

# ELEVA Global Bonds Opportunities - Class R

Monthly report

## Investment objective and approach

- The fund seeks to achieve a positive absolute return over the medium term by investing primarily in international bonds, issued by private or public entities, via directional positioning along with relative value strategies.
- The top-down philosophy, built upon a proprietary method, is supplemented by fundamental analysis and relative value review of issuers and countries
- An active and pragmatic approach without structural bias in allocation, towards countries or sectors
- Flexible net exposure to overall duration expected to range between -4 to +10, and is guided by our market scenario analysis, market opportunities and volatility
- Recommended investment period: 5 years

## Key figures

Net Asset Value	€ 100.19
Assets Under Management	€ 17,744,838

## Risk Indicator

LOWER RISK	1	2	3	4	5	6	7	HIGHER RISK
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## General data

**Managers:** Laurent Pommier  
**Legal Structure:** Luxembourg SICAV - UCITS  
**Inception date:** 14/09/2020  
**ISIN Code:** LU2168543499  
**Classification:** Bonds and other international debt securities  
**Reference currency:** EUR  
**Valuation frequency:** Daily

## Administrative information

**Custodian bank:** HSBC Continental Europe, Luxembourg  
**Central administration:** HSBC Continental Europe, Lux.  
**Management company:** ELEVA Capital SAS  
**Subscription / Redemption Cut off:** 17:00 CET (J - 1)  
**Subscription / Redemption Settlement:** T+2

## Fees

**Subscription fee:** 3% maximum  
**Redemption fee:** 0%  
**Management fee:** 0.6% max  
**Performance fee:** 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](http://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

Source : ELEVA Capital



## Calendar year performance\*

	Fund
2020	1.04%
2021	0.17%
2022	-9.90%
2023	9.86%
2024	0.01%

## Cumulative performance\*

	Fund
1 month	-1.31%
3 months	-0.84%
6 months	5.18%
9 months	5.05%
1 year	5.59%
3 years	-1.73%
Since inception	0.19%

## Monthly Comment

Investor impatience with the disinflationary dynamic remained high, again pushing sovereign yields to higher levels. In the United States, consumer price indices rose slightly (PCE at 2.7% and overall CPI at 3.5% YoY) but stagnated in Europe (+2.4%). Even so, US GDP slowed sharply in Q1 (1.6% compared with 3.4% the previous quarter); consumer and small business sentiment in the US (NFIB report at its lowest since 2012) is deteriorating, but this has not yet been reflected in recent hard data (employment, retail sales and ISM solid). As the leading indicators predicted, activity in Europe is picking up (Q1 GDP encouraging at +0.4%). Christine Lagarde paved the way for an initial cut in the key rate in June, without giving any further details on the pace of easing. Japan left its interest rate unchanged at 0.1%, weakening its currency further (USDJPY at its highest level since 1990). Sovereign yields rose sharply: 10-year yields in the United States, the United Kingdom and Germany rose to 4.68% (+48 basis points), 4.35% (+41 basis points) and 2.59% (+30 basis points) respectively. The credit market stabilized against a backdrop of large issues (particularly from more fragile names and sectors) that were well absorbed. Emerging countries underperformed, penalized by a strong dollar and tensions in the Middle East.

The performance of the ELEVA Global Bonds Opportunities fund was negative over the month due to the rise in interest rates. We reduced US duration in favor of Germany and the UK. We believe that the coming easing of inflation will allow rates to fall gradually. We are therefore maintaining our positive duration stance. We see the flattening of the yield curve as an opportunity. We have increased our exposure to US and German yield curve steepening strategies. Credit was a positive contributor thanks to the very good performance of **Clariane**, which we trimmed, and of bank subordinated debt. We reduced our allocation to hybrid corporate bonds. We participated in a number of interesting new issues, notably **BFF**, **Vallourec**, and **Mobilux**. Our Mexican exposure underperformed. As far as currency strategies are concerned, the depreciation of the yen is taking its toll, but we remain confident that the Bank of Japan will intervene soon to support its currency.

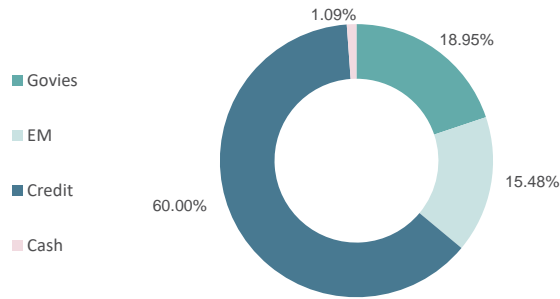
## Portfolio analysis

### Main features

Modified duration	3.30	Leverage	283%
Yield to Maturity (local)	5.33%	Issuer number	48
YtW (local)	3.87%	Number of currencies	9
Linear average rating	BBB	Annualized volatility (since inception)	5.0%

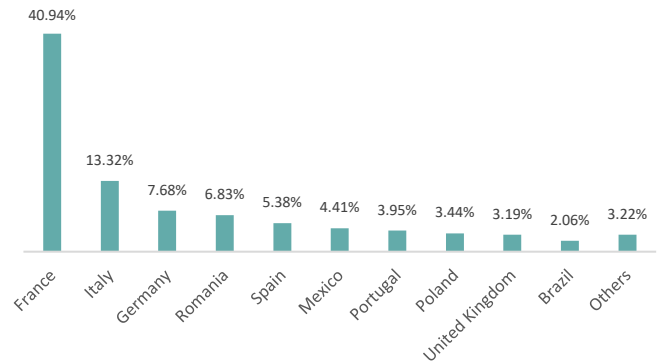
### Asset Allocation (%)

Excluding derivatives



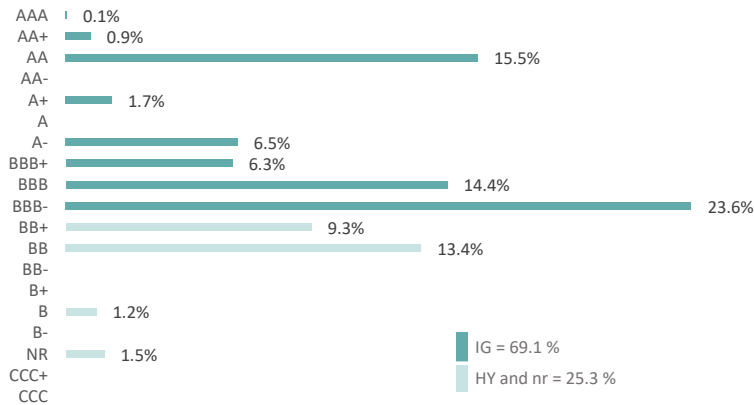
### Country weights (top 10)

Excluding derivatives

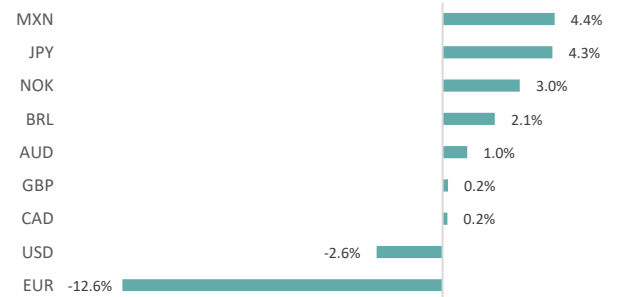


### Breakdown by rating

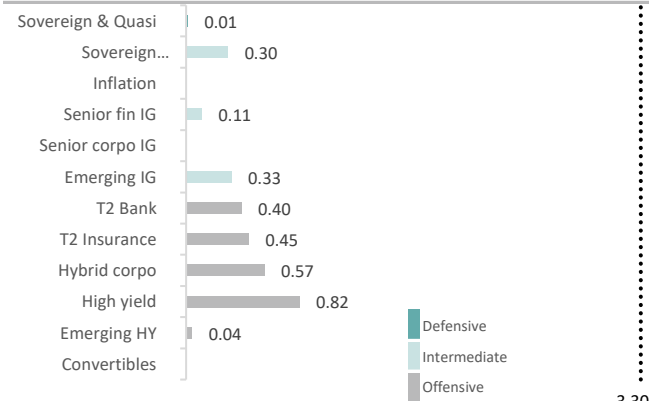
Excluding derivatives



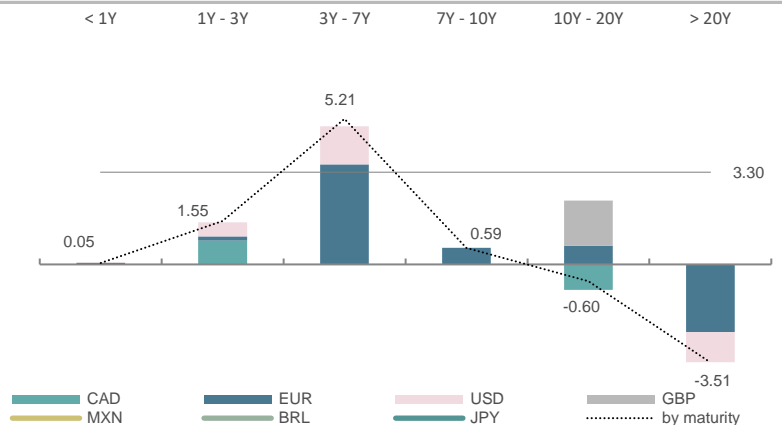
### FX strategy



### Asset breakdown



### Curve term structure



## Top 10 - Holdings

Description	Currency	Weights
France Treasury Bill BTF 0% 02/01/2025	EUR	5.5%
Mexican Bonos 8.5% 01/03/2029	MXN	4.4%
France Treasury Bill BTF 0% 12/06/2024	EUR	3.9%
French Republic Government Bond OAT 0% 25/11/2029	EUR	3.8%
Romanian Government Internation 6.375% 18/09/2033	EUR	3.7%
Banque Federative du Credit Mut 4.375% 11/01/2034	EUR	3.4%
Electricite de France SA 2.875% VRN Perp	EUR	3.2%
Tritax EuroBox PLC 0.95% 02/06/2026	EUR	3.1%
AXA SA 6.375% VRN Perp	EUR	2.9%
Fidelidade Companhia Segur 4.25% VRN 04/09/2031	EUR	2.8%

## Monthly performance attribution

Duration	-159 bps
Credit	+70 bps
Relative Value	-22 bps
Inflation	+0 bps
Emergings	-15 bps
FX	-23 bps
<b>Total</b>	<b>-149 bps</b>

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