

ELEVA Euroland Selection - Class A1

30/08/2024
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 with high active weight of 80%+ and tracking error target of 6%
- Flexible, opportunistic, and pragmatic approach, with no sector/country bias and style/market cap agnostic
- Using a macroeconomic overlay to support sector positioning

Key figures

Net Asset Value 163.29 €
Total Fund Assets 1,457,052,281 €

Risk Indicator



Fund characteristics

Manager : Eric Bendahan
Legal structure : Luxembourg SICAV - UCITS
Fund launch date : 10/07/2017
Share class launch date : 17/11/17
ISIN Code : LU1616920697
Bloomberg Ticker : ESEIEA LX
Classification : Eurozone equity
Benchmark : EURO STOXX Index Net Return - SXST Index
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 : 1.5%
Performance fees : 15% of the outperformance to the SXST Index with a relative HWM over a 5-year period

Contact

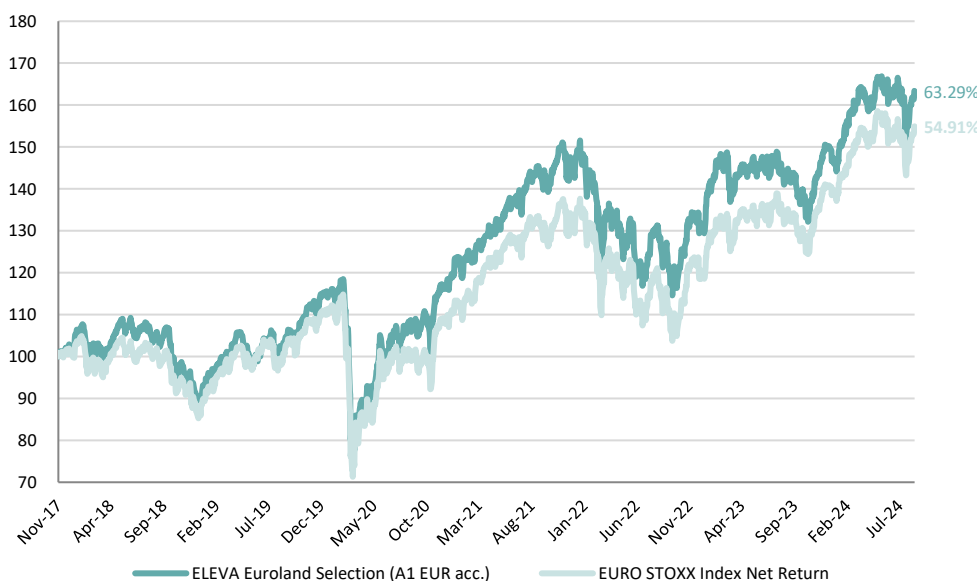
Axel Plichon, Head of Business Development
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This document should be read in conjunction with the prospectus and relevant KIDs which are available on our website www.elevacapital.com.

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

	Fund	Index		Fund	Index
2017	2.06%	-0.14%	1 month	0.83%	1.52%
2018	-12.02%	-12.72%	3 months	-0.45%	-0.64%
2019	27.50%	26.11%	6 months	3.41%	4.71%
2020	3.86%	0.25%	9 months	12.70%	13.81%
2021	25.36%	22.67%	1 year	13.58%	15.11%
2022	-13.18%	-12.31%	3 years	13.70%	17.17%
2023	15.75%	18.55%	5 years	58.10%	53.91%
2024	9.01%	10.24%	Since inception	63.29%	54.91%

Cumulative performance

Monthly Comment

August was a very volatile month that witnessed in the first days significant selling pressure from Yen carry trade unwinds and trend following models. It was followed by a material bounce as earnings surprised positively and central bankers took a dovish stance. Economic data was mixed but outside of China did not deteriorate materially.

ELEVA Euroland Selection was up 0.83% vs an index up 1.52%, an underperformance of 69 bps.

Sector allocation had a slightly positive impact, thanks to the overweight in health care, the underweight in energy and industrials. Conversely, communication services, financials and real estate allocation had a negative impact on performance. Stock picking was negative, particularly in information technology, financials and utilities.

Inditex performed well and is expected to continue to gain market share; their localised sourcing gives them an edge over the competition. **Sanofi** had a well-received upgrade on their guidance, **UCB** was also strong as demand for their products continues to surprise on the upside. **Axa** had a solid set of numbers, with better-than-expected technical profitability.

Banks (**Unicredit**, **KBC**) conversely, were affected by the market volatility and suffered from the reduction in interest rate expectations. **Renault** had inline results but fell as peers made cautious comments on future pricing and demand.

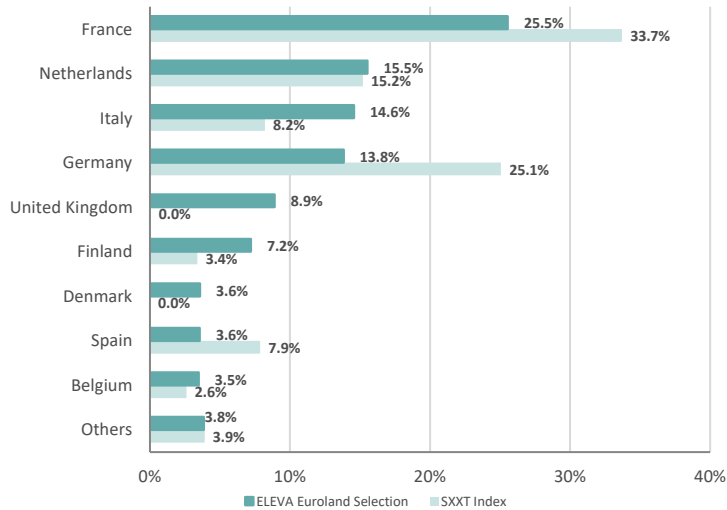
Economic growth remains uneven, with weak growth in Europe and China offset by good performance in the US and elsewhere in the world. Lower inflation expectations reduce the risk of central bank error. After a marked improvement at the end of 2023 and beginning of 2024, macroeconomic surprises have lost momentum in recent months. Nevertheless, we believe that companies will continue to be able to grow at a moderate pace. Against this backdrop, the proportion of the portfolio invested in value stocks remained stable at 45%, while exposure to cyclical stocks was further reduced slightly to 52.7%.

Since inception, ELEVA Euroland Selection is up 63.29% vs an index up 54.91%, an outperformance of 838 bps.

Portfolio analysis

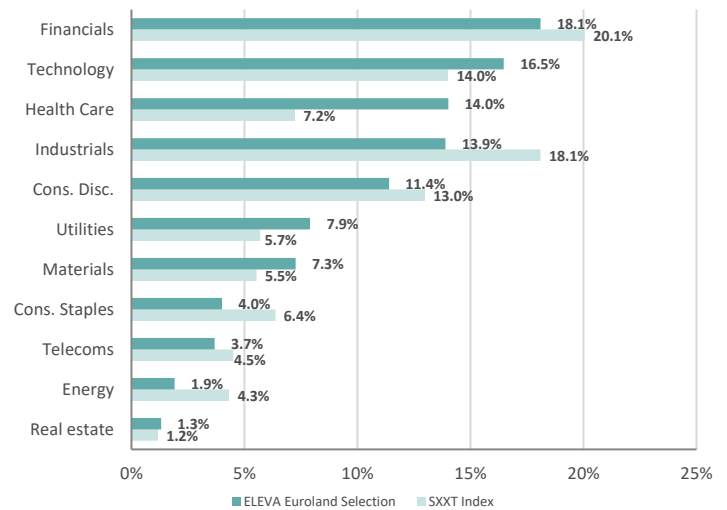
Geographic breakdown

cash excluded



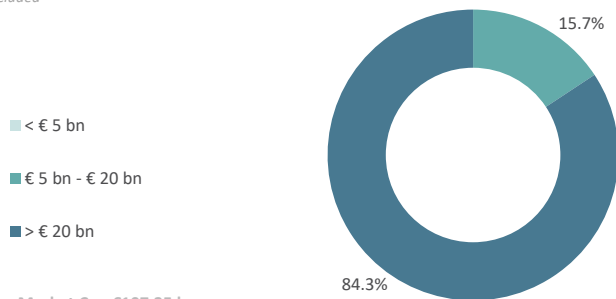
Sector breakdown

cash excluded



Market capitalisation

cash excluded



Average Market Cap €107.35 bn

Risk Indicators

	Fund	Benchmark
Active Weight	67.35%	
Volatility*	17.25%	18.07%
Beta*	0.92	
Tracking Error*	4.71%	
Sharpe ratio*	0.40	0.34
Sortino Ratio*	0.48	0.41
Information Ratio*	0.18	

* since inception

Top 5 Holdings

Company	Sector	Country	Weight	ESG Score**
ASML HOLDING NV	Technology	Netherlands	8.76%	83
SCHNEIDER ELECTRIC SE	Industrials	France	4.91%	80
SANOFI	Health Care	France	4.72%	62
SAP SE	Technology	Germany	4.53%	73
AXA SA	Financials	France	3.69%	62

** ELEVA proprietary score from 0 to 100

Top 3 contributors

Company	Absolute Contribution
INDUSTRIA DE DISEÑO TEXTIL, S.A.	29 bps
SANOFI	28 bps
FERRARI NV	25 bps

Top 3 detractors

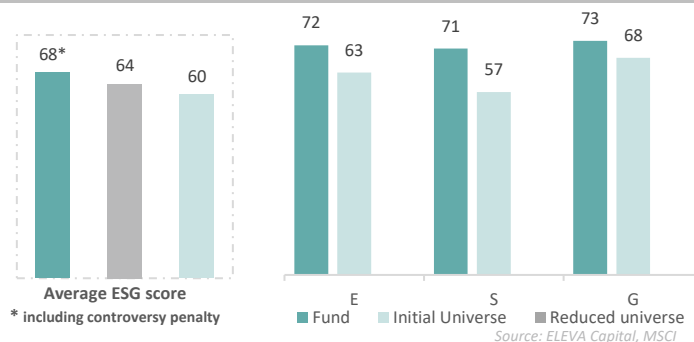
Company	Absolute Contribution
ASML HOLDING NV	-33 bps
UNICREDIT S.P.A.	-17 bps
RENAULT SA	-16 bps

ESG data

Investment process

Steps	nb of companies
Initial universe (financial criterias and existence of an ESG score)	818
1. Universe post Exclusions*	807
2. Universe reduced by 20% of issuers with the lowest ESG score	643
Initial universe reduction related to exclusions and ESG selection	21%
3. Portfolio post fundamental research**	40
* 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	

Average scores of the three pillars with their initial universe



The three best ESG ratings of the sub-fund

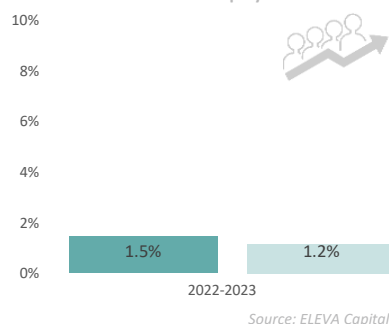
Name	Sector	Country	ESG Score
ASML HOLDING NV	Technology	Netherlands	83
NORDEA BANK ABP	Financials	Finland	83
NATIONAL GRID PLC	Utilities	United Kingdom	80

The three worst ESG ratings of the sub-fund

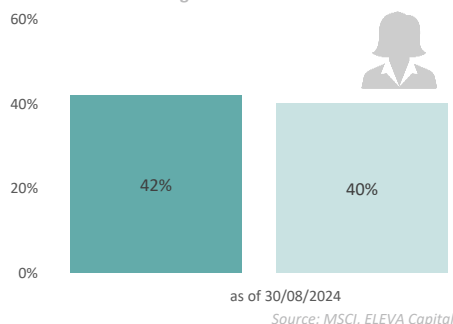
Name	Sector	Country	ESG Score
SHELL PLC	Energy	United Kingdom	42
HEIDELBERGCEMENT AG	Materials	Germany	55
BEIERSDORF AG	Cons. Staples	Germany	57

ESG Performances

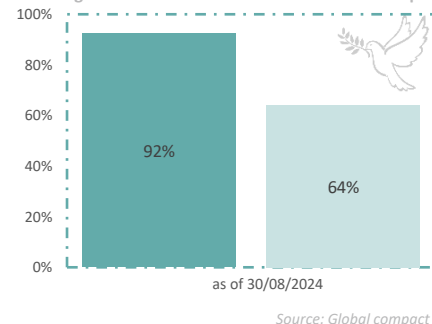
Growth in the number of employees



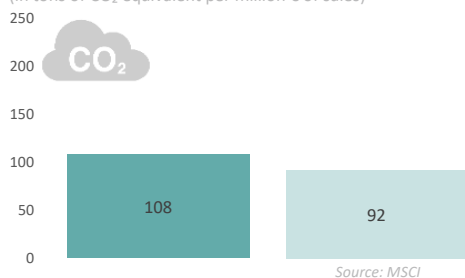
Percentage of women on the board



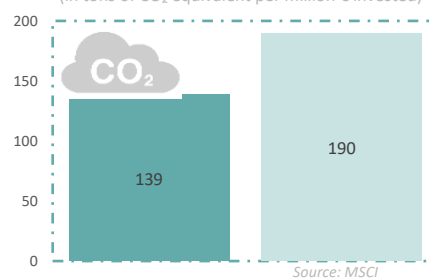
Signatories of the United Nations Global Compact



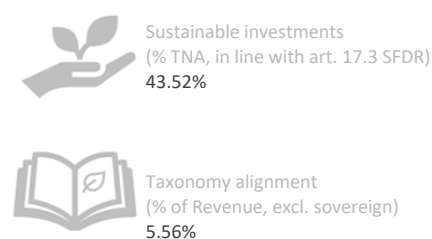
Average carbon intensity (in tons of CO₂ equivalent per million € of sales)



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



Sustainable investment



Binding ESG KPI

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%	98%	99%	99%

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