

**BELLATRIX**

ASSET MANAGEMENT

HARVEST INVESTMENT FUND Global Convertible**SEPTEMBER 2020****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

Volatility and dispersion have been highlights of September's markets. In that climate a well diversified CB portfolio is the investor's best friend.

Thus, we will focus this month's comments on the investment portfolio where we have initiated a position into **Delivery Hero 0.875% 2025** below the issue price. At primary issue the convertible was priced richly and oversubscribed. It was too expensive for us. In late August, Delivery Hero was included in the Dax. In September, the stock traded off to around EUR90, from a high of EUR106 with an average analyst target price of EUR110. The potential 20% rise over 12 months, the cheapening of the convertible bond, being 4% cheap to the mathematical model, created a good balanced entry opportunity (delta over 50% and annual yield over 1%) with the convertible at lower level than at issue. There is a fundamental dynamic in the company founded in 2011, headquartered in Berlin and counting over 27.000 employees globally, which is in a journey of building a world-leading local delivery platform, operating marketplace and own-delivery businesses.

We have undertaken another old school convertible investment into **Derwent 1.5% 2025**. So let's see what you get investing into what is arguably the most unloved country and sector: High-end, London-focused, primarily office portfolio across a diverse set of

clients, a loan to value under 20% which is quite reasonable compared to other real estate companies, so the credit is strong and the convertible should trade to a smaller spread implying a 5% cheapness to the mathematical model. The stock trades at 40% discount to NAV. We will look (at least) for the credit to tighten with an option to get rewarded on the stock that may rise once the Brexit stress, real estate knowns / unknowns get priced in.

In order to keep a significant sector allocation in European leaders, we have added to our position into **Zur Rose 2.75% 2025** as our fundamental view on the sector and the company potential is maintained. This addition was on the back of **Shop Apotheke 4.5% 2023** stock weakness and sector allocation rebalancing after last month's small position reduction and profit taking and also in view of Shop Apotheke's possible convertible repurchase.

On the other side, we have sold **Sibanye Gold 1.875% 2023** on the company's announcement for the convertible call. We have doubled our investment and the stock traded just under 10% away from analyst's target price. We were happy to see our investment case into gold price increase, Sibanye debt plan reduction and company reorganisation being almost achieved. We are now focusing on **Endeavour Mining 3% 2023** with around 2% invested for our gold miner's exposure. We still watch and investigate the mining sector for opportunities.

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

	HARD CLOSED			
	A	B	C	H
HEDGED	NO	NO	CURRENCIES	CURRENCIES & DELTA
DELTA	50%	50%	50%	0%
VOLATILITY	9,86%	9,87%	10,96%	6,25%
NAV/SHARE	166,93	157,79	130,51	108,91
MONTH	0,10%	0,16%	-1,05%	1,26%
2020	4,17%	4,64%	5,86%	5,82%
2019	12,13%	12,72%	10,73%	-0,59%
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%

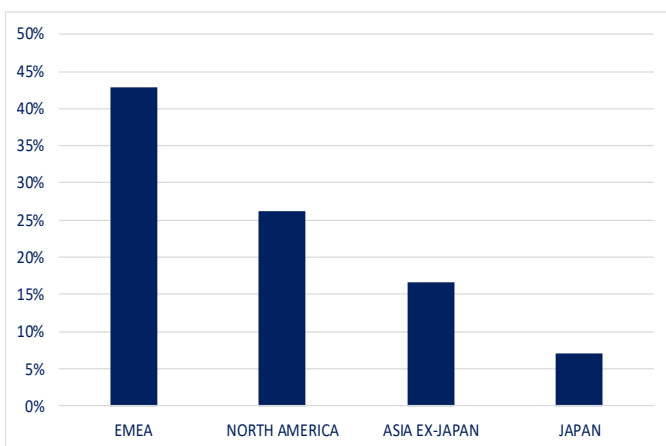
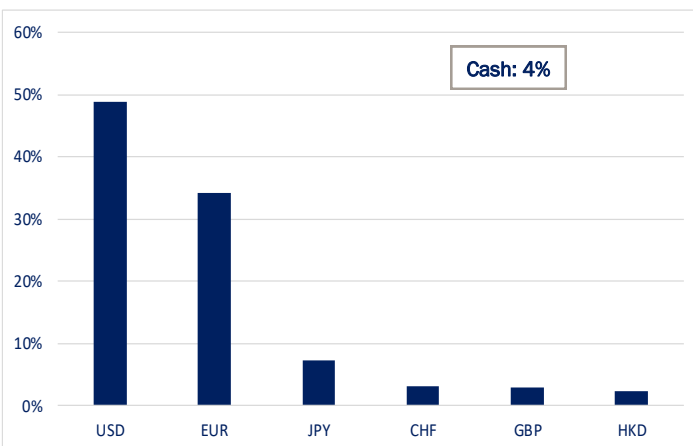
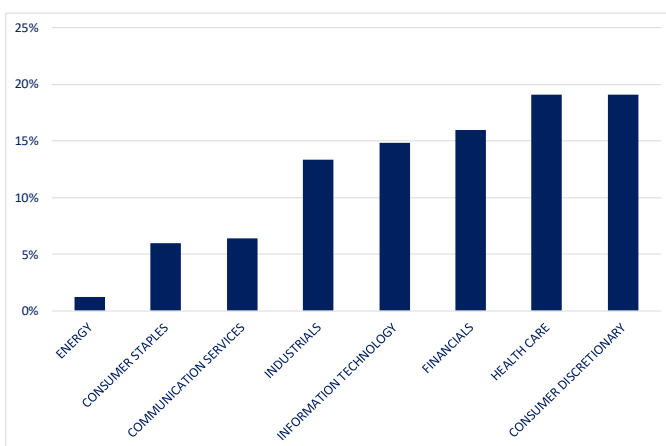
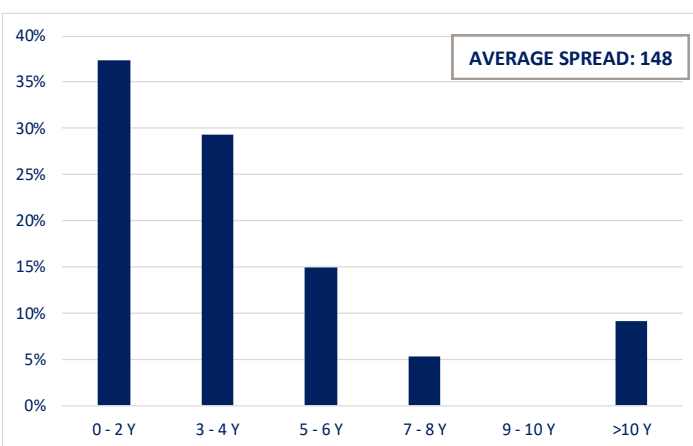
MAIN HOLDINGS

TOP 10	CCY	MATURITY / DURATION	PUT	%	DELTA	YTM/YTP
SHOP APOTHEKE 4.5% 2023	EUR	19/04/2023		4,04%	100%	0,00%
TELADOC HEALTH 1.375% 2025	USD	15/05/2025		3,59%	100%	0,00%
SERVICE NOW 0% 2022	USD	01/06/2022		3,15%	100%	0,00%
TOP GLOVE LABUAN 2% 2024	USD	01/03/2024	01/03/2022	2,82%	100%	0,00%
SONY CORPORATION 0% 2022	JPY	30/09/2022		2,67%	100%	0,00%
BANK OF AMERICA 7,25% PERP	USD			2,61%	0%	4,82%
LG CHEM 0% 2021	EUR	16/04/2021		2,50%	71%	0,00%
FORTIS CASHES Float 2049	EUR			2,30%	0%	2,03%
JP MORGAN CHASE 0% 2022	USD	07/08/2022		2,24%	71%	0,00%
SBI HOLDINGS 0% 2025	JPY	25/07/2025		2,21%	70%	0,00%
NAV		4,34		100%	50%	2,70%

TOP 5 / BOTTOM 5 (ATTRIBUTION)	
SAMHALLSBYGGNADSBOLAGET 7% 2023	0,12%
GENFIT 3.5% 2022	0,10%
SBI HOLDINGS 0% 2025	0,06%
CORESTATE 1,375% 2022	0,05%
UBISOFT 0% 2024	0,03%
TOP GLOVE LABUAN 2% 2024	-0,17%
LG CHEM 0% 2021	-0,16%
SPLUNK 0.5% 2023	-0,14%
SAFRAN 0,875% 2027	-0,13%
ENDEAVOUR 3% 2023	-0,13%

**BELLATRIX**

ASSET MANAGEMENT

HARVEST INVESTMENT FUND Global Convertible**SEPTEMBER 2020****GEOGRAPHIC ALLOCATION****CURRENCY ALLOCATION****SECTOR ALLOCATION****MATURITY ALLOCATION****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 48 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	31, bd Prince Henri L-1724 Luxembourg (+352) 26 25 66 20 info@bellatrix.lu
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.