

**BELLATRIX**

ASSET MANAGEMENT

**HARVEST INVESTMENT FUND** Global Convertible**OCTOBER 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**

Second wave... At the end of an "almost" routine summer and a beautiful Indian summer in September, October ostensibly invited us into hibernation: Covid, relock-down, bankruptcies, terrorist attacks, election and so on. The markets, like the weather, were nevertheless mild and allowed our fund to progress.

At portfolio level, we accepted an incentivised early conversion on **Shop Apotheke 4.5% 2023**. Most of the shares received as part of the conversion have already been sold. The same applied to **Top Glove 2% 2024** after the exercise of an issuer call option. Here again, after a splendid run in 2020 we have converted and sold a good part of the shares received at the time of conversion.

These two operations allowed us to take our profits and rebuild part of our bond floor with new investments. Indeed, when convertibles increase, they behave more like equities on the upside and the downside. In convertible parlance, they lose their asymmetry, i.e. their capacity to rise more than they fall, for the same movement of their underlying equity. It is therefore important to monitor and manage this downside potential, the distance to the bond floor, not only at the level of individual positions but also across the portfolio as a whole.

Thus, we took the opportunity to invest in:

**Worldline 0% 2025**, which is one of the company's three convertible issues, the most defensive and least expensive to its in-

trinsic value, of the world-class leader in payment solutions and services. At the time of purchase, it presented a nice asymmetry with +0.5%/+4.3% for a -10%/+10% scenario on the equity. Worldline should benefit from the synergies and savings from the integration of the recently-acquired Ingenico. Moreover, its valuation, particularly compared to other players in the sector such as Ayden, is relatively attractive.

**Bharti Airtel 1.50% 2025** gives us a cheap exposure (3 to 5% discount compared to the mathematical model) to the leader in mobile telephony in India.

We have also strengthened our position in **Akka 3.50% 2025 Perp** despite the company's difficulties, its main clients being in aeronautics and automobiles, as well as the Covid19 crisis impact. Nevertheless, the company's capacity to honour its debt and pay an attractive yield has been reinforced and strengthened after a capital increase reserved for the Compagnie Nationale à Portefeuille and the family of the founder and largest shareholder. On top of that, it was carried out with a premium of more than 40% on the share price at the time of the announcement. This is a real proof of confidence and commitment. The idea is to participate in the share price recovery once a glimpse out of the Covid crisis is found and, in the meantime, or failing that, to attain a double-digit return.

**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	9,95%	9,95%	11,15%	6,53%
NAV/SHARE	168,86	159,68	131,17	111,81
MONTH	1,16%	1,20%	0,51%	2,66%
2020	5,38%	5,90%	6,40%	8,64%
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%

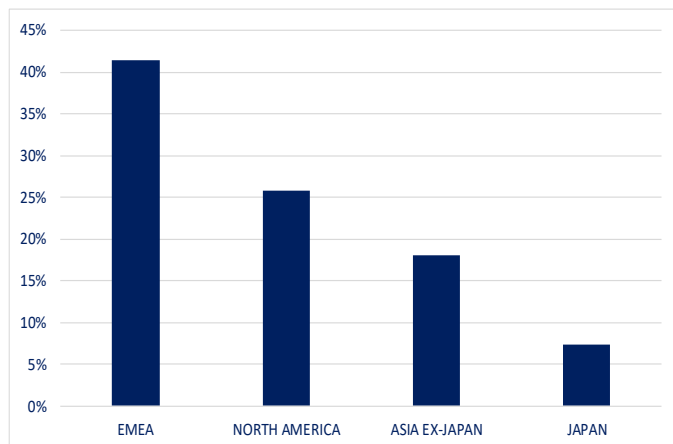
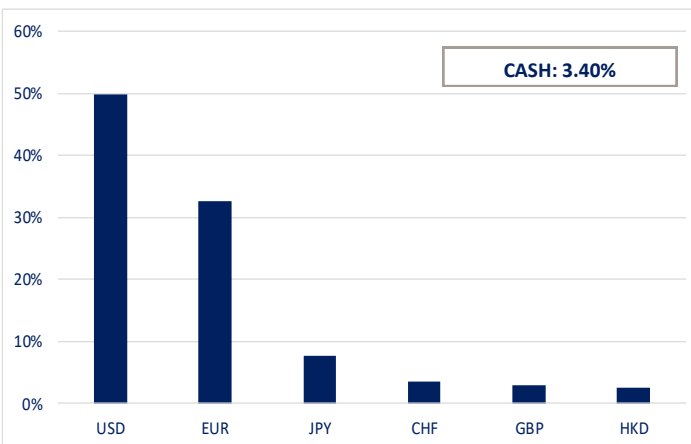
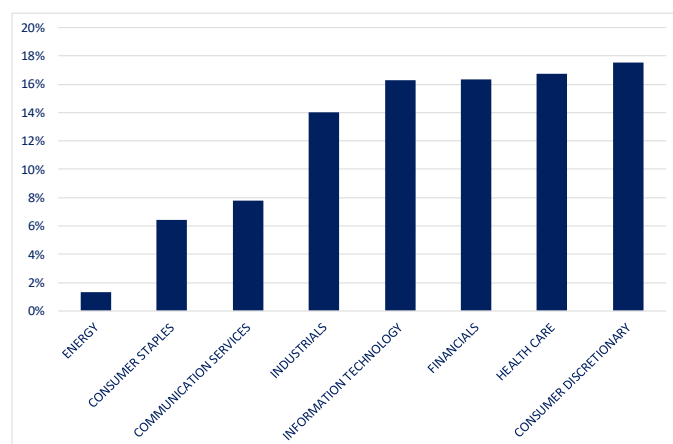
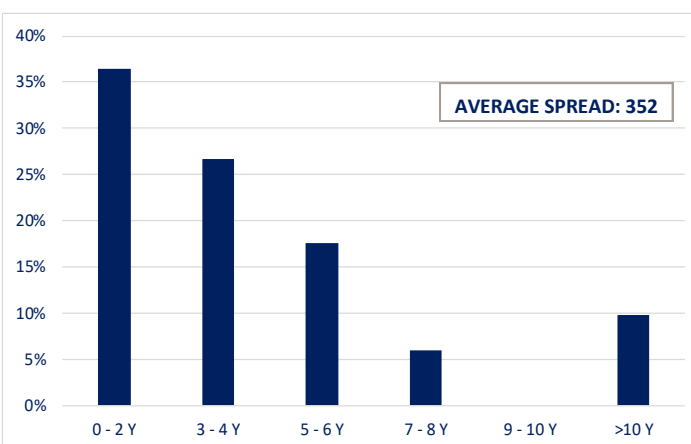
**MAIN HOLDINGS**

TOP 10	CCY	MATURITY / DURATION	PUT	%	DELTA	CURRENT YIELD
TELADOC HEALTH 1.375% 2025	USD	15/05/2025		3,30%	100%	0,37%
SERVICE NOW 0% 2022	USD	01/06/2022		3,29%	100%	0,00%
SONY CORPORATION 0% 2022	JPY	30/09/2022		3,01%	100%	0,00%
BANK OF AMERICA 7,25% PERP	USD			2,64%	0%	4,79%
JP MORGAN CHASE 0% 2022	USD	07/08/2022		2,54%	81%	0,00%
FORTIS CASHES Float 2049	EUR			2,53%	0%	2,39%
LG CHEM 0% 2021	EUR	16/04/2021		2,51%	80%	0,00%
ZUR ROSE 2.75% 2025	CHF	31/03/2025		2,28%	87%	1,41%
SBI HOLDINGS 0% 2025	JPY	25/07/2025		2,18%	54%	0,00%
ENDEAVOUR MINING 3% 2023	USD	15/02/2023		2,14%	58%	2,52%
NAV		4,53		100%	50%	1,37%

TOP 5 / BOTTOM 5 (ATTRIBUTION)	
ZUR ROSE 2.75% 2025	0,31%
JP MORGAN CHASE 0% 2022	0,26%
AKKA TECHNOLOGIES 3.5% PERP	0,21%
FORTIS CASHES Float 2049	0,21%
TULLOW OIL 6.625% 2021	0,12%
TELADOC HEALTH 1.375% 2025	-0,38%
SBI HOLDINGS 0% 2025	-0,08%
SAMHALLSBYGGNADSBOLAGET 7% 2023	-0,07%
BANK OF AMERICA 7,25% PERP	-0,05%
LIVE NATION 2.25% 2023	-0,05%

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**HARVEST INVESTMENT FUND** Global Convertible**OCTOBER 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 47 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
CENTRAL ADMIN / TRANSFER AGENT	FAX +352 404 770 283 TEL +352 404 770 260 FundClients-LUX@vpbank.com	ADVISOR	(+352) 26 25 66 20 info@bellatrix.lu
FUND	HARVEST INVESTMENT FUND 2 Rue Edward Steichen L-2540 Luxembourg	AUDITOR	Harvest Advisory S.A.
		LEGAL ADVISOR	KPMG Luxembourg Société Coopérative
			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.