



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

We have not yet turned into meteorologists but August was hot: very hot and stormy. Nevertheless, the month ended in positive territory with the US still strong but with emerging markets entering a bear market. Turkish lira, Argentina, Venezuela... Yep! All this is part of our daily risk management, brainstorming and decision-making process. So, the bull market continues, Apple and Amazon broke the \$1000 billion capitalisation glass ceiling. The NASDAQ was up 6% on the month and 17% YTD, the S&P 3% and 8% YTD. But Asia continues to diverge in a negative way from the US. HK was down 2% on the month and 9% on the year, Shanghai down 5% on the month taking it to down 18% on the year.

In the convertible bond universe, US convertibles returned +2.54% in August (Convert underlying equities +3.82%) versus S&P 500 +3.26%. High Yield returned +0.74%, Investment Grade +0.51% and 5-7Y Treasuries returned +0.90%. So convertible bonds are still performing roughly like equities but better than bonds this month. In Asia, the Nikkei was down 1.02% on the month, whereas convertible bonds, with underlying's underperforming, were down 2.34%.

In our portfolio, 4 out of the 5 best performers were from Europe and 1 from Japan. This illustrates the dispersion of active management as compared to index management. That is also why after last month's

focus on Japanese investments, we focus on 2 European names and best August performers:

Adler Real Estate convertible bond rose by 7%. The company covered two activities until the end of 2017; Rental (investment properties) and Trading (inventory properties). Since then Adler has ceased its trading activities to focus solely on the rental business, aiming to generate sufficient long-term gross rental income to cover all letting-related expenses and prospectively enable the company to pay a dividend to its shareholders.

GN Store Nord CB rose by 6%. This Danish hearing aid company started in 1869 as a telegraph operator. It announced another good set of results and raised its 2018 sales and profit forecast for its headset business for the second time this year. The company now expects organic growth for its audio business, which produces headsets used mainly in offices and call centres. It teamed up with Apple in 2014 and last week with Google parent company, Alphabet, to stream audio from mobile devices. GN's stock has gained 57% so far this year. GN is growing faster than the headsets market by selling better quality headsets at higher margins.

NAV PER SHARE SINCE INCEPTION (CLASS A)



PERFORMANCE

	Hard closed			
	A	B	C *	H *
HEDGED	NO	NO	CURRENCIES	CURRENCIES & DELTA
DELTA	52%	52%	52%	2%
VOLATILITY	6,59%	6,58%	6,69%	3,65%
NAV/SHARE	152,84	142,73	121,11	104,03
MONTH	0,78%	0,83%	0,26%	-0,16%
2018	5,59%	6,01%	3,00%	-0,18%
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

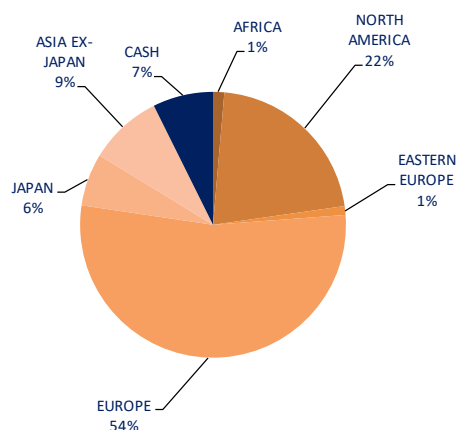
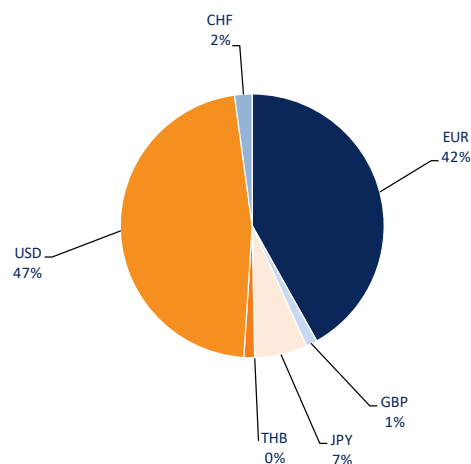
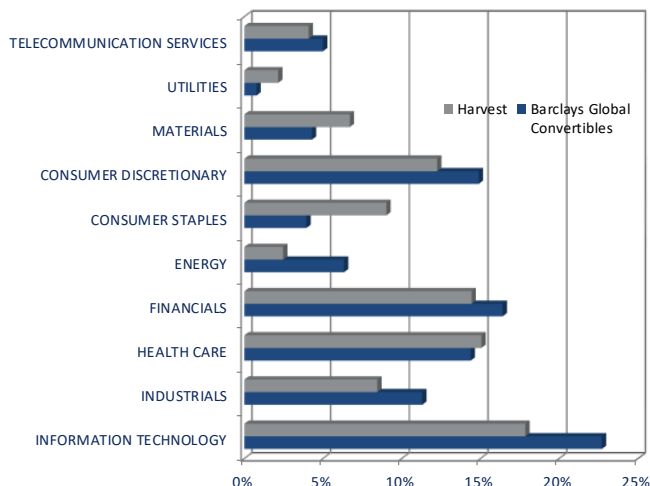
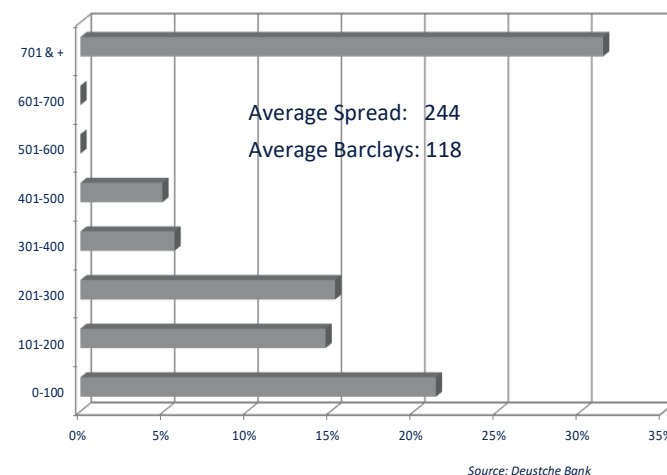
TOP 10	CCY	MATURITY / DURATION	PUT	%	DELTA	YTM/YTP	TOP 5 / BOTTOM 5 (ATTRIBUTION)
SPANSION 2% 2020	USD	01/09/2020		3,54%	98%	0,00%	ADLER 2.5% 2021 0,09%
MARINE HARVEST 0.125% 2020	EUR	05/11/2020		3,31%	88%	0,00%	AROUNDTOWN 1.5% 2021 0,07%
FORTIS CASHES 2.305 2049	EUR	29-12-49		3,01%	1%	2,01%	BANK OF AMERICA 7.25% PERP 0,06%
GENFIT 3.5% 2022	EUR	16-10-22		2,98%	57%	3,42%	CONSUS 4% 2022 0,06%
BANK OF AMERICA 7.25% PERP	USD			2,69%	-17%	5,60%	SBI HOLDINGS 0% 2020 0,06%
RAG STIFTUNG 0% 2021	EUR	18-02-21		2,64%	62%	0,00%	
SONY CORPORATION 0% 2022	JPY	30/09/2022		2,51%	73%	0,00%	SPANSION 2% 2020 -0,07%
AGEASFINLUX SA 1.022% PERP	EUR			2,50%	2%	1,79%	MANDATORY EXCH 5.75% 2019 -0,06%
AMERICA MOVIL 0% 2020	EUR	28/05/2020		2,34%	3%	0,91%	SAF-HOLLAND 1% 2020 -0,06%
RED HAT 0.25% 2019	USD	01/10/2019		2,05%	99%	0,00%	SAFILO GROUP 1.25% 2019 -0,03%
							APERAM 0.625% 2021 -0,03%
NAV		5,25		100%	52%	1,70%	

**BELLATRIX**

ASSET MANAGEMENT

HARVEST INVESTMENT FUND Global Convertible

AUGUST 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 41 MILLIONS	DAILY 12:00 AM
B (INSTITUTIONAL)	LU0518233621	12-07-10	1,20%		€ 1.000.000			
C (CURRENCY HEDGE)	LU0662027985	16/08/2011	1,85%		€ 1.000			
H (DELTA & CCY HEDGE)	LU0944844058	01-07-13	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
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	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.