



**SUBFUND OVERVIEW**

The fund's objective is to generate long-term capital appreciation by investing in a global portfolio composed principally of convertible bonds without any geographical or currency limitation. Convertible bonds are sensitive to movements in equities, credit, interest rates and volatility. Thus, according to the manager's macroeconomic assumptions, the portfolio parameters are set, with a bond or an equity bias. Thereafter, a selection process picks and weights around 50 to 60 investments to structure the portfolio. The fund is not benchmarked.

**INVESTMENT MANAGER'S COMMENTS**

US election heads-up is over and Mr. Trump is the winner! Market reactions have been positive for stocks and negative for bonds. A deflation and fiscal (over monetary) stimulus themes are taking place among others, making volatility quite high. All in all, this (tax cuts and deregulation for instance) should be positive short to medium term for stocks and convertible bonds, with low duration and equity exposure.

On Harvest specifically, positive contribution to the performance was led by **Cypress Semiconductor 4.5% 2022** (the leader in advanced embedded system solutions for automotive, industrial, home automation and appliances, consumer electronics and medical products), **Liberty Media 1.375% 2023** (a media company, owner of the Braves baseball team and the recent acquirer of Formula 1 rights) and **Marine Harvest 0.125% 2020** (the world's largest producer of Atlantic salmon.) Also positive in the portfolio's main positions, **Post Holdings 2.5% 2049** beat estimates on strong performance of consumer brands. An important risk for the company would be that spot egg prices remain low for a long time. While possible, analysts view this as unlikely given that egg farmers are currently losing money and upstream layer flock data already indicates a pending supply side correction. And while eggs are in focus, we highlight the strong mo-

mentum of cereal for Post Holdings which owns several cereal breakfast brands. Compared to a \$72 stock price, our objective of \$110 is confirmed, maintaining the company as one of our top picks.

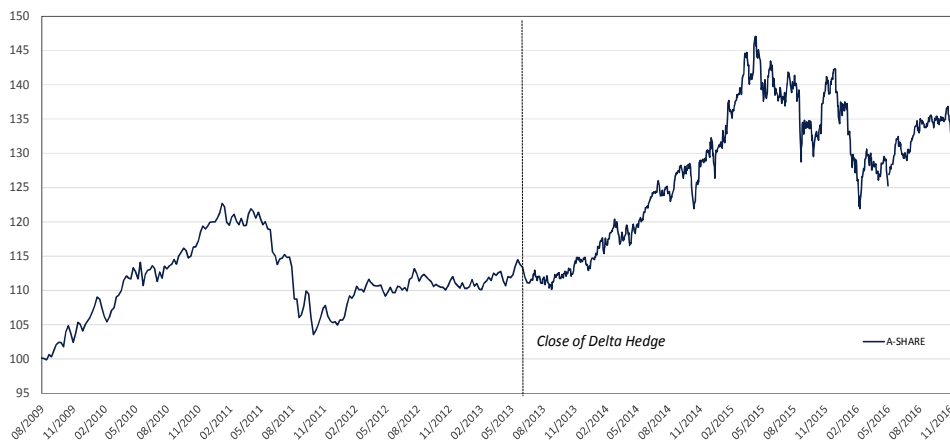
On the negative side, we continue to suffer from volatility in our **Premier Oil** debt restructuring trade, but are still positive on the ultimate outcome, and in the Healthcare sector where we are slightly overweight. It is therefore unsurprising to be negatively impacted by **Allergan 5.5% 2018, Teva 7% 2018 et Depomed 2.5% 2021**.

Goldman Sachs estimates that if **Allergan** delivered a disappointing Q3 with a lowered 2016 guidance, resulting in a significant underperformance this year (-36.7% vs. +2.6% for the S&P500), it believes that expectations have now been rebased and that going forward, management should under-state and over-deliver. With earnings growth above the peer average at compelling valuations, added to share buy back and dividends, the investment case is still valid.

A bit of the same could be said on **Teva**, where we have been managing our risk and sold 50% of our allocation over the last 12 months.

Finally, **Depomed** a M&A candidate has so far been refusing proposals at market whisper of \$25 which is our target price and leaves some room for appreciation.

**NAV PER SHARE SINCE INCEPTION (CLASS A)**



**PERFORMANCE**

	A	C	H
<b>HEDGED</b>	NO	CURRENCIES	CURRENCIES & DELTA
<b>DELTA</b>	50%	50%	12%
<b>VOLATILITY</b>	9.28%	6.85%	4.49%
<b>NAV/SHARE</b>	135.76	105.54	104.85
<b>MONTH</b>	0.92%	-1.21%	-0.79%
<b>2016</b>	-1.13%	-3.00%	-5.58%
<b>2015</b>	4.69%	-1.58%	0.95%
<b>2014</b>	14.17%	5.59%	9.85%
<b>2013</b>	3.88%	7.63%	0.15% *
<b>2012</b>	4.66%	1.40%	
<b>2011</b>	-12.34%	-7.26%	

\* Since 01/07/2013

**MAIN HOLDINGS**

TOP 10	CCY	MATURITY / DURATION	PUT	%	DELTA	YTM/YTP	TOP 5 / BOTTOM 5 (ATTRIBUTION)
TAKE-TWO INTERACTIVE 1% 2018	USD	01/07/2018		4.34%	100%	0.00%	SPANSION 2% 2020 0.27%
POST HOLDING 2.5% 2049	USD			3.35%	96%	1.69%	LIBERTY MEDIA 1.375% 2023 0.09%
ALLERGAN PLC 5.5% 2018	USD	01/03/2018		2.72%	89%	8.12%	MARINE HARVEST 0.875% 2019 0.07%
BANK OF AMERICA CORP 7.25% 2049	USD			2.22%	10%	5.07%	PIERRE ET VACANCES SA 3.5% 2019 0.05%
PARPUBLICA / GALP 5.25% 2017	EUR	28/09/2017	28/09/2015	2.12%	33%	0.00%	SAF-HOLLAND GROUP 1% 2020 0.04%
SPANSION 2% 2020	USD	01/09/2020		2.06%	100%	0.00%	
SIEMENS FINANCIERINGSMAT 1.05% 2017	USD	16/08/2017		2.03%	9%	0.00%	PREMIER OIL 2.5% 2018 -0.36%
FORTIS CASHES 2.305% 2049	EUR	29/12/2049		1.97%	3%	3.31%	DRILLISCH AG 0.75% 2018 -0.24%
AMERICA MOVIL SAB DE CV 0% 2020	EUR	28/05/2020		1.94%	20%	0.95%	TEVA PHARMACEUTICAL INDU 7% 2018 -0.21%
ORPEA 1.75% 2020	EUR	01/01/2020		1.82%	100%	0.00%	ALLERGAN PLC 5.5% 2018 -0.18%
							DEPOMED INC 2.5% 2021 -0.12%
<b>PORTFOLIO</b>		<b>4.31</b>		<b>100%</b>	<b>50%</b>	<b>4.12%</b>	



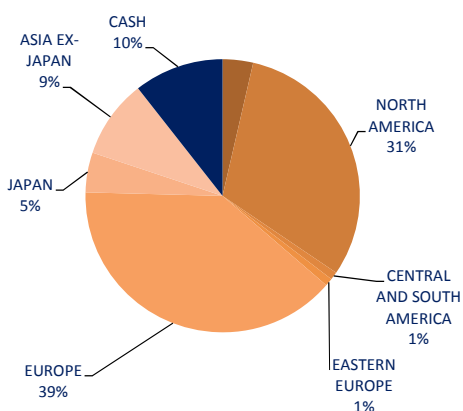
**BELLATRIX**

ASSET MANAGEMENT

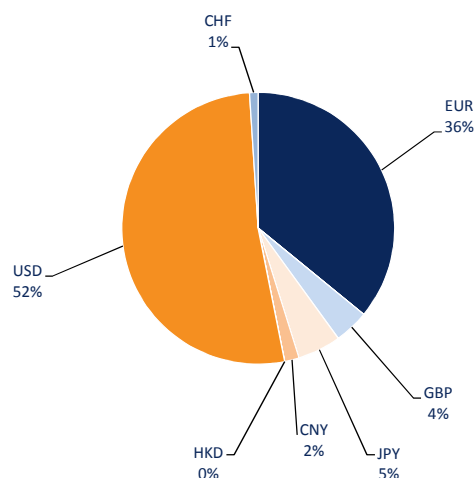
# HARVEST INVESTMENT FUND Global Convertible UCITS IV

NOVEMBER 2016

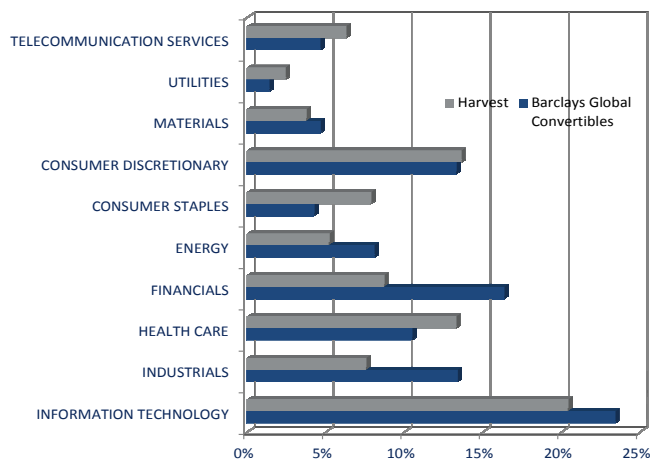
## GEOGRAPHIC ALLOCATION



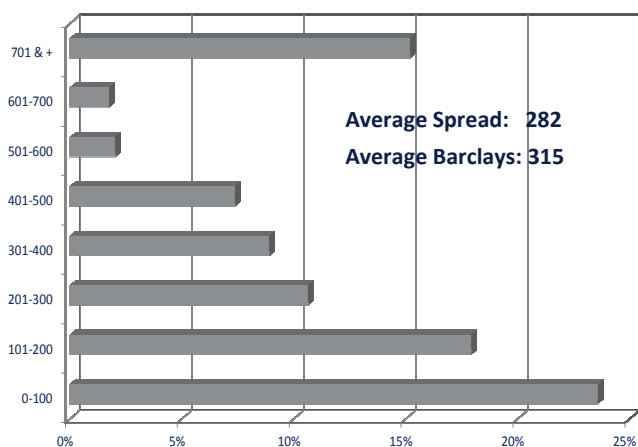
## CURRENCY ALLOCATION



## SECTOR ALLOCATION



## CREDIT SPREAD



Source: Deutsche Bank

## GENERAL INFORMATION

SHARE CLASS	ISIN	LAUNCH DATE	MAN. FEE	PERF. FEE	MIN. INVEST.	CLASS SHARES	SUBFUND ASSETS	CUT-OFF
A	LU0442197868	03/08/2009	1.85%	15% ABOVE 3-MONTHS LIBOR EUR (HIGH WATER MARK)	€ 1.000	CAPITALISATION	EUR 50 MILLIONS	DAILY 12:00 AM
B (INSTITUTIONAL)	LU0518233621	12/07/2010	1.20%		€ 1.000.000			
C (CURRENCY HEDGE)	LU0662027985	16/08/2011	1.85%		€ 1.000			
H (DELTA & CCY HEDGE)	LU0944844058	01/07/2013	1.85%		€ 1.000			

CUSTODIAN	VP Bank (Luxembourg) SA	INVESTMENT MANAGER	Bellatrix Asset Management S.A.
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		LEGAL ADVISOR	Elvinger, Hoss & Prussen

Investment Manager's comments are expressed by Bellatrix Asset Management S.A.. Periodic reports, the prospectus of the Fund, and the simplified prospectus of the subfund are available on request from Bellatrix Asset Management S.A. or at the registered office of the Fund. The present information note should not be considered as an offer to buy or sell shares. In order to constitute an offer, this document should be accompanied by the prospectus of the Fund, the simplified prospectus of the subfund and the latest periodic report. Although they are based on the best possible sources, the figures in this document have not been audited. Past performance is no guarantee of future performance as the net asset value of the portfolio of the subfund depends on market developments. Returns are net of management and performance fees.