

# ELEVA Absolute Return Europe - Class I

31/01/2024  
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 :  $\geq 5$  years

## Key figures

Net Asset Value	1 311.31 €
Total Fund Assets	3 594 145 788 €

## Risk Indicator



## Fund characteristics

**Manager:** Eric Bendahan  
**Legal structure:** Luxembourg SICAV - UCITS  
**Fund launch date:** 30/12/2015  
**Share class launch date:** 18/01/2018  
**ISIN Code:** LU1331972494  
**Bloomberg Ticker:** ELARIEA 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

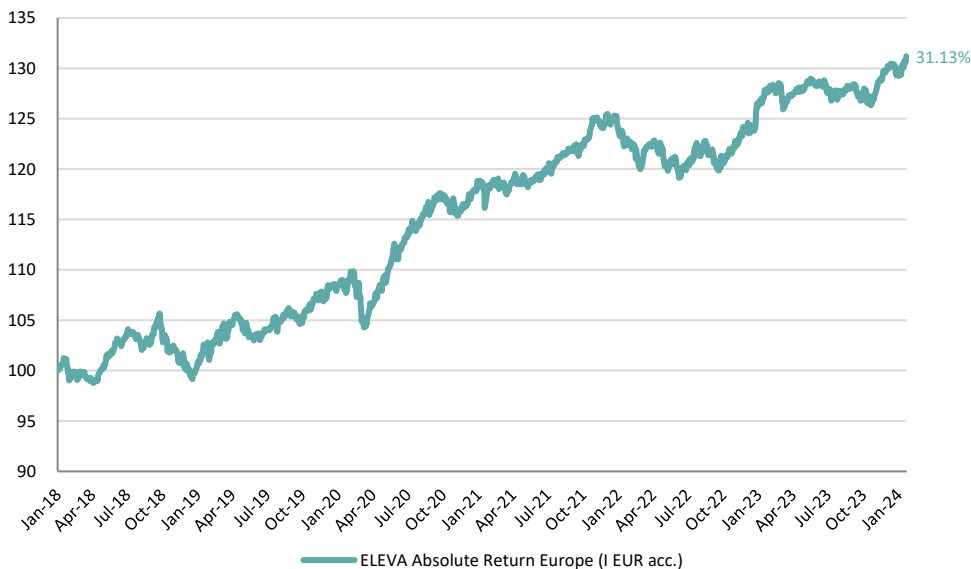
Axel Plichon, Head of Business Development  
axel.plichon@elevacapital.com

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

Sources: ELEVA Capital



## Calendar year performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	0.57%												0.57%
2023	3.18%	0.26%	-0.68%	0.56%	0.57%	0.12%	-0.78%	0.13%	-0.49%	-0.73%	2.32%	0.81%	5.33%
2022	-2.18%	-1.07%	1.03%	0.14%	-1.56%	-0.51%	1.73%	-0.59%	-1.14%	1.22%	2.07%	-0.19%	-1.15%
2021	-0.91%	1.39%	-0.30%	0.48%	0.20%	0.57%	1.01%	0.80%	0.05%	1.81%	0.12%	0.97%	6.35%
2020	-0.63%	-0.36%	-1.41%	2.42%	2.38%	1.65%	0.96%	2.19%	0.55%	-1.12%	0.30%	1.49%	8.64%
2019	2.66%	0.81%	0.37%	1.32%	-1.54%	0.30%	1.24%	0.82%	-0.53%	0.64%	1.70%	0.53%	8.58%
2018		-1.27%	-0.46%	0.64%	2.13%	1.08%	0.26%	-0.24%	1.75%	-2.41%	-1.09%	-1.41%	-0.18%

## Monthly Comment

Economic data in January kept surprising to the upside, more than compensating for continued geopolitical uncertainties. Earnings so far have been better than expected, allowing markets to start the year on a positive note.

ELEVA Absolute Return Europe was up 0.57% this month.

The long book had a positive impact on performance but underperformed the move in relevant indices. Healthcare, information technology and financials were the main contributors to performance. Conversely, the performance of long book was penalised by materials, utilities, and energy. **ASML** was a strong performer after reporting an impressive level of bookings, giving comfort to market participants with a strong 2025 outlook. **Novo Nordisk** delivered 44% EBIT growth at a constant exchange rate in 2023 and guided for a conservative, in our view, 25% EBIT growth, highlighting the impressive demand for their diabetes and obesity treatments. **Flutter Entertainment** had better than expected results, with a strong momentum in the nascent US market.

**Infineon** underperformed after poor earnings from peers, that highlighted destocking in industrial and auto markets. Utilities like **SSE** were weak, tracking a material fall in power prices. Puma provided the market with a poor earnings guidance for 2024.

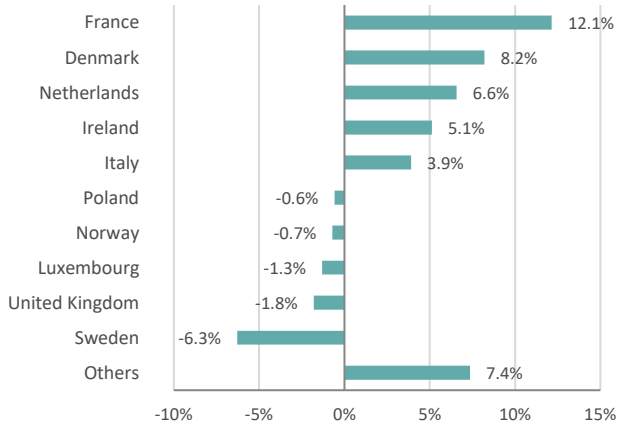
The short book had a negative impact on performance, dragged down by the index hedges, while single name shorts delivered positive returns this month. Consumer discretionary, materials, real estate and technology shorts helped the performance.

Economic growth is uneven, with weak growth in Europe and in China balanced by resilience in the US and good growth elsewhere. Falling inflation expectations reduce the risks of a Central Bank mistake. European macro surprises are now improving from a low level in our view. In that environment we believe that corporates will still be able to grow at a moderate pace. Value and cyclical were down slightly to 49.8% and 65.18% of the long leg. Net exposure increased from 28.4% to 32.6%, gross exposure was stable at 144.4%.

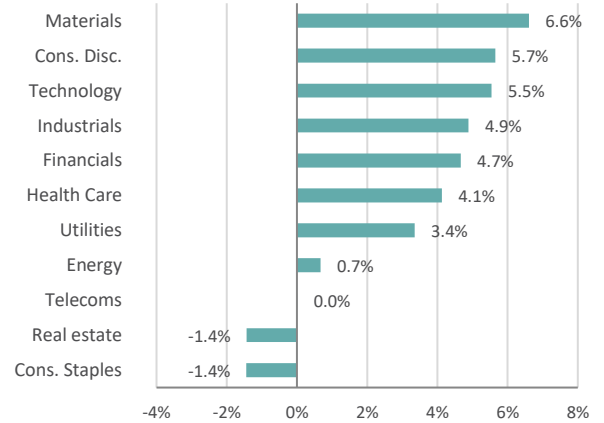
Since inception, ELEVA Absolute Return Europe is up 31.13%.

## Portfolio analysis

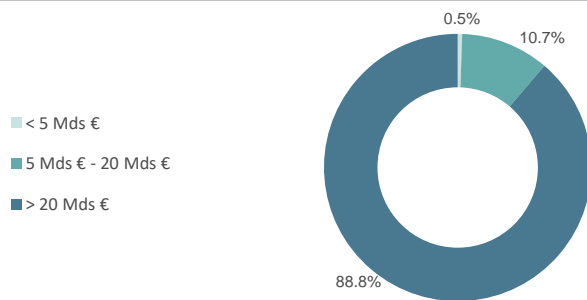
### Geographic breakdown (Net %)



### Sector breakdown (Net %)



### Market Capitalisation (Long Book)



### Risk measures

Indicator	Value
Equity Long Exposure	88.54%
Equity Short Exposure	55.90%
Equity Net Exposure	32.63%
Equity Gross Exposure	144.45%
Volatility (since inception)	4.06%
Sharpe ratio (since inception)	1.0
Sortino Ratio (since inception)	1.4

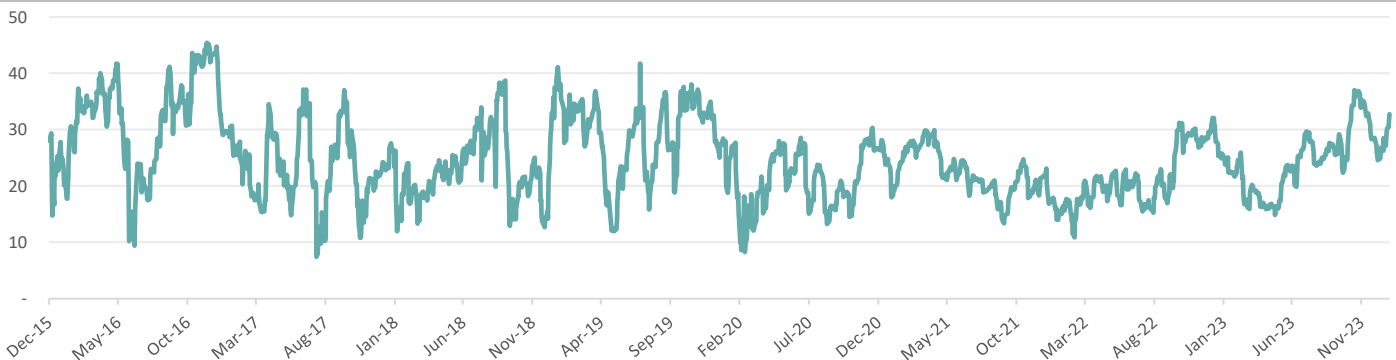
### Top 5 Long Holdings

Company	Weight (%)
NOVO NORDISK A/S-B	4.94%
ASML HOLDING NV	4.58%
NOVARTIS AG-REG	3.03%
TOTAL SA	2.90%
AXA SA	2.87%

### Top 5 Short Holdings

Indexes and Companies	Weight (%)
EUX STOXX EUROPE 600 MAR24	33.96%
FINANCIALS COMPANY	0.72%
HEALTH CARE COMPANY	0.71%
FINANCIALS COMPANY	0.70%
FINANCIALS COMPANY	0.70%

### Net Exposure



### Additional data

Share class	Launch date	ISIN	Bloomberg Ticker	Distribution policy	NAV
I (EUR) dis.	12/01/2018	LU1331973112	ELARIED LX	Distribution	1294.43
I (CHF) acc. Hdg	11/08/2017	LU1331972817	ELEICAH LX	Accumulation	1338.85
I (GBP) acc. Hdg	19/06/2018	LU1331972908	ELEIGAH LX	Accumulation	1328.79
I (USD) acc. Hdg	23/08/2018	LU1331972650	ELAIUAH LX	Accumulation	1374.45

## ESG data Long Book

### Investment process

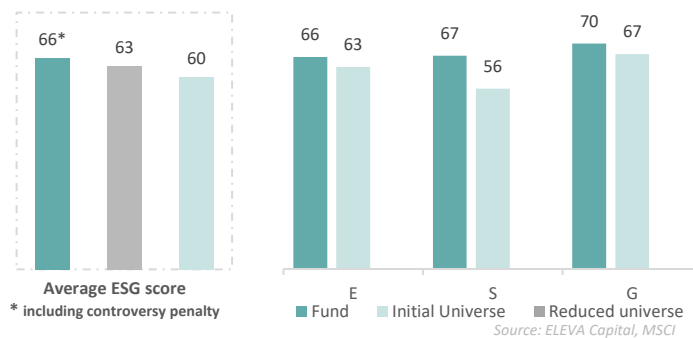
Steps	nb of companies
Initial universe (financial criterias and existence of an ESG score)	824
1. Universe post Exclusions*	810
2. Universe reduced by 20% of issuers with the lowest ESG score	645
Initial universe reduction related to exclusions and ESG selection	22%
3. Portfolio post fundamental research**	46

\* 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

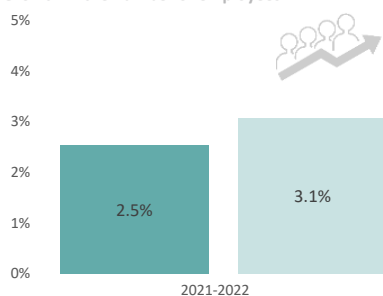
Name	Sector	Country	ESG Score
ASML HOLDING NV	Technology	Netherlands	84
SCHNEIDER ELECTRIC SE	Industrials	France	80
SSE PLC	Utilities	United Kingdom	77

### The three worst ESG ratings of the sub-fund

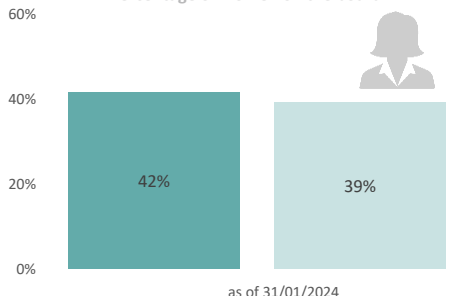
Name	Sector	Country	ESG Score
STELLANTIS NV	Cons. Disc.	Netherlands	47
RYANAIR HOLDINGS PLC	Industrials	Ireland	50
RIO TINTO PLC	Materials	United Kingdom	53

## ESG Performances

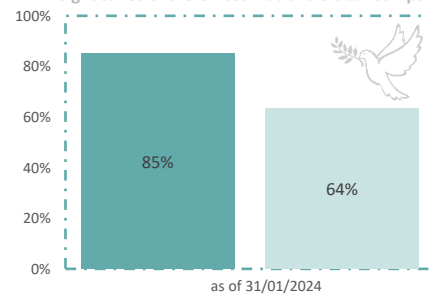
### Growth in the number of employees



### Percentage of women on the board

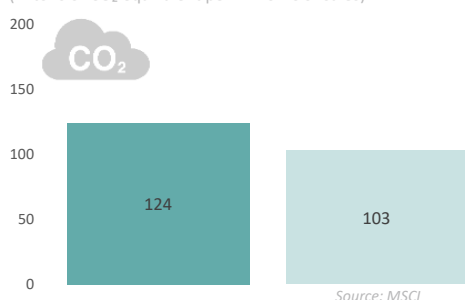


### Signatories of the United Nations Global Compact



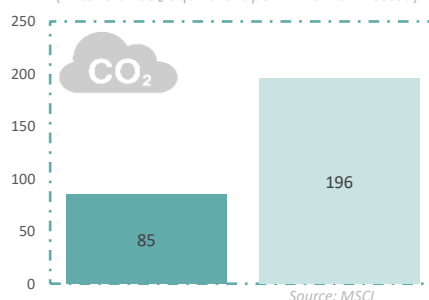
### Average carbon intensity

(in tons of CO<sub>2</sub> equivalent per million € of sales)



### Carbon footprint

(in tons of CO<sub>2</sub> equivalent per million € invested)



Binding ESG KPI  
Fund  
Global universe

## 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 <sub>2</sub> emissions
Fund	96%	100%	97%	100%	100%
Initial universe	89%	99%	99%	99%	99%

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