



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

S&P500 corporate profits have increased for 11 consecutive quarters but are expected to post negative growth for the second quarter of 2019. Donald Trump wants re-election, the Fed to lower rates, the stock market to rise. Christine Lagarde will replace Mario Draghi at the head of the ECB, European growth is not on track. All this tells us that rates should remain low, maybe lower, for a long time. However, macro-economics do not change our investment style where we are simply looking for good deals: undervalued convertibles for yield and/or the underlying shares that are expected to grow faster than the market. So, it was calmly that we approached this month of June where we were able to make some interesting investments:

We took advantage of a market trough to strengthen our positions in: **Ubisoft** 0% 2021 after the founding family of the company placed a small block of shares on the market; **Booking** 0.9% 2021, whose share price had fallen to its lowest level in a year, and in **Michelin** 0% 2022, which was down on price declines.

We have initiated new positions in:

MinebeaMitsumi 0% 2022, a Japanese company specialized in mechanical components and, for example, world leader in ball bearings. Analysts, on average, expect the share price to rise by more than 40% within a year. Graphically, the company is at a 24-month low. The stock is trading at 11 times the estimated profits for 2019 with a return on equity of more than 15%.

DP World's 1.75% 2024 CB, part of the ThomsonReuters Global CB index, is undervalued with a modelled price of more than 105% for a market price of

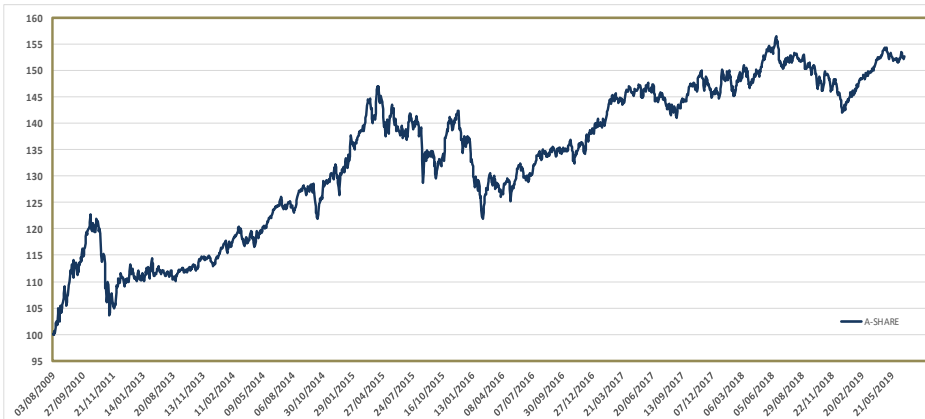
around 99%. The company is one of the world's largest port operators (9% market share) in an oligopolistic sector with high barriers to entry. In addition to an attractive bond investment (2021 put option, positive yield, BBB+ rating), DP World could be the big winner of India's emergence. The average one-year share price target for analysts on Bloomberg suggests an increase of more than 50%.

Carrefour 0% 2023, is an undervalued convertible that offers an attractive yield in a company undergoing restructuring.

In the primary market we participated in two new issues: the first in **Yaoko** 0% 2024, a supermarket chain of regional products in Japan, the second in **PHP** 2.875% 2025 a real estate investment trust specialising in the rental of flexible and modern primary healthcare facilities within the United Kingdom and Ireland.

At the portfolio level, as we mentioned in last month's comments, **Cypress Semiconductor** was sooner or later to be the subject of a takeover bid. Well, it's done! with a takeover bid from **Infineon**. For us, this closes an investment made many years ago in a company whose stock market performance has been remarkable. And it is, once again, an illustration of Harvest's particular positioning in research and investment in companies with a high probability of being acquired and take advantage of the specific clauses, ratchet and poison put, of convertible bonds.

NAV PER SHARE SINCE INCEPTION (CLASS A)



PERFORMANCE

	A	B	Hard closed	
			C *	H *
HEDGED	NO	NO	CURRENCIES	CURRENCIES & DELTA
DELTA	36%	36%	36%	0%
VOLATILITY	6.06%	6.05%	6.38%	3.43%
NAV/SHARE	152.64	143.37	117.26	102.73
MONTH	0.26%	0.32%	0.90%	-1.73%
2019	6.81%	7.18%	5.33%	-0.77%
2018	-1.27%	-0.65%	-5.32%	-0.66%
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

MAIN HOLDINGS

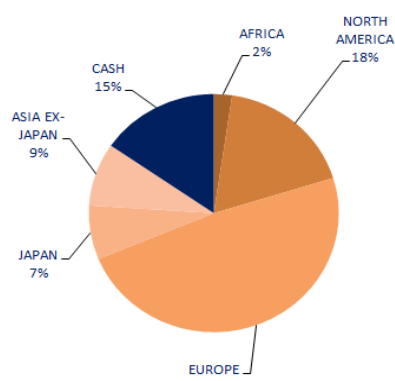
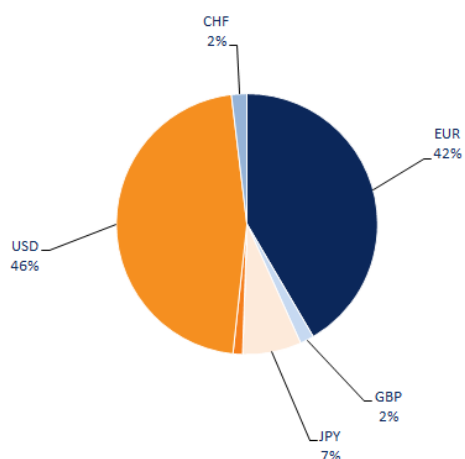
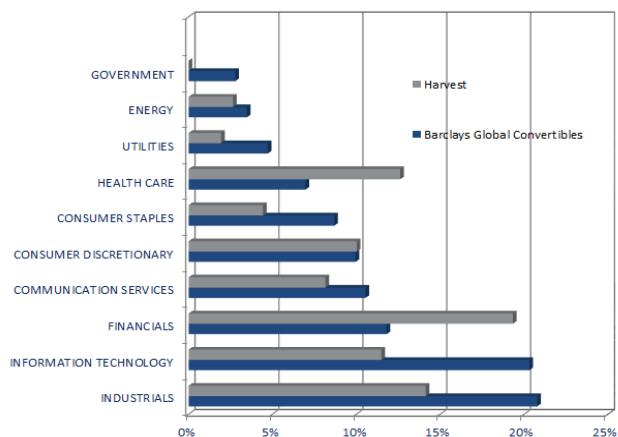
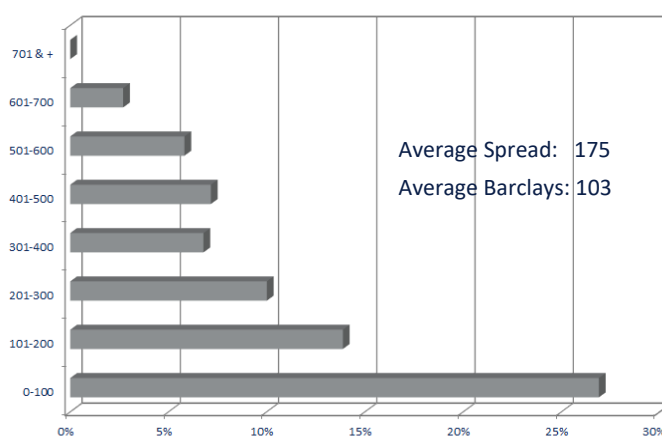
TOP 10	CCY	MATURITY / DURATION	PUT	%	DELTA	YTM/YTP	TOP 5 / BOTTOM 5 (ATTRIBUTION)
BANK OF AMERICA 7.25% PERP	USD			2.68%	0%	5.27%	BANK OF AMERICA 7.25% PERP 0.07%
RED HAT 0.25% 2019	USD	01/10/2019		2.49%	100%	0.00%	KLOECKNER 2% 2023 0.07%
FORTIS CASHES 2.305 2049	EUR	29/12/2049		2.40%	0%	2.29%	SAF-HOLLAND 1% 2020 0.07%
SONY CORPORATION 0% 2022	JPY	30/09/2022		2.34%	67%	0.00%	LVHM 0% 2021 0.06%
TULLOW OIL 6.625% 2021	USD	12/07/2021		2.28%	50%	0.00%	DISH NETWORK 3.375% 2026 0.06%
RAG STIFTUNG 0% 2021	EUR	18/02/2021		2.25%	29%	0.00%	
BOOKING HOLDINGS 0.9% 2021	USD	15/09/2021		2.23%	69%	0.00%	AGEASFINLUX SA 1.022% PERP -0.20%
AMERICA MOVIL 0% 2020	EUR	28/05/2020		2.20%	1%	0.28%	FORTIS FLOAT PERP -0.08%
MICHELIN 0% 2022	USD	10/01/2022		2.04%	49%	0.00%	CONSUS 4% 2022 -0.08%
BAGAN CAPITAL 0% 2021	USD	23/09/2021	23/09/2019	1.94%	0%	3.34%	ADLER 2.5% 2021 -0.07%
							GENFIT 3.5% 2022 -0.04%
NAV		5.32		100%	36%	1.53%	

**BELLATRIX**

ASSET MANAGEMENT

HARVEST INVESTMENT FUND Global Convertible

JUNE 2019

GEOGRAPHIC ALLOCATION**CURRENCY ALLOCATION****SECTOR ALLOCATION****CREDIT SPREAD**

Average Spread: 175
Average Barclays: 103

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 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	ADVISOR	Harvest Advisory S.A.
CENTRAL ADMIN / TRANSFER AGENT	FAX +352 404 770 283 TEL +352 404 770 260 FundClients-LUX@vpbank.com		
FUND	HARVEST INVESTMENT FUND 2 Rue Edward Steichen L-2540 Luxembourg	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.