefore, we believe there are significant global stock-picking opportunities beyond the "usual suspects," i.e., stocks most represented in indices. Opportunities range from mid-cap companies in the U.S. and Europe to mid- and large-cap companies in Asia, including **China**. China not only offers investment opportunities at attractive valuations but has also developed highly competitive enterprises in high-value-added sectors. It has already positioned itself as the world's largest exporter of electric vehicles, a leader in next-generation nuclear power plants, and continues to invest in technology-intensive sectors. This presents interesting **bottom-up investment opportunities**, regardless of how the macroeconomic scenario evolves.

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Performance information of the Fund

Class	ISIN	Launch date	Monthly 07.24	Quarter to Date	YTD	Rolling last 12 months	Annualized since inception	2021	2022	2023	Cumulative since launch
I X USD Cap	LU2087694050	04/06/2020	2.86%	2.86%	6.64%	8.87%	6.68%	8.21%	-6.25%	9.37%	30.84%
IYH EUR Dis	LU2087694647	04/05/2020	2.36%	2.36%	7.00%	8.61%	6.35%	8.72%	-6.44%	6.26%	29.87%
I XH EUR Cap	LU2087694480	10/03/2021	2.36%	2.36%	7.00%	8.59%	3.49%	-	-6.48%	6.24%	12.33%
I X EUR Cap	LU2087693672	11/04/2022	1.71%	1.71%	8.75%	10.74%	4.77%	-	-	5.67%	11.55%
SXH EUR Cap	LU2185980054	06/05/2021	2.26%	2.26%	6.34%	7.46%	1.42%	-	-7.46%	5.15%	4.67%
SX EUR Cap	LU2185979551	06/05/2021	1.78%	1.78%	8.26%	9.76%	5.53%	-	-1.11%	4.57%	19.05%
SY EUR Dis	LU2185979809	05/12/2022	1.44%	1.44%	7.83%	9.43%	5.78%	-	-	4.54%	9.80%

Class	ISIN	Launch date	Annual volatility since inception	Volatility 2021	Volatility 2022	Volatility 2023	Sharpe ratio*	Sortino ratio*	Drawdown
I X USD Cap	LU2087694050	04/06/2020	8.68%	6.20%	10.85%	8.47%	0.52	0.51	-1.28%
IYH EUR Distr.	LU2087694647	04/05/2020	7.18%	5.88%	8.04%	6.68%	0.76	0.72	-1.36%
I XH EUR Cap	LU2087694480	10/03/2021	7.43%	-	8.06%	6.68%	0.28	0.26	-1.33%
I X EUR Cap	LU2087693672	11/04/2022	6.98%	-	-	6.17%	0.34	0.33	-0.76%
SXH EUR Cap	LU2185980054	06/05/2021	7.59%	-	8.05%	6.69%	-0.02	-0.02	-1.76%
SX EUR Cap	LU2185979551	06/05/2021	7.61%	-	7.65%	6.18%	0.53	0.50	-1.33%
SY EUR Dis	LU2185979809	05/12/2022	6.20%	-	-	5.99%	0.38	0.38	-0.91%

Source: Plenisfer Investments:. Data as of 31/07/2024. **Past performance is not a reliable indicator of future results and can be misleading. All performances are presented net of fees, except sny entry and exit fees (dividends reinvested for the Acc class) and do not take into account the taxation regime applicable to investors.** There can be no guarantee that an investment objective will be met or that a return on capital will be achieved. You may not get back the amount you originally invested. The currency fluctuations may have a negative impact on the net asset value, the performances and costs. Returns may increase or decrease as a result of currency fluctuations.

^Fund Factsheet - Plenisfer Investments Sicav Société d'investissement à capital variable (SICAV) Luxembourg" - Destination Value Total Return ("Fund" or "Sub-Fund")

Investment Objective and Policy: The objective of this Sub-Fund is to achieve a superior risk-adjusted total return over the market cycle. The goal is value creation through risk-adjusted total return. Achieving long-term capital appreciation and underlying income through a long-term focus on valuation and market cycles is key to achieving the Sub-Fund's objectives.

Legal structure: UCITS - SICAV

Investment Manager: Plenisfer Investments SGR S.p.A.

Management Company: Generali Investments Luxembourg S.A.

Launch date: 04/05/2020 (share class EUR ACCUMULATION)

Benchmark for performance fee calculation only: SOFR Index

Subscription/Redemption process: Valuation day, 13:00 Luxembourg time (T)/ Redemption: Valuation day, 13:00 Luxembourg time (T) + 5

Minimum subscription: € 500,000 share class I; € 1,500 share class R

Currency: USD

SFDR classification: The Fund promotes, among other features, the environmental or social characteristics set out in Article 8 of Regulation (EU) 2019/2088 on sustainability reporting in the financial services sector ("SFDR"). The Fund is not an Article 9 under SFDR (does not have sustainable investment as an objective). For all information on the SFDR (Sustainable Finance Disclosure), please refer to Annex B of the Prospectus ("pre-contractual document").

The Fund is denominated in a currency other than the investor's base currency, changes in the exchange rate may have an adverse effect on the net asset value and performance.

Risk profile and inherent risks

Risk factors: Investors should consider the specific risk warnings contained in section 6 of the Prospectus and more specifically those concerning: - Interest rate risk. - Credit risk. - Equity risk. - Emerging markets risk (including China**). There is no pre-determined limitation to exposure to emerging markets. Emerging market risk may therefore be high at times. - Frontier market risk. - Foreign exchange risk. - Volatility risk. - Liquidity risk. - Derivatives risk. - Short exposure risk. - Distressed debt risk. - Securitised debt risk. - Contingent Capital Securities Risk ('CoCos').**

Destination Value Total Return

RISKS

Summary Risk Indicator

Lower risk **Higher risk**

1	2	3	4	5	6	7

The risk indicator assumes you keep the product for 5 years.

Its purpose is to help investors understand the uncertainties associated with gains and losses that can impact their investment.

List of available share classes and fees

ISIN	Share Class	Currency	Inception Date	BBG	Countries of registration	Management Fee and other costs	Entry Fee	Exit Fee	Transaction costs	Last Perf. fee*
LU2087694050	I X Cap	USD	04/06/2020	DETVRIA LX	IT, ES, DE, AT, LU, CH, IE, PT	0.90%	0%	0%	0.28%	0.2%
LU2087694647	IYH EUR Dis	EUR (Hedged)	04/05/2020	DETVRYH LX	IT, ES, DE, AT, LU, CH, IE, PT	0.95%	0%	0%	0.28%	1.17%
LU2087694480	I XH EUR Cap	EUR (Hedged)	10/03/2021	DETVRIX LX	IT, ES, FR, DE, AT, LU, CH, IE, PT	0.96%	0%	0%	0.28%	0.1%
LU2087693672	I X EUR CAP	EUR	11/04/2022	DETVRIE LX	IT, ES, LU	0.95%	0%	0%	0.28%	0%
LU2185978587	RX EUR Cap	EUR	10/06/2021	-	IT, LU, PT	1.46%	5%	0%	0.28%	0%
LU2185979049	RXH EUR Cap	EUR (Hedged)	-	-	IT, LU, ES, PT	1.46%	5%	0%	0.28%	0%
LU2185979551	SX EUR Cap	EUR	06/05/2021	THTVRSE LX	IT, LU, FR, ES, PT	2.01%	4%	0%	0.28%	0%
LU2185980054	SXH EUR Cap	EUR (Hedged)	06/05/2021	THTVRSC LX	IT, LU, FR, ES, PT	2.00%	4%	0%	0.28%	0.04%
LU2185979809	SY EUR Dis.	EUR	05/12/2022	THTVRSD LX	IT	1.97%	4%	0%	0.28%	0.01%

The performance fee is calculated according to the "High Water Mark with performance fee benchmark" mechanism with a performance fee rate of 15.00% per annum of the positive return above the "SOFR Index" (the performance fee benchmark). The actual amount will vary depending on the performance of your investment. Tax aspects depend on the individual circumstances of each client and may change in the future. Please consult your financial advisor and your tax advisor for more details. Please refer to the countries of distribution and the website of the management company to find out if a class is available in your country and for your group of investors.

(#) Based on the latest KID - May 2023.

Important information:

This material does not constitute an offer to buy or sell units of any investment fund or any security or service. It is directed to persons resident in the jurisdictions in which the fund in question has been/will be authorised for distribution. More specifically, the presentation is not intended for residents or citizens of the United States of America, or "U.S. Persons" as defined in "Regulation S" of the Securities and Exchange Commission under the Securities Act of 1933. The definition of "U.S. Persons" is provided below. The term "U.S. Person" refers to: (a) any natural person resident in the United States of America; (b) any partnership or corporation incorporated or registered under applicable U.S. law; (c) any estate (or "trust") whose executor or administrator is a "U.S. Person"; (d) any trust in which one of the trustees is a "U.S. Person"; (e) any agency or branch of a non-U.S. entity located in the U.S; (f) any non-discretionary account (other than an estate or trust) maintained by a financial intermediary or any other authorised representative, incorporated or (in the case of natural persons) resident in the U.S. (g) any discretionary account (other than an estate or trust) maintained by a financial intermediary or any other authorised representative registered or (in the case of natural persons) resident in the United States of America and (h) any partnership or corporation, if (1) formed under the law of a country other than the United States of America and (2) formed by a US Person primarily for the purpose of investing in securities not registered under the Securities Act of 1933. This restriction also applies to residents and citizens of the United States of America and "U.S. Persons" who may visit or access this Site while travelling or residing outside the United States of America.