



**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**

First quarter results announcements came in throughout April and were one of the expected market supports after two difficult months in the stock exchanges. As convertible bond pickers, we will focus this month's comments on our top five holdings' results:

**Ablynx** is on the verge of being acquired by Sanofi and we are taking up the offer. The payment is scheduled in May and will close a very nice investment that has returned over 330%.

**Sony** reported a near 10% decline compared to last year's record results. We have decided to cut our exposure by at least a third. Lower results, very rich valuation of the convertible that trades at around 35% volatility compared to 25% for the Japanese market average and the stock trading near its 10 year high all contributed to our decision. Also, in early April, Kazuo Hirai, the architect of Sony's turnaround, handed over the reins of the group to Kenichiro Yoshida. Analysts still expect a 30% stock return on a one year horizon.

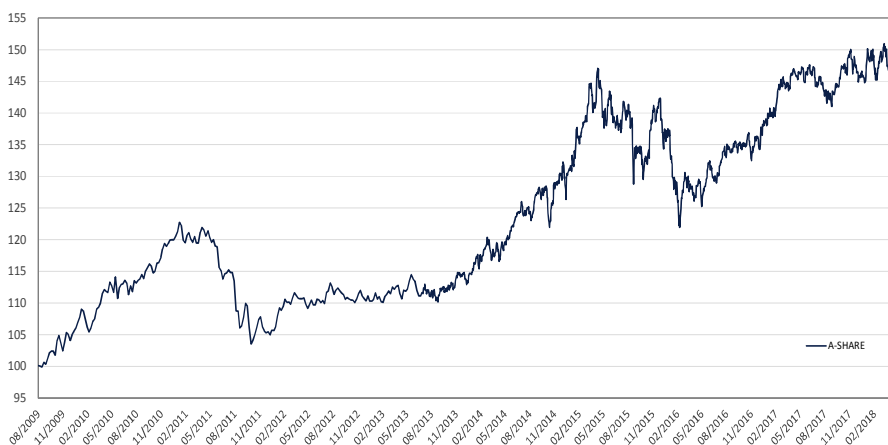
**For Fortis Cashes**, 2018 is so far another good year for this variable rate product. Up 4% year to date and still delivering 1,86% annual yield. We target a repurchase by the issuer at around 100% level, but wouldn't mind keeping it with increasing interest rates as it would increase their yield because of a quarterly revision (3 month EURIBOR +2%).

**Marine Harvest** reported a first quarter output and an EBIT slightly below forecast but nothing that would motivate a change in our allocation to the world's largest producer of Atlantic salmon as the big picture is still in place. Marine Harvest's CEO's view suggests that the salmon industry can barely

keep up with rapidly increasing demand for salmon on all continents. DNB has said emerging market growth could add 1 million metric tons of new demand in the coming decade. Rabobank analyst recently predicted that even a conservative demand growth of 4.4% a year will require the industry to squeeze another Norway size production area out of coastal farming by 2028.

**Genfit** received a positive outcome this quarter from the Data and Safety Monitoring Board for Phase 3 Clinical Trial with Elafibranor which is the most advanced compound that targets the treatment of Non-Alcoholic SteatoHepatitis called NASH. It is a liver disease that is associated with metabolic conditions, and frequently changes to cirrhosis or even liver cancer. This condition called "soda" affects 5% of Americans and its treatment would be a "blockbuster" (a drug that generates at least one billion dollars in annual sales). As these types of large-scale clinical trials are very expensive, Genfit issued convertible bonds. The road is long and not without risk but we like the management of the company and there are continual rumours of a takeover (Takeda in 2010, Novartis, Sanofi or Shire in 2015 and again Novartis last year). "The probability of being acquired by a large pharmaceutical group remains very high," said Jean-François Mouney CEO of Genfit in June 2017. "But we do not sit on our chair waiting for the customer to knock on the door, we advance, and the further we go, the more we want.". This is exactly the kind of investment we like here at Harvest: to be the partner of a company with strong and focused management through an investment in its convertible bonds.

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



**PERFORMANCE**

	A	B	C*	H*
<b>HEDGED</b>	NO	NO	CURRENCIES	CURRENCIES & DELTA
<b>DELTA</b>	57%	57%	57%	13%
<b>VOLATILITY</b>	6.60%	6.59%	6.36%	3.27%
<b>NAV/SHARE</b>	149.66	139.48	120.87	106.99
<b>MONTH</b>	1.35%	1.42%	0.48%	-0.49%
<b>2018</b>	3.39%	3.59%	2.80%	2.66%
<b>2017</b>	4.90%	5.33%	10.40%	-0.19%
<b>2016</b>	0.50%	1.20%	-2.11%	-5.97%
<b>2015</b>	4.69%	5.37%	-1.58%	0.95%
<b>2014</b>	14.17%	14.85%	5.59%	9.85%
<b>2013</b>	3.88%	4.53%	7.63%	0.15% **

\*Since 01/07/2013

\*\*Soft closed share classes

**MAIN HOLDINGS**

TOP 10	CCY	MATURITY / DURATION	PUT	%	DELTA	YTM/YTP	TOP 5 / BOTTOM 5 (ATTRIBUTION)
ABLYNX 3.25% 2020	EUR	27/05/2020		3.44%	100%	0.00%	PREMIER OIL 2.5% 2018 0.62%
SONY CORPORATION 0% 2022	JPY	30/09/2022		3.14%	61%	0.00%	SBI HOLDINGS 0% 2020 0.20%
FORTIS CASHES 2.305 2049	EUR	29/12/2049		2.98%	1%	1.86%	MARINE HARVEST 0.125% 2020 0.13%
MARINE HARVEST 0.125% 2020	EUR	05/11/2020		2.92%	85%	0.00%	PALO ALTO NETWORKS 0% 2019 0.08%
GENFIT 3.5% 2022	EUR	16/10/2022		2.89%	63%	2.14%	LVMH 0% 2021 0.07%
SPANSION 2% 2020	USD	01/09/2020		2.76%	96%	0.00%	SPANSION 2% 2020 -0.21%
FORTIS FRESH 1.686% 2049	EUR	29/08/2049		2.73%	1%	1.52%	MICRON TECHNOLOGY 3% 2043 -0.08%
RAG STIFTUNG 0% 2021	EUR	18/02/2021		2.43%	45%	0.00%	CTRIIP.COM 1.25% 2018 -0.07%
BANK OF AMERICA 7.25% PERP	USD			2.35%	-15%	5.73%	FORTIS FRESH 1.686% 2049 -0.07%
AMERICA MOVIL 0% 2020	EUR	28/05/2020		2.20%	9%	0.32%	SAF-HOLLAND GROUP 1% 2020 -0.06%
<b>NAV</b>		<b>5.11</b>		<b>100%</b>	<b>57%</b>	<b>0.99%</b>	



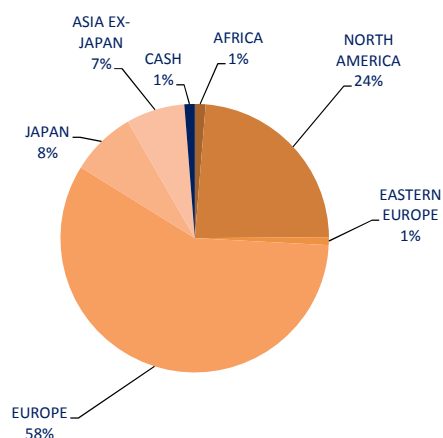
**BELLATRIX**

ASSET MANAGEMENT

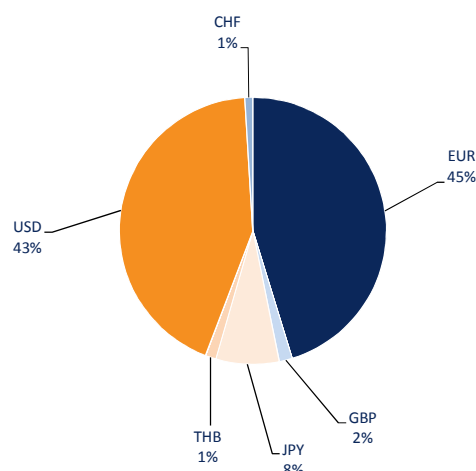
# HARVEST INVESTMENT FUND Global Convertible UCITS V

APRIL 2018

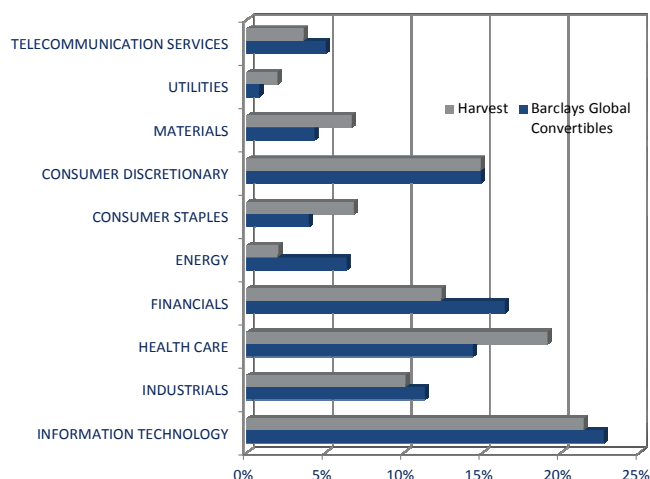
## GEOGRAPHIC ALLOCATION



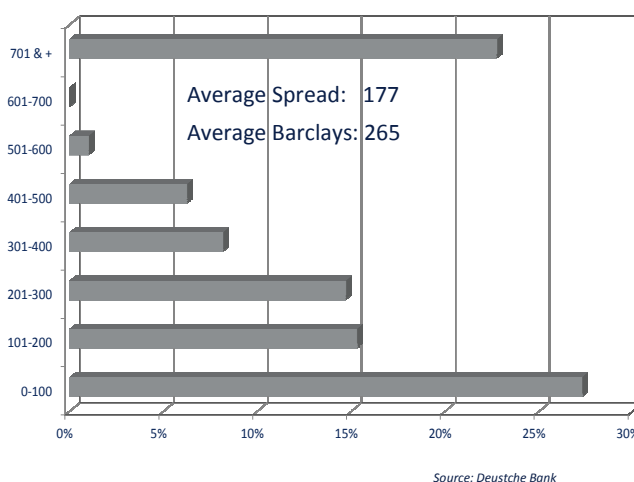
## CURRENCY ALLOCATION



## SECTOR ALLOCATION



## CREDIT SPREAD



## 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 44 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			

DEPOSITARY BANK	<b>VP Bank (Luxembourg) SA</b>	MANAGEMENT COMPANY	<b>Bellatrix Asset Management S.A.</b>
SUBSCRIPTIONS / REDEMPTIONS	<b>VP Fund Solutions (Luxembourg) SA</b>		<b>31, bd Prince Henri L-1724 Luxembourg</b>
CENTRAL ADMIN / TRANSFER AGENT	FAX +352 404 770 283 TEL +352 404 770 260 luxfunds@vpbank.com		(+352) 26 25 66 20 info@bellatrix.lu
FUND	<b>HARVEST INVESTMENT FUND</b> 26, av. de la Liberté L-1930 Luxembourg	ADVISOR	<b>Harvest Advisory S.A.</b>
		AUDITOR	<b>KPMG Luxembourg Société Coopérative</b>
		LEGAL ADVISOR	<b>Elvinger Hoss Prussen</b>

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 sub-fund 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 sub-fund depends on market developments. Returns are net of management and performance fees.