

**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.

**FUND MANAGER'S COMMENTS**

April 22 was the worst month for the Nasdaq since 2008 and marked the worst start of a year for the S&P500 since 1939... nothing to be happy about!

Declines are never appreciated, but they are part of any long-term investment horizon and wealth management.

The big questions, among others, is how hard will the central banks, FED leading, have to raise interest rates to tackle inflation (U.S inflation hit 8.5% in March which was the highest rate since 1981 highlighting the cost of living story) and how much China's zero Covid policy and the war in Ukraine will deteriorate growth and the global supply chain.

Interest rates rises are not good for convertible bonds nor any other asset class like equities, bonds, and real estate. Even cash, as thirty years ago, investors could hide in cash with a positive net yield (yield minus inflation) but now cash is destroyed by inflation and negative interest rates. So there is no place to hide, and diversification will be key.

In this diversification, convertible bonds have their space especially because they are cheap and good value to keep to maturity. As an illustration, Sino Biopharmaceutical bought back around 10% of its 2025 convertible bonds. Being in the yield segment, it enables the convertible bond investor to choose to be on the short-dated maturity (Feb23) exercising the put option or stay on the longer maturity (2025). This feature is unique to convertible bonds.

Furthermore, convertibles allow you, if inflation cools down, to quickly participate in a responsive positive market for instance. So convertibles, through their inherent structure, allow investors to keep options for the next market leg: stagflation or growth.

On the portfolio side, earnings season got well under way. Looking at the US, the trend has been for earnings to beat, but as ever the devil is in the detail. For example, Amazon fell 14.9% while Facebook jumped 20% in response to Q1 earnings.

In terms of company specifics, most companies in the portfolio have announced their first quarter 2022 and 2021 results. We kept most of our positions either because the business plan developments and expected results are in line with our expectations or because from an equity-like or balanced convertible perspective, our holding now is priced as a bond-like convertible with a decent yield.

Our top 5 investments in terms of delta, representing around 30% of the portfolio equity risk are Palo Alto Networks, Sony, Endeavour Mining, On Semiconductor and Safran.

**NAV PER SHARE (CLASS A)**



**SUMMARY**

	A	B	C	H
HEDGED	/	/	Devises	Devises & Delta
NAV/SHARE	170,8	163,02	126,35	105,85
YTD	-8,14%	-7,93%	-11,42%	6,09%
MONTH	-2,49%	-2,44%	-5,24%	5,07%
DELTA	54,08%	54,08%	54,08%	0,00%
VOLATILITY	7,25%	7,24%	8,27%	8,21%
MATURITY/DURATION	1,77			
AVERAGE DELTA	54%			
CURRENT YIELD	1,24%			
AVERAGE SPREAD	246			
CASH	0,98%			

**Performance History**

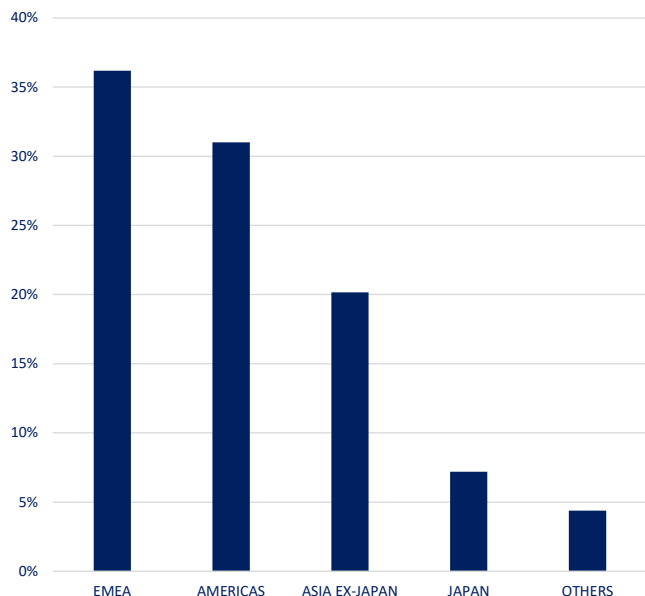
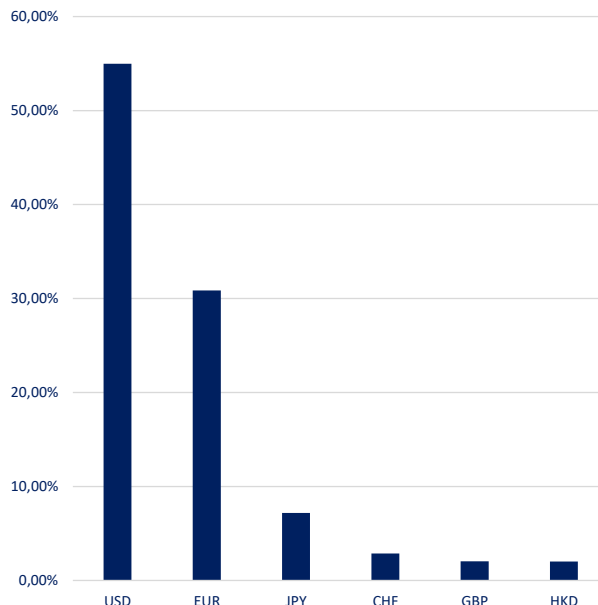
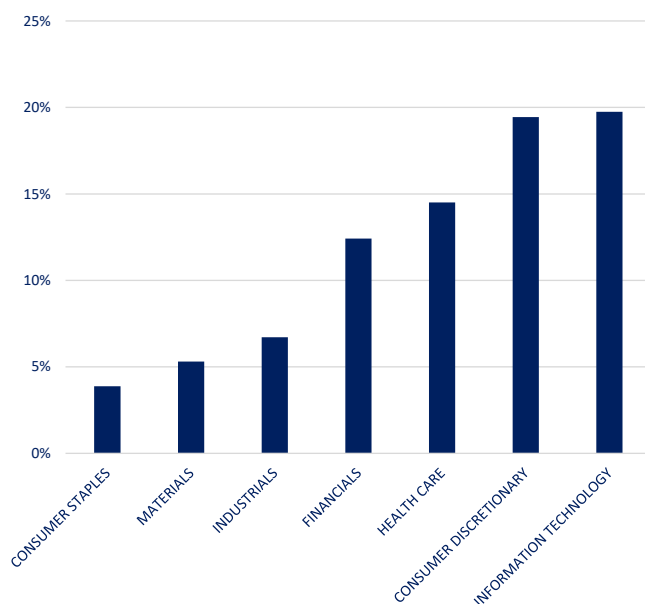
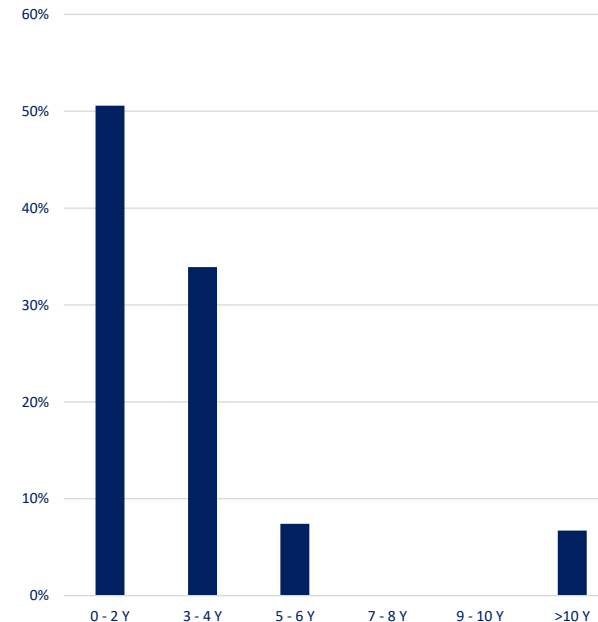
	2014	2015	2016	2017	2018	2019	2020	2021	YTD
<b>A</b>	14,17%	4,69%	0,50%	4,90%	-1,27%	12,13%	10,33%	5,17%	-8,14%
<b>B</b>	14,85%	5,37%	1,20%	5,33%	-0,65%	12,72%	10,99%	5,80%	-7,93%
<b>C</b>	5,59%	-1,58%	-2,11%	10,40%	-5,32%	10,73%	13,94%	1,55%	-11,42%
<b>H</b>	9,85%	0,95%	-5,97%	-0,19%	-0,66%	-0,59%	6,56%	-9,03%	6,09%

**TOP 5 / BOTTOM 5 (ATTRIBUTION)**

HARVEST/HAIER SMART HOME 0% 2022	0,20%	PALO ALTO 0.75% 2023	-0,42%
BOSIDENG 1% 2024	0,07%	TELADOC HEALTH 1.375% 2025	-0,34%
ECONOM 0.50% 2023	0,03%	ON SEMICONDUCTOR 1.625% 2023	-0,23%
SINO BIO 0% 2025	0,02%	BANK OF AMERICA 7.25% PERP	-0,21%
BIGBEN/NACON 1.125% 2026	0,02%	ARTEMIS/KERING 0% 2023	-0,20%

**MAIN HOLDINGS**

TOP 10	CCY	MATURITY	PUT	%	DELTA	CURRENT YIELD
PALO ALTO 0.75% 2023	USD	01/07/2023		4,40%	99,24%	0,35%
SONY CORPORATION 0% 2022	JPY	30/09/2022		3,68%	100,00%	0,00%
ENDEAVOUR MINING 3% 2023	USD	15/02/2023		3,55%	61,49%	2,63%
FORTIS CASHES Float 2049	EUR			2,90%	5,83%	3,77%
ON SEMICONDUCTOR 1.625% 2023	USD	15/10/2023		2,75%	98,80%	0,61%
MITHRA PHARMACEUTICALS 4.25% 2025	EUR	17/12/2025		2,56%	45,58%	5,39%
BANK OF AMERICA 7.25% PERP	USD			2,53%	0,00%	6,00%
ANLIAN CAPITAL/ANTA SPORTS 0% 2025	EUR	05/02/2025	05/02/2023	2,45%	63,18%	0,00%
POSEIDON/POSTAL SAVINGS 0% 2025	USD	01/02/2025		2,39%	66,74%	0,00%
QIAGEN 1% 2024	USD	13/11/2024		2,35%	86,96%	0,88%

**GEOGRAPHICAL ALLOCATION**

**CURRENCY ALLOCATION**

**SECTOR ALLOCATION**

**MATURITY ALLOCATION**

**INFORMATIONS GENERALES**

SHARE CLASS	ISIN	LAUNCH DATE	MAN. FEE	PERF. FEE	MIN. INVEST	CLASS SHARES	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	JOURNALIER 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 AND CCY HEDGE)	LU0944844058	01/07/2013	1,85%		€ 1,000			

DEPOSITARY BANK	<b>VP Bank (Luxembourg) SA</b>	<b>MANAGEMENT COMPANY</b>	<b>Bellatrix Asset Management S.A.</b> 31, bd Prince Henri L-1724 (+352) 26 25 66 20 info@bellatrix.lu
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FUND	<b>HARVEST INVESTMENT FUND</b> 2 Rue Edward Steichen L-2540 Luxembourg	ADVISOR	<b>Harvest Advisory S.A.</b>
		AUDITOR	<b>KPMG Luxembourg Société</b>
		LEGAL ADVISOR	<b>Elvinger Hoss Prussen</b>

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.