

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	€ 101.31
Assets Under Management	€ 93,693,669

Risk and return profile



General data

- Managers:** Alexandre Menendez - 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:** J+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 KIIDs 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

Source : ELEVA Capital



Calendar year performance*

	Fund
2020	1.04%
2021	0.27%

Cumulative performance*

	Fund
1 month	-1.07%
3 months	-0.53%
6 months	-0.63%
9 months	0.00%
1 year	0.59%
Since inception	1.31%

(*) Class R (EUR) acc: Share class launch 14/09/2020 - Past performance is not a reliable indicator future results.

Monthly Comment

Bond markets were far more volatile than their equity counterparts over the month. While the S&P set a new record in view of strong quarterly results, short-dated bonds prices fell sharply. The combination of persistent supply chain bottlenecks and surging energy prices continue to fuel inflationary fears. The US 10-year yield peaked at +1.70% before falling back in a flattening of global yield curves. The market is anticipating faster monetary tightening by central bankers globally, which could slow growth without easing inflationary pressure. Flows into emerging and credit asset classes were limited over this period given the pressure on yields. In the US, Congress averted a debt ceiling crisis with the deadline pushed back to December this year. US President Biden is making progress on his infrastructure spending plan with stronger support from Democrats. US GDP growth of +2.0% y/y for the third quarter was disappointing, but the central scenario remains that the Fed will announce its QE tapering in November with a strong labour market. On the inflation front, the US consumer price index remains high at +5.4% y/y and inflation in the Eurozone peaked at +3.4% in September. The global recovery remains solid and vaccination campaigns are largely limiting the risks of further mobility restrictions. China's real GDP growth slowed in the third quarter to +4.9% y-o-y, but investor concerns over the Chinese property sector have eased.

Against this backdrop, ELEVA Global Bonds Opportunities posted a negative performance in October. This was mainly due to our strategy of selling German 10/30 year yields and our inflation short positions: selling US real rates and selling the UK 10 year break-even inflation rate. Indeed, we do not adhere to hyperinflationary fears in the long term. The Pan-European credit selection has performed well despite the volatility in rates. We maintain a preference for high yield issuers with short maturities. Positions in emerging countries (Egypt, Ukraine and Ivory Coast) suffered slightly over the period. Our under-exposure to Spanish debt against Germany performed well in the context of widening spreads in peripheral European countries. In foreign exchange, our long EURCHF and long USDRUB positions were slightly costly.

Since its launch in September 2020, ELEVA Global Bonds Opportunities has posted a positive net absolute performance of +1.31% and also a positive performance of +0.27% YTD.

Portfolio analysis

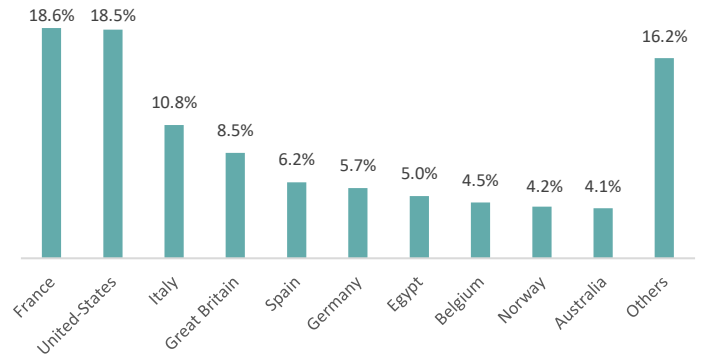
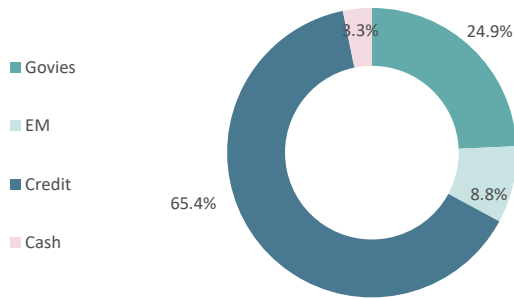
Source : ELEVA Capital

Main features

Modified duration	-3.58	Leverage	460%
Yield to Maturity (local)	1.42%	Issuer number	60
YtW (local)	0.98%	Number of currency	5
Linear average rating	BBB-	Annualized volatility (since inception)	1.4%

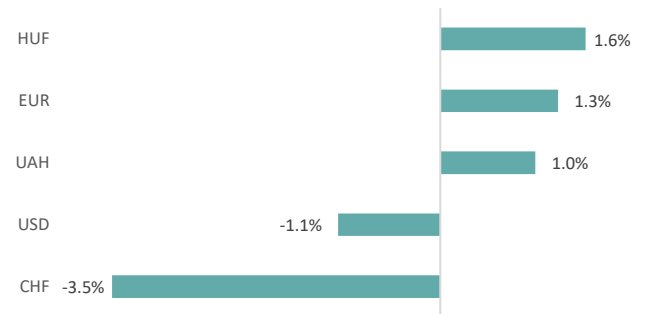
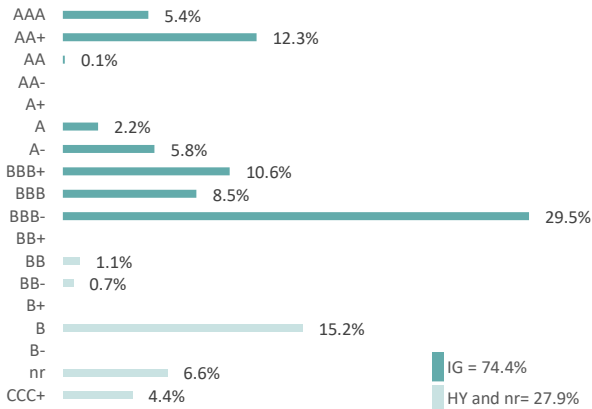
Asset Allocation (%)*

Country weights (top 10)*



Breakdown by rating (%)*

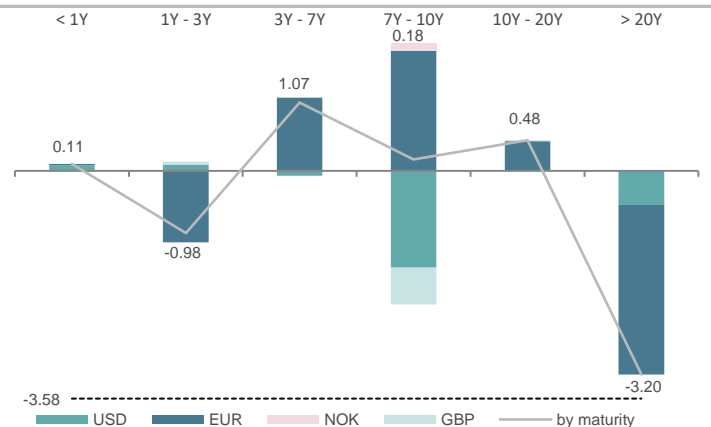
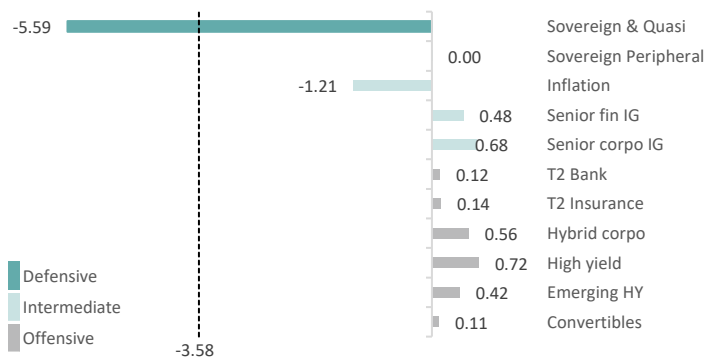
FX strategy



* Excl. derivatives

Asset breakdown

Curve term structure



Top 10 - Holdings

Description	Currency	Weights
United States Treasury NoteBond 0.125% 31/08/2022	USD	11.0%
Norway Government Bond 1.25% 17/09/2031	NOK	4.2%
Ukraine (Government Of) 7.75% 01/09/2023	USD	3.1%
Mediobanca Banca di Credi Fin 0.75% VRN 02/11/2028	EUR	3.0%
Dell Bank International DAC 0.5% 27/10/2026	EUR	3.0%
Italy Buoni Poliennali Del Tesor 0.35% 01/02/2025	EUR	2.7%
Sofina SA 1% 23/09/2028	EUR	2.5%
BTP Italy (Govt) 5.5% 01/09/2022	EUR	2.3%
Electricite de France SA 2.875% VRN Perp	EUR	2.2%
Goldman Sachs Group Inc 2% 27/07/2023	EUR	2.2%

Monthly performance attribution

Duration	+3bps
Credit	-10bps
Relative Value	-65bps
Inflation	-23bps
Emergings	-7bps
FX	-10bps
Total	-112bps

Legal disclaimer

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Each prospective investor should review the Prospectus of the Fund which contains important information concerning risk factors, past performance and material aspects of the Fund and which must be read carefully before any decision to invest is made.

Past performance is not a guarantee of future results and no assurance can be given that product(s) described herein will yield favourable investment results or that the Fund's investment objectives will be achieved or that the investor will receive a return of all or part of their investment.