

# ELEVA European Selection - Class I

29/02/2024  
Monthly report

## Investment objective and approach

- Aiming to achieve superior long-term risk adjusted returns
- Investing primarily in European equities and equity related securities
- Conviction investing using bottom-up stock-picking
- Flexible, opportunistic, and pragmatic approach, with no sector/country bias and style/market cap agnostic
- Using a macroeconomic overlay to support sector positioning
- Recommended investment horizon : ≥ 5 years

## Key figures

Net Asset Value	2 086.02 €
Total Fund Assets	5 384 519 737 €

## 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:** 26/01/2015  
**Share class launch date:** 26/01/2015  
**ISIN Code:** LU1111643042  
**Bloomberg Ticker:** ELVESIE LX  
**Classification:** European Equity  
**Benchmark:** STOXX Europe 600 Net Return - SXXR  
**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:** 0.9%  
**Performance fees:** 15% of the outperformance to the SXXR with a relative HWM over 5 rolling years

## Contact

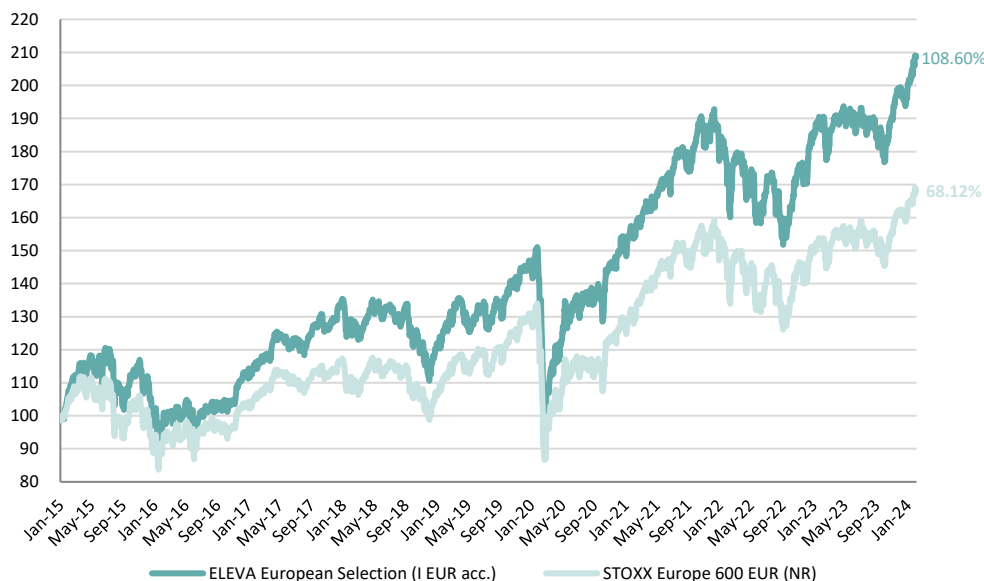
Axel Plichon, Head of Business Development  
axel.plichon@elevacapital.com

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

	Fund	Index		Fund	Index
2015	11.33%	0.76%	1 month	3.43%	1.98%
2016	-0.52%	1.73%	3 months	8.91%	7.44%
2017	16.48%	10.58%	6 months	10.33%	8.58%
2018	-11.88%	-10.77%	9 months	11.17%	10.70%
2019	26.81%	26.82%	1 year	10.61%	10.20%
2020	3.17%	-1.99%	3 years	35.81%	31.54%
2021	28.33%	24.91%	5 years	64.07%	50.11%
2022	-10.77%	-10.64%	Since inception	108.60%	68.12%
2023	17.09%	15.80%			
2024	4.62%	3.48%			

## Cumulative performance

## Monthly Comment

A solid earnings delivery with material buyback announcements, combined with continued optimism on the impact of the AI driven capex boom helped push the European market higher in February. Macro developments in Europe were better than expected, confirming the view that economic momentum is slowly improving. ELEVA European Selection was up 3.43% vs an index up 1.98%, an outperformance of 145 bps.

Sector allocation had a positive impact, thanks to the underweight in consumer staples, the overweight in consumer discretionary, and the overweight in information technology. Conversely, materials, utilities, and financials allocations had a negative impact on performance. Our cyclical bias generally had a positive impact on performance. Stock picking was positive, particularly in health care, materials, and information technology.

**Adyen** had a very positive move after delivering positive surprises on payments volumes and solid profitability. Cyclical were in favour by investors. **CRH** had record results thanks to a very strong positive pricing composition in the US. **Stellantis** reassured on their outlook and announced a new share buyback. **Unicredit** announced record-breaking levels of cash returns along with resilient net interest income expectations for 2024.

**BNP Paribas** disappointed investors in Q4 2023 and toned down their medium-term return ambitions. **Dassault Systèmes** warned of a material slowdown in their healthcare vertical, which is likely to affect their near-term growth rates. **Edenred** reacted negatively to an Italian investigation on their bidding practices.

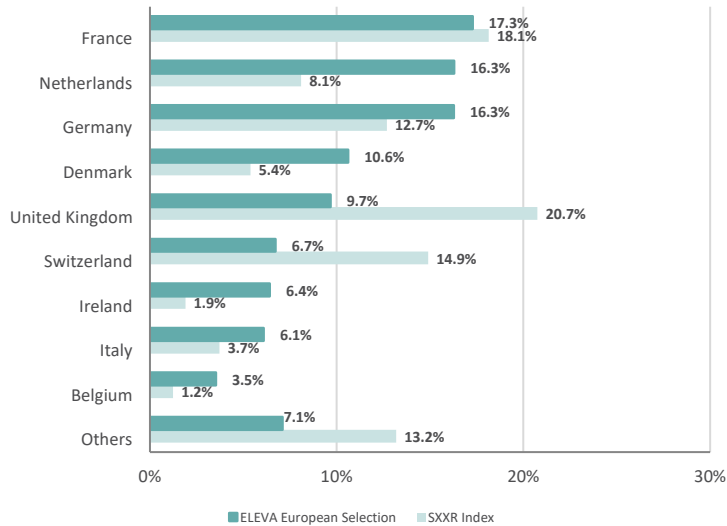
Economic growth was uneven in 2023, with low growth in Europe and in China balanced by an acceleration in the US and good developments elsewhere. Falling inflation expectations reduce the risks of a Central Bank mistake. European macro surprises are now improving in our view, leading the way to a synchronized upturn. In that environment we believe that corporates will be able to grow at a moderate pace. Value and cyclical were up to 50.8% and 73.5% of the fund respectively.

Since inception, ELEVA European Selection is up 108.60% vs an index up 68.12%, an outperformance of 4,048 bps.

## Portfolio analysis

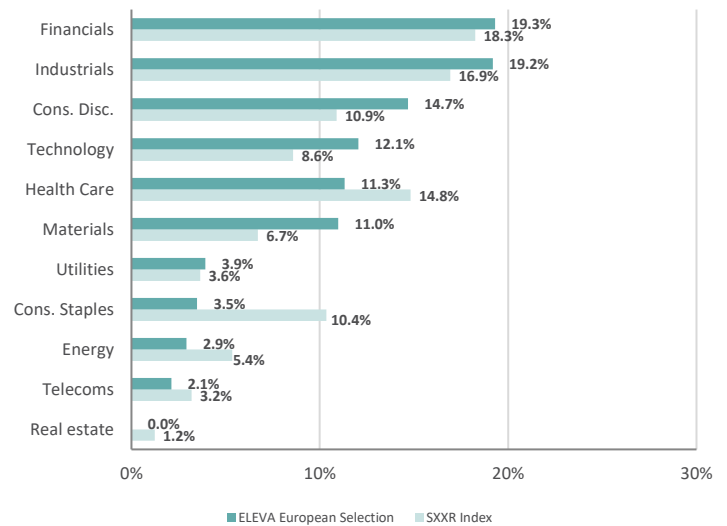
### Geographic breakdown

cash excluded



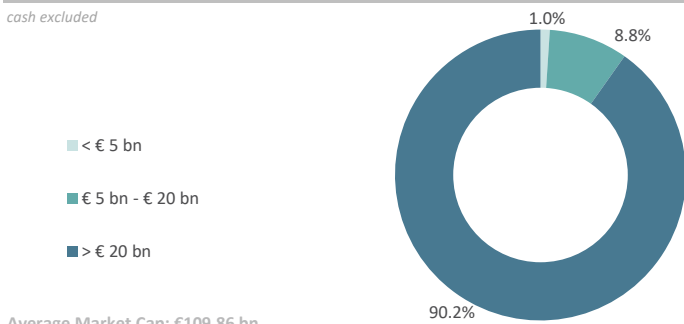
### Sector breakdown

cash excluded



### Market capitalisation

cash excluded



Average Market Cap: €109.86 bn

### Risk Indicators

	Fund	Benchmark
Active Weight	72.07%	
Volatility*	16.73%	16.75%
Beta*	0.97	
Tracking Error*	3.93%	
Sharpe ratio*	0.49	0.34
Sortino Ratio*	0.60	0.42
Information Ratio*	0.65	

\* since inception

### Top 5 Holdings

Company	Sector	Country	Weight	ESG Score**
NOVO NORDISK A/S-B	Health Care	Denmark	6.02%	69
ASML HOLDING NV	Technology	Netherlands	5.51%	84
STELLANTIS NV	Cons. Disc.	Netherlands	3.06%	47
SIEMENS AG-REG	Industrials	Germany	2.98%	61
TOTAL SA	Energy	France	2.85%	72

\*\* ELEVA proprietary score from 0 to 100

### Top 3 contributors

Company	Absolute Contribution
ADYEN NV	57 bps
ASML HOLDING NV	51 bps
STELLANTIS N.V.	49 bps

### Top 3 detractors

Company	Absolute Contribution
BNP PARIBAS S.A. CLASS A	-38 bps
DASSAULT SYSTEMES SA	-33 bps
EDENRED SA	-24 bps

### Additional data

Share class	Launch date	ISIN	Bloomberg Ticker	Distribution policy	NAV
I (EUR) dis.	04/05/2017	LU1111643638	ELEURSI LX	Distribution	1564.60
I (CHF) acc. Hdg	07/08/2015	LU1111643398	EESFICH LX	Accumulation	1662.45
I (GBP) acc. Hdg	27/07/2017	LU1111643471	ELVIGAH LX	Accumulation	1745.06
I (USD) acc. Hdg	05/10/2015	LU1111643125	EESFIUA LX	Accumulation	2230.00

## ESG data

### Investment process

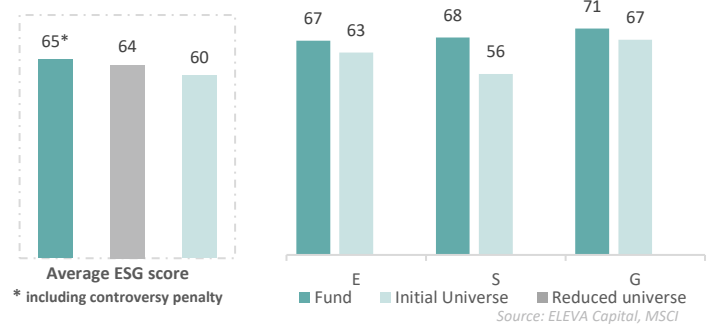
Steps	nb of companies
Initial universe (financial criterias and existence of an ESG score)	826
1. Universe post Exclusions*	812
2. Universe reduced by 20% of issuers with the lowest ESG score	646
Initial universe reduction related to exclusions and ESG selection	22%
3. Portfolio post fundamental research**	48

\* 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

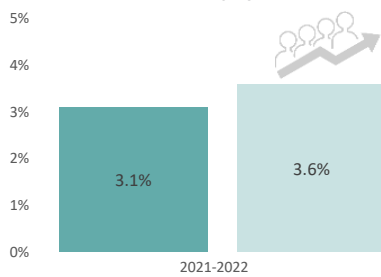
Name	Sector	Country	ESG Score
ASML HOLDING NV	Technology	Netherlands	84
SCHNEIDER ELECTRIC SE	Industrials	France	80
SSE PLC	Utilities	United Kingdom	77

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

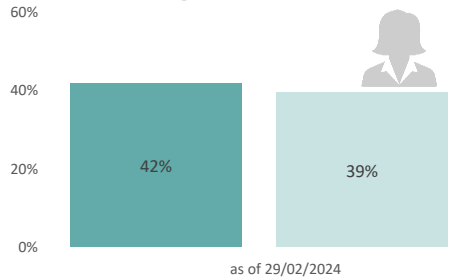
Name	Sector	Country	ESG Score
VOLKSWAGEN AG-PREF	Cons. Disc.	Germany	40
STELLANTIS NV	Cons. Disc.	Netherlands	47
RYANAIR HOLDINGS PLC	Industrials	Ireland	50

## ESG Performances

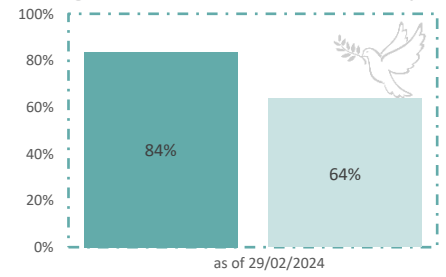
### Growth in the number of employees



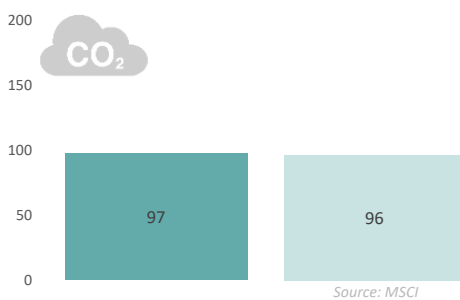
### Percentage of women on the board



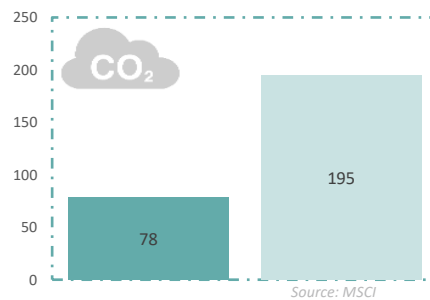
### Signatories of the United Nations Global Compact



### 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%	98%	97%	98%	98%
Initial universe	89%	99%	99%	99%	99%

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