

Marketing Communication

For professional investors in Italy

Please refer to the Prospectus and the KID before making any final investment decisions

October 18, 2023

Quarterly Outlook: what do we expect in the markets in the coming months?

Plenisfer Investments SGR

Markets consider the fight against **inflation** as almost won, but we remain less optimistic in this new era of "*higher for longer*" rates, reminding ourselves that inflation remains a very volatile economic variable that proceeds in waves, and in the past has required much higher real rates than we have today in the United States. Persistent factors such as wage dynamics, imbalances in the supply and demand for strategic commodities, and recent developments in global value chains (such as the relocation of some activities) will help keep it higher than expected between now and the end of 2023.

On the **equity** side, we believe that equity risk should be monitored and managed with caution in the coming months because 2024 could be a year of economic weakness. Our management team remains focused on companies that will benefit from the **new market paradigm**, characterized by a structural rise in the cost of money and the need to reconvert part of the global supply chain, especially on the energy front. In particular, the structural scarcity of supply in the commodity sector used in the **energy transition** is a key issue for long-term investment theses. In fact, the focus allocations in our portfolio remain **energy sector, industrial stocks, and commodities**. Our focus now is precisely on commodity prices, particularly oil. Rising energy costs, which many are underestimating, will affect disposable income and thus growth in 2024. We do not believe in a **no-landing**, even though it is becoming the central narrative in the markets at the moment, because despite the interest rate hike both the U.S. economy and the stock markets have held up well for now. In the face of a restrictive monetary policy, the U.S. has implemented a very expansionary fiscal policy, which is unlikely to lead to a recession in a scenario where we see such a large fiscal maneuver. This may not exclude a possible recession



in 2024, which will be an election year for the U.S. presidential election: one must also keep in mind the lagged effects of monetary policy.

Also in equities, we remain focused on opportunities related to **themes** such as:

- **oil stocks**, which are investing in the energy transition or in emission capture technologies;
- **uranium**, because we look at nuclear power as a good solution in the long run to solve the problem of replacements for traditional energy sources;
- **reshoring**, with the reorganization of logistics supply chains, particularly investing in companies that optimize logistics rather than the robotization of agriculture;
- **artificial intelligence**, although it has been a central theme in the technology rally in the first half of the year: we think we are just at the beginning of a new technological transformation and are trying to understand how AI can impact existing businesses. One example is the Japanese company *Advantest*, one of two in the world to conduct testing for semiconductor companies. This example well represents our approach focused on riding secular trends and non-mainstream investment ideas.

Turning to the **bond** front, we see good opportunities in Europe: we are particularly interested in both the financial and energy sectors. U.S. corporate bonds seem riskier to us because the spread does not reflect the risk of the U.S. economic slowdown. Our portfolio also has an important bond component on **emerging countries** as well as **global energy**. In particular, on emerging we see opportunities in Latin America where you can find dollar issues that yield 6/7 percent, competitive values compared to equities. Countries like Mexico and Brazil have had higher yields than bonds in Western bond markets because of their economic resilience and have not lowered rates to zero, defending the strength of their currencies.

Finally, the escalation of tensions in the **Middle East** following the terrorist attack on Israel are likely to open a new front of war and geopolitical risk, possibly affecting oil prices and risky assets.



Disclaimer

Fund Factsheet – Plenifer Investments Sicav Société d'investissement à capital variable (SICAV) Luxembourg" – Destination Value Total Return ("Fund" or "Sub-Fund")

Marketing communication for professional investors in Italy.

Please refer to the Prospectus and KID before making any final investment decisions.

Investment Objective and Policy: The objective of this Sub-Fund is to achieve a superior risk-adjusted total return over the market cycle. The goal is value creation through risk-adjusted total return. Achieving long-term capital appreciation and underlying income through a long-term focus on valuation and market cycles is key to achieving the Sub-Fund's objectives.

Legal structure: UCITS – SICAV

Investment Manager: Plenifer Investments SGR S.p.A.

Management Company: Generali Investments Luxembourg S.A.

Launch date: 04/05/2020 (share class EUR ACCUMULATION)

Benchmark for performance fee calculation only: SOFR Index

Subscription/Redemption process: Valuation day, 13:00 Luxembourg time (T)/ Redemption: Valuation day, 13:00 Luxembourg time (T) + 5

Minimum subscription: € 500,000 share class I; € 1,500 share class R

Currency: USD

SFDR classification: The Fund promotes, among other features, the environmental or social characteristics set out in Article 8 of Regulation (EU) 2019/2088 on sustainability reporting in the financial services sector ("SFDR"). The Fund is not an Article 9 under SFDR (does not have sustainable investment as an objective). For all information on the SFDR (Sustainable Finance Disclosure), please refer to Annex B of the Prospectus ("pre-contractual document").

The Fund is denominated in a currency other than the investor's base currency, changes in the exchange rate may have an adverse effect on the net asset value and performance.

Risk profile and inherent risks

Risk factors: Investors should consider the specific risk warnings contained in section 6 of the Prospectus and more specifically those concerning: – Interest rate risk. – Credit risk. – Equity risk. – Emerging markets risk (including China). **There is no pre-determined limitation to exposure to emerging markets. Emerging market risk may therefore be high at times.** – Frontier market risk. – Foreign exchange risk. – Volatility risk. – Liquidity risk. – Derivatives risk. – Short exposure risk. – Distressed debt risk. – Securitised debt risk. – Contingent Capital Securities Risk ('CoCos').

Destination Value Total Return

RISKS

Summary Risk Indicator





Its purpose is to help investors understand the uncertainties associated with gains and losses that can impact their investment.

List of available share classes and fees

ISIN	Share Class	Currency	Inception Date	BBG	Countries of registration	Management Fee and other costs	Entry Fee	Exit Fee	Transaction costs	Last Perf. fee*
LU2087694050	I X Cap	USD	04/06/2020	DETVRIA LX	IT, ES, DE, AT, LU, CH, IE, PT	0.90%	0%	0%	0.28%	0.2%
LU2087694647	IYH EUR Dis	EUR (Hedged)	04/05/2020	DETVRYH LX	IT, ES, DE, AT, LU, CH, IE, PT	0.95%	0%	0%	0.28%	1.17%
LU2087694480	I XH EUR Cap	EUR (Hedged)	10/03/2021	DETVRIX LX	IT, ES, FR, DE, AT, LU, CH, IE, PT	0.96%	0%	0%	0.28%	0.1%
LU2087693672	I X EUR CAP	EUR	11/04/2022	DETVRIE LX	IT, ES, LU	0.95%	0%	0%	0.28%	0%
LU2185978587	RX EUR Cap	EUR	10/06/2021	-	IT, LU, PT	1.46%	5%	0%	0.28%	0%
LU2185979049	RXH EUR Cap	EUR (Hedged)	-	-	IT, LU, ES, PT	1.46%	5%	0%	0.28%	0%
LU2185979551	SX EUR Cap	EUR	06/05/2021	THTVRSE LX	IT, LU, FR, ES, PT	2.01%	4%	0%	0.28%	0%
LU2185980054	SXH EUR Cap	EUR (Hedged)	06/05/2021	THTVRSC LX	IT, LU, FR, ES, PT	2.00%	4%	0%	0.28%	0.04%
LU2185979809	SY EUR Dis.	EUR	05/12/2022	THTVRSD LX	IT	1.97%	4%	0%	0.28%	0.01%

The performance fee is calculated according to the "High Water Mark with performance fee benchmark" mechanism with a performance fee rate of 15.00% per annum of the positive return above the "SOFR Index" (the performance fee benchmark). The actual amount will vary depending on the performance of your investment. Tax aspects depend on the individual circumstances of each client and may change in the future. Please consult your financial advisor and your tax advisor for more details. Please refer to the countries of distribution and the website of the management company to find out if a class is available in your country and for your group of investors.

(#) Based on the latest KID – September 2023.

Important information:

This marketing communication is issued jointly by Plenisfer Investments SGR S.p.A. and Generali Investments Luxembourg S.A., authorised and regulated in Luxembourg by the Commission de Surveillance du Secteur Financier (CSSF). **This document is prepared for professional investors and is not intended for distribution to retail clients.**

This marketing document is distributed for information purposes only and is related to Plenisfer Investments SICAV, an open-ended investment company with variable capital under Luxembourg law, qualified as an undertaking for collective investment in transferable securities (UCITS) and its sub-fund Destination Value Total Return. Before making any investment decision, you are advised to read the PRIIPs KID, the Prospectus and the annual and semi-annual reports as soon as they become available. These documents are available in English and the KID in local language on the following website: <https://www.generali-investments.lu/>. Please note that the Management Company may decide to

terminate the agreements made for the marketing of the Sub-Fund in accordance with Article 93a of Directive 2009/65/EC and Article 32a of Directive 2011/61/EU. For a summary of investor rights and guidelines on individual or collective redress for disputes over a financial product at EU level and in the investor's country of residence, please refer to the following links: www.general-i-investments.com and www.general-i-investments.lu. The summary is available in English or in a language authorised in the investor's country of residence. This communication does not constitute investment, legal or tax advice. Please consult your tax and financial adviser to find out whether the Fund is suitable for your personal circumstances and to understand the associated tax risks and impacts. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future.

Unless otherwise stated, all information contained in this document is provided by the Investment Manager (Plenisfer Investments SGR S.p.A.) and must not be reproduced or disseminated without prior permission. Third party trademarks, copyrights and other intellectual property rights are and remain the property of their respective owners. Anyone wishing to use this information assumes the entire risk of its use.

The opinions expressed as to economic and market trends are those of the author and not necessarily those of Plenisfer Investments SGR S.p.A. The information and opinions contained in this document are for informational purposes only and do not purport to be complete or exhaustive. No reliance can be placed for any purpose on the information or opinions contained in this document or on its accuracy or completeness. The Investment Manager makes no representations, warranties or undertakings, express or implied, as to the accuracy or completeness of the information or opinions contained in this document and accepts no responsibility for the accuracy or completeness of such information or options.

The opinions expressed in this presentation should not be regarded as investment advice, security recommendations or trading recommendations. There can be no assurance that any market forecast discussed will be realised or that market trends will continue. These opinions are subject to change at any time based on market and other conditions.

Investment management involves many risks, including political and currency risks, and could result in the loss of invested capital. There can be no assurance that the Fund's investment objectives will be met or that its investment programme will be successful.

This material does not constitute an offer to buy or sell units of any investment fund or any security or service. It is directed to persons resident in the jurisdictions in which the fund in question has been/will be authorised for distribution. More specifically, the presentation is not intended for residents or citizens of the United States of America, or "U.S. Persons" as defined in "Regulation S" of the Securities and Exchange Commission under the Securities Act of 1933. The definition of "U.S. Persons" is provided below. The term "U.S. Person" refers to: (a) any natural person resident in the United States of America; (b) any partnership or corporation incorporated or registered under applicable U.S. law; (c) any estate (or "trust") whose executor or administrator is a "U.S. Person"; (d) any trust in which one of the trustees is a "U.S. Person"; (e) any agency or branch of a non-U.S. entity located in the U.S; (f) any non-discretionary account (other than an estate or trust) maintained by a financial intermediary or any other authorised representative, incorporated or (in the case of natural persons) resident in the U.S. (g) any discretionary account (other than an estate or trust) maintained by a financial intermediary or any other authorised representative registered or (in the case of natural persons) resident in the United States of America and (h) any partnership or corporation, if (1) formed under the law of a country other than the United States of America and (2) formed by a US Person primarily for the purpose of investing in securities not registered under the Securities Act of 1933. This restriction also applies to residents and citizens of the United States of America and "U.S. Persons" who may visit or access this Site while travelling or residing outside the United States of America.



