

ELEVA Absolute Return Europe - Class R

 28/03/2024
 Monthly report

Investment objective and approach

- Aiming to achieve an absolute return over the medium term through capital growth
- Investing primarily in European equities and equity related securities on both a long and short basis
- Differentiated and disciplined bottom up investment philosophy complemented by a macroeconomic overlay to support sector positioning
- Flexible net exposure between -10 and +50% driven by fundamental idea generation and market volatility
- Recommended investment horizon : ≥ 5 years

Key figures

Net Asset Value	151.72 €
Total Fund Assets	3 710 499 937 €

Risk Indicator

LOWER RISK							HIGHER RISK	
1	2	3	4	5	6	7		

Fund characteristics

Manager: Eric Bendahan
Legal structure: Luxembourg SICAV - UCITS
Fund launch date: 30/12/2015
Share class launch date: 30/12/2015
ISIN Code: LU1331973468
Bloomberg Ticker: ELEARER LX
Classification: European Long/Short Equity
Reference currency: EUR
Distribution policy: Accumulation
Valuation frequency: Daily

Administrative information

Custodian: HSBC Continental Europe, Luxembourg
Fund admin: HSBC Continental Europe, Luxembourg
Management company: ELEVA Capital SAS
Subscription / redemption cutoff: 12:00 CET
Subscription / redemption settlement: T+2

Fees

Subscription fees: Up to 3%
Redemption fees: 0%
Management fees: 1%
Performance fees: 20% of any excess return the NAV achieves over the High Water Mark

Contact

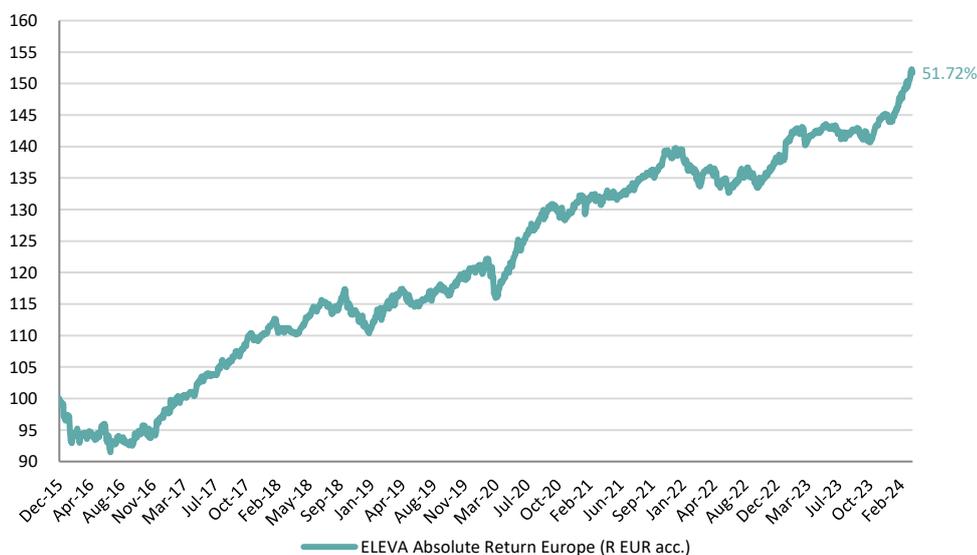
Axel Plichon, Head of Business Development
 axel.plichon@elevacapital.com

This document should be read in conjunction with the prospectus and relevant KIDs which are available on our website www.elevacapital.com.

Past performance is no guarantee of future results. The UCITS Fund does not benefit from any guarantee or protection, so the initial invested capital may not be fully repaid.

Performance

Sources: ELEVA Capital



Calendar year performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	0.57%	2.10%	1.81%										4.54%
2023	3.19%	0.26%	-0.68%	0.56%	0.56%	0.12%	-0.78%	0.13%	-0.50%	-0.73%	2.32%	0.81%	5.30%
2022	-2.18%	-1.07%	1.02%	0.13%	-1.57%	-0.51%	1.73%	-0.60%	-1.15%	1.22%	2.06%	-0.20%	-1.20%
2021	-0.92%	1.39%	-0.31%	0.49%	0.20%	0.58%	1.04%	0.81%	0.04%	1.86%	0.10%	0.98%	6.42%
2020	-0.65%	-0.37%	-1.42%	2.41%	2.41%	1.69%	0.96%	2.22%	0.54%	-1.15%	0.33%	1.51%	8.72%
2019	2.66%	0.77%	0.37%	1.30%	-1.53%	0.30%	1.23%	0.83%	-0.54%	0.64%	1.71%	0.53%	8.52%
2018	1.92%	-1.23%	-0.39%	0.53%	1.96%	1.04%	0.26%	-0.24%	1.76%	-2.24%	-1.09%	-1.41%	0.78%
2017	1.79%	0.64%	1.43%	1.64%	1.41%	0.02%	1.81%	0.67%	0.77%	2.41%	-0.45%	0.85%	13.74%
2016	-2.70%	-2.22%	-0.24%	-0.81%	2.03%	-2.51%	0.26%	-0.95%	1.67%	1.14%	-0.65%	2.41%	-2.72%

Monthly Comment

ELEVA Absolute Return Europe was up 1.81% this month.

The long book had a positive impact on performance and outperformed the move in relevant indices. Financials, materials, and health care were the main drivers of performance. **Novo Nordisk** reacted well to the acceleration in demand for their obesity products. Banks had a strong performance, driven by resilient net interest income and improving fee-related revenues at a time of low valuation, in our view. **Unicredit**, **BBVA**, and **Intesa San Paolo** contributed positively. **3i group** had a well-received Capital Markets Day for their discounter retailer Action group, that had a very strong start to the year. Cyclical were in favour and **Stellantis** announced a share buyback and a better than expected outlook for 2024. In the other hand, **BE Semiconductor** was affected by a decision by some clients to postpone their new generation of investments into hybrid bonding. **Siemens** and **Deutsche Post** warned investors of a relatively slow start to the year, with improvements expected in the second half of 2024. The short book had a negative impact on performance, with index hedges and single name shorts contributing negatively. Consumer staples, information technology, and energy were the positive drivers of short book performance. Nevertheless, it was not enough to compensate for the negative impact of index hedges, and of single name shorts in financials, materials, and consumer discretionary.

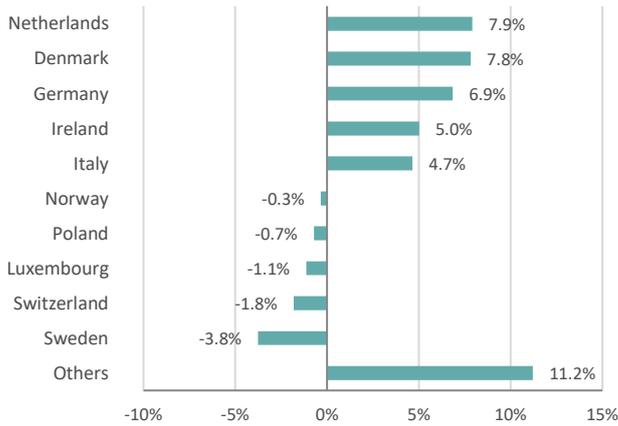
Economic growth was uneven in 2023, with low growth in Europe and China balanced by an acceleration in the US and good developments elsewhere. Falling inflation expectations reduce the risks of a Central Bank mistake. European macroeconomic surprises are now improving in our view, leading the way to a more synchronized upturn. In that environment, we believe that corporates will still be able to grow at a moderate pace.

The proportion of Value and cyclical in the long book increased from 51.5% to 55.1% and from 69.5% to 70.5%. Net exposure decreased slightly from 36.0% to 35.7% but gross exposure increased from 140.2% to 142.2%.

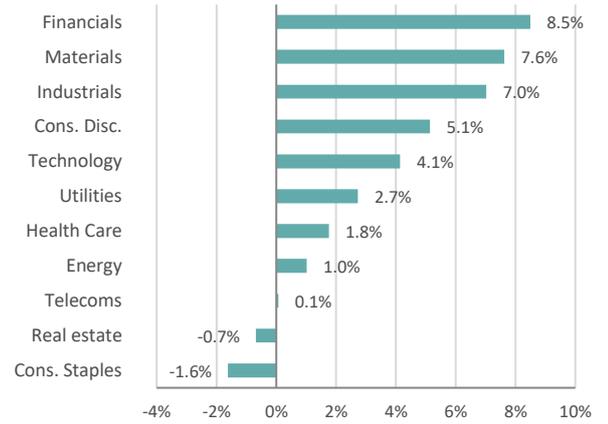
Since inception, ELEVA Absolute Return Europe was up 51.72%.

Portfolio analysis

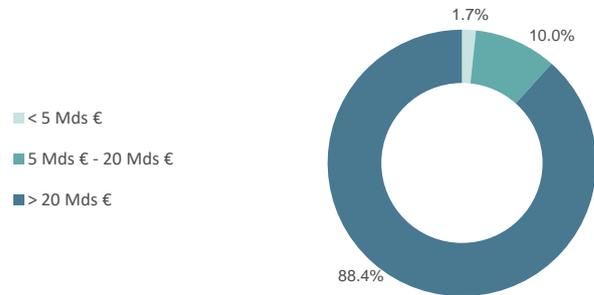
Geographic breakdown (Net %)



Sector breakdown (Net %)



Market Capitalisation (Long Book)



Risk measures

Indicator	Value
Equity Long Exposure	88.93%
Equity Short Exposure	53.23%
Equity Net Exposure	35.70%
Equity Gross Exposure	142.17%
Volatility (since inception)	4.46%
Sharpe ratio (since inception)	1.1
Sortino Ratio (since inception)	1.4

Top 5 Long Holdings

Company	Weight (%)
NOVO NORDISK A/S-B	5.10%
ASML HOLDING NV	4.99%
TOTAL SA	2.96%
UNICREDIT SPA	2.65%
SAP SE	2.63%

Top 5 Short Holdings

Indexes and Companies	Weight (%)
EUX STOXX EUROPE 600 JUN24	35.65%
FINANCIALS COMPANY	0.75%
FINANCIALS COMPANY	0.71%
FINANCIALS COMPANY	0.58%
CONS. STAPLES COMPANY	0.57%

Net Exposure



Additional data

Share class	Launch date	ISIN	Bloomberg Ticker	Distribution policy	NAV
R (EUR) dis.	26/04/2018	LU1716219503	ELARRED LX	Distribution	134.35
R (CHF) acc. Hdg	10/10/2017	LU1331973898	ELARCAH LX	Accumulation	134.62
R (GBP) acc. Hdg	08/03/2018	LU1331973542	ELARRGA LX	Accumulation	142.87
R (USD) acc. Hdg	07/02/2018	LU1331973625	ELEARUS LX	Accumulation	142.69

ESG data Long Book

Investment process

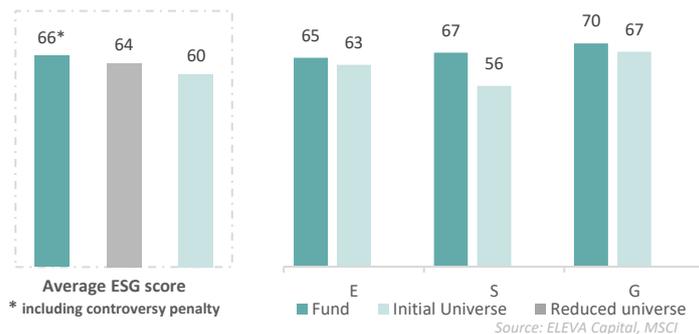
Steps	nb of companies
Initial universe (financial criterias and existence of an ESG score)	827
1. Universe post Exclusions*	813
2. Universe reduced by 20% of issuers with the lowest ESG score Initial universe reduction related to exclusions and ESG selection	647 22%
3. Portfolio post fundamental research**	45

* Tobacco / Nuclear weapons / Controversial weapons / Violation of the UN Global Compact or ILO conventions or UN guiding principles on Business and Human Rights or OECD guidelines for Multinational Enterprises / Coal (threshold defined by ELEVA's coal policy)

** Fundamental analysis, ESG analysis (ELEVA Capital methodology) & valuation

Source: ELEVA Capital

Average scores of the three pillars with their initial universe



The three best ESG ratings of the sub-fund

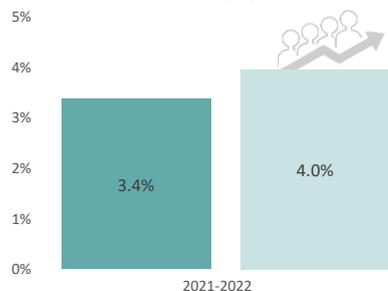
Name	Sector	Country	ESG Score
ASML HOLDING NV	Technology	Netherlands	84
SCHNEIDER ELECTRIC SE	Industrials	France	80
SSE PLC	Utilities	United Kingdom	77

The three worst ESG ratings of the sub-fund

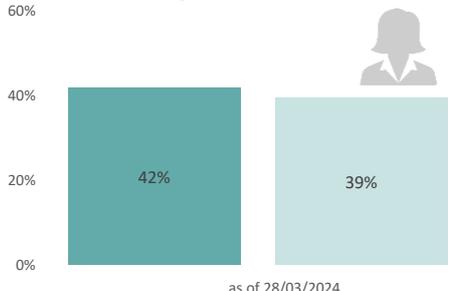
Name	Sector	Country	ESG Score
STELLANTIS NV	Cons. Disc.	Netherlands	47
RYANAIR HOLDINGS PLC	Industrials	Ireland	50
ROLLS-ROYCE HOLDINGS PLC	Industrials	United Kingdom	53

ESG Performances

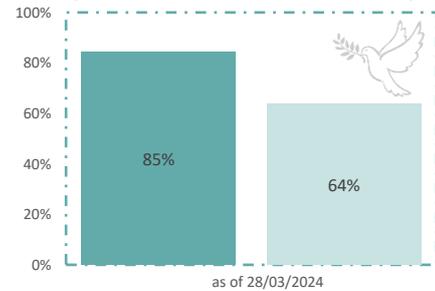
Growth in the number of employees



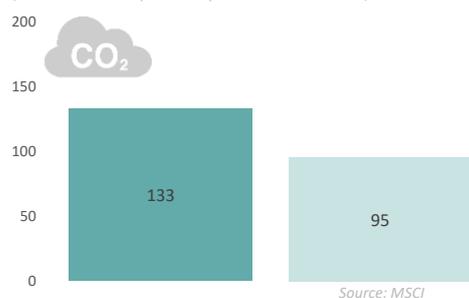
Percentage of women on the board



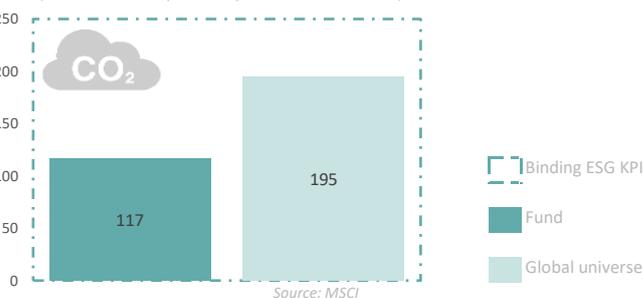
Signatories of the United Nations Global Compact



Average carbon intensity (in tons of CO₂ equivalent per million € of sales)



Carbon footprint (in tons of CO₂ equivalent per million € invested)



Coverage rate of ESG indicators

	Growth in the number of employees	% women on the board	% Signatories of the United Nations Global Compact	Carbon intensity	Scope 1 et 2 CO ₂ emissions
Fund	96%	98%	96%	98%	98%
Initial universe	89%	99%	99%	99%	99%

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