



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

Sell in May and go away would have been a bad move in 2018 as the bull market is still alive. Convertible bonds have proven to be strong and primary issuance is at a decade high. For some, this signals the late stage of the credit cycle when convertible bonds give companies a better financial outcome than straight bonds or loans. This is positive for convertibles as an asset class, and especially for us; our investment universe will broaden, and the valuation of the most overpriced convertible bonds (which we have been avoiding for more than 3 years now) should normalise.

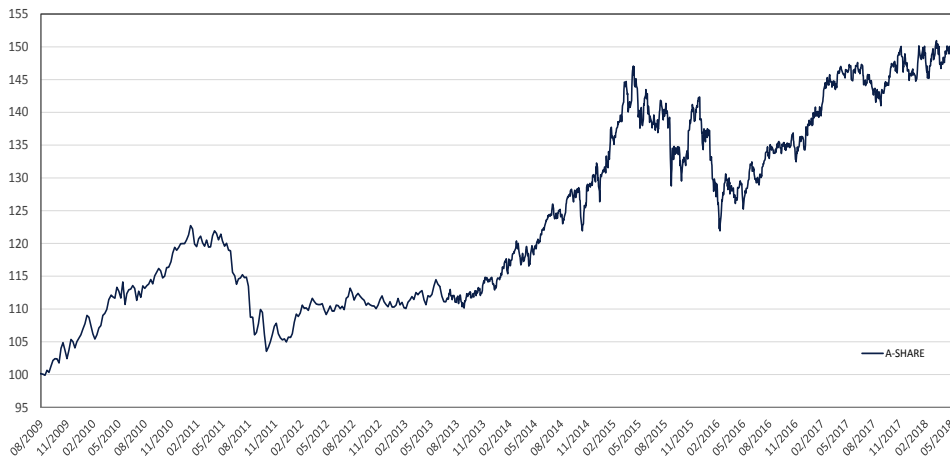
In May, we initiated a new position through the primary market, into Sika 0.15% 2025. Sika AG, a Swiss company founded in 1910, manufactures construction materials (concrete and mixtures, mortar, sealants and adhesives, tooling resins, anti-static industrial flooring, acoustic materials for automobiles and waterproof membranes). Its growth is impressive, increasing over 5% every year and margins doubling over the last 7 years. For 2018, guidance sees a sales increase of more than 10% with a revenue target of CHF7 bn. After St. Gobain's hostile move on its capital 3 years ago, Sika issued the convertible to finance the buy-back of most of St. Gobain's stake to end the dispute and litigations. This new CHF investment carries positive yield, an A-S&P rating and a reasonable 40% premium in a company with leading

market positions in the building and automotive industries.

In the secondary market, we went for what may be the most unloved and cheap convertible bond in Asia: China Evergrande 4.25% 2023. This issue is part of the Thomson Reuters Global Convertible bond index. China Evergrande, the second largest real estate developer in China, has a market capitalisation of over \$40bn. We aim for a 15% profit in the year either through spread normalisation to 5% from actual implied of over 11% or a 30% rise on the stock, (45% delta on the convertible) which is the average target of the 21 analysts (Nomura, Morgan Stanley, GS, BNP...) that follow the company.

In the portfolio, Micron Semiconductor, Bangkok Dusit Medical Services and Premier Oil all rose by more than 10%; while Safilo, Live Nation and Marine Harvest declined by around 5-6%. BDMS 0% 2019 was very interesting at purchase with a short maturity, a premium under 10% and an annual yield over 1%. In Bangkok in April, we visited BDMS and Siam Knight Fund Management, a local fund manager, with a big position in the company to exchange and review our investment case. Safilo's situation may be the most worrisome as the company has to refinance the convertible bond but we see no going-concern issue at the moment. This position is under 1% of the portfolio with a yield perspective.

NAV PER SHARE SINCE INCEPTION (CLASS A)



PERFORMANCE

	A	B	C *	H *
HEDGED	NO	NO	CURRENCIES	CURRENCIES & DELTA
DELTA	56%	56%	56%	11%
VOLATILITY	6.46%	6.44%	6.35%	3.08%
NAV/SHARE	153.47	143.08	122.06	107.59
MONTH	2.55%	2.58%	0.98%	0.56%
2018	6.02%	6.27%	3.81%	3.23%
2017	4.90%	5.33%	10.40%	-0.19%
2016	0.50%	1.20%	-2.11%	-5.97%
2015	4.69%	5.37%	-1.58%	0.95%
2014	14.17%	14.85%	5.59%	9.85%
2013	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)
SPANSION 2% 2020	USD	01/09/2020		3.08%	98%	0.00%	MICRON TECHNOLOGY 3% 2043 0.34%
FORTIS CASHES 2.305 2049	EUR	29/12/2049		2.86%	1%	1.92%	SPANSION 2% 2020 0.28%
GENFIT 3.5% 2022	EUR	16/10/2022		2.86%	63%	1.81%	PREMIER OIL 2.5% 2018 0.26%
MARINE HARVEST 0.125% 2020	EUR	05/11/2020		2.83%	82%	0.00%	BANGKOK DUSIT MEDICAL 0% 2019 0.17%
FORTIS FRESH 1.686% 2049	EUR	29/08/2049		2.54%	2%	1.60%	MANDATORY EXCH TRUST 5.75% 2019 0.17%
RAG STIFTUNG 0% 2021	EUR	18/02/2021		2.36%	54%	0.00%	
BANK OF AMERICA 7.25% PERP	USD			2.36%	-13%	0.00%	FORTIS FRESH 1.686% 2049 -0.13%
SERVICENOW 0% 2018	USD	01/11/2018		2.24%	100%	0.00%	MARINE HARVEST 0.125% 2020 -0.10%
AMERICA MOVIL 0% 2020	EUR	28/05/2020		2.15%	4%	0.48%	SONY CORPORATION 0% 2022 -0.08%
SIEMENS FINANCIERINGSMAT 1.65% 2019	USD	16/08/2019		2.13%	62%	0.00%	SAFILO 1.25% 2019 -0.06%
							ADLER REAL ESTATE 2.50% 2021 -0.06%
NAV		4.80		100%	56%	1.06%	

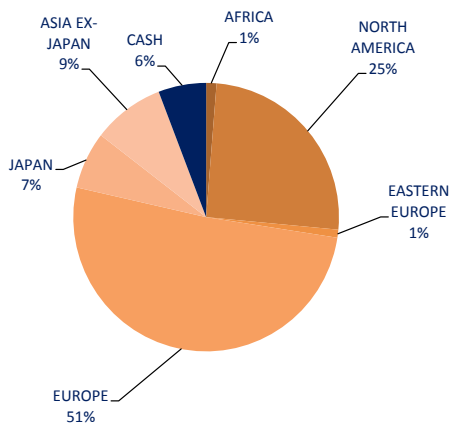


HARVEST INVESTMENT FUND Global Convertible

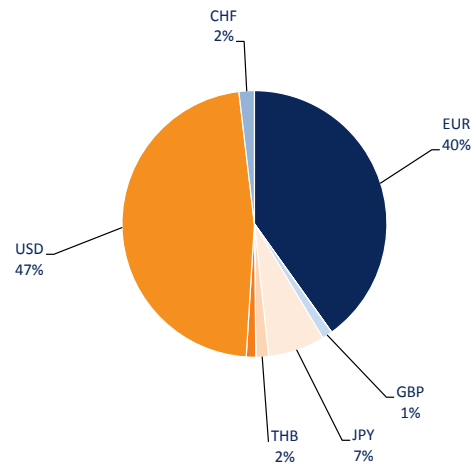
BELLATRIX
ASSET MANAGEMENT

MAY 2018

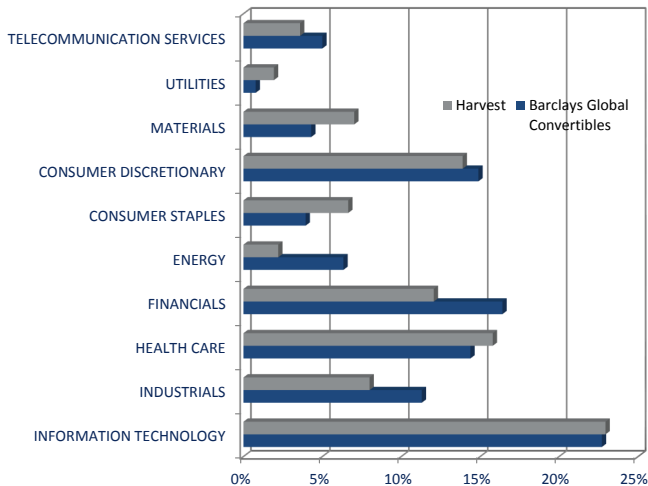
GEOGRAPHIC ALLOCATION



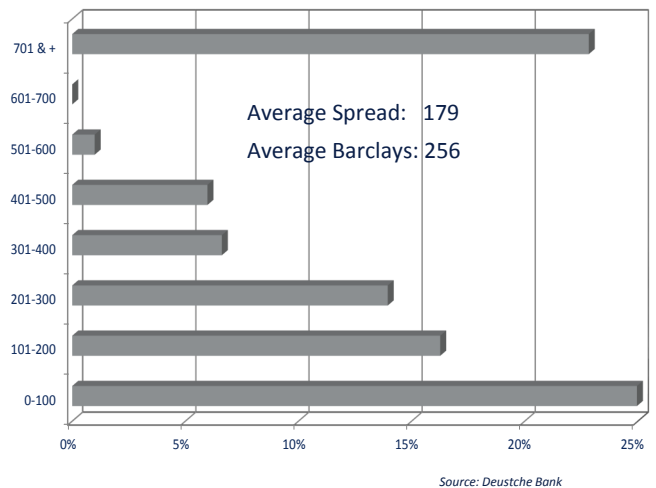
CURRENCY ALLOCATION



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 45 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	VP Bank (Luxembourg) SA	MANAGEMENT COMPANY	Bellatrix Asset Management S.A.
SUBSCRIPTIONS / REDEMPTIONS	VP Fund Solutions (Luxembourg) SA		31, bd Prince Henri L-1724 Luxembourg
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FUND	HARVEST INVESTMENT FUND 26, av. de la Liberté L-1930 Luxembourg	ADVISOR	Harvest Advisory S.A.
		AUDITOR	KPMG Luxembourg Société Coopérative
		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 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.