

# ELEVA Absolute Return Europe - Class A2

28/03/2024  
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 126.20 €  
Total Fund Assets 3 710 499 937 €

## Risk Indicator



## Fund characteristics

**Manager:** Eric Bendahan  
**Legal structure:** Luxembourg SICAV - UCITS  
**Fund launch date:** 30/12/2015  
**Share class launch date:** 28/01/2019  
**ISIN Code:** LU1920211973  
**Bloomberg Ticker:** ELAREAE 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 2%  
**Redemption fees:** 0%  
**Management fees:** 2.2%  
**Performance fees:** 20% of any excess return the NAV achieves over the High Water Mark

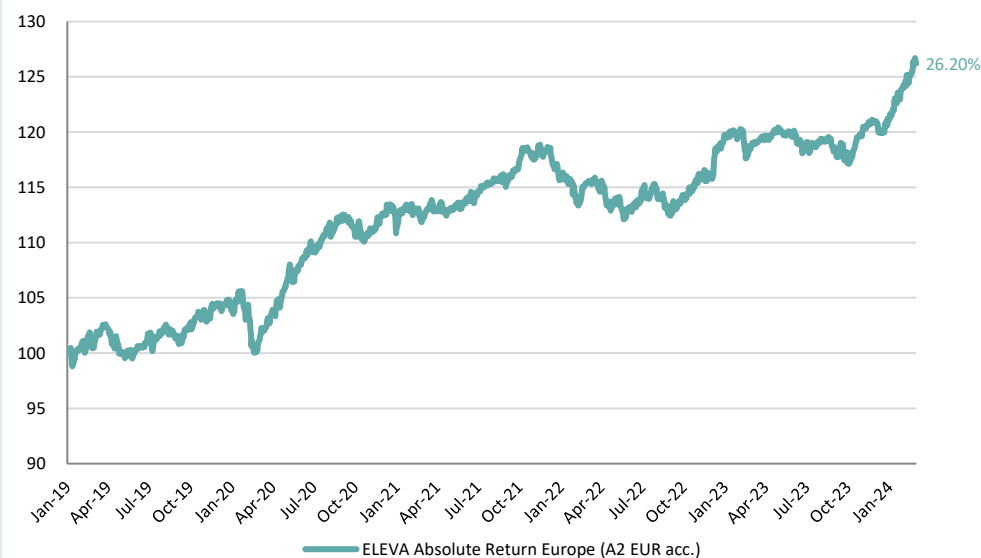
## Contact

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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	0.48%	2.02%	1.73%										4.29%
2023	3.34%	0.18%	-0.76%	0.49%	0.48%	0.04%	-0.87%	0.05%	-0.63%	-1.02%	2.50%	0.74%	4.54%
2022	-2.28%	-1.17%	0.93%	0.03%	-1.67%	-0.62%	1.63%	-0.70%	-1.25%	1.11%	1.97%	-0.29%	-2.37%
2021	-1.01%	1.34%	-0.43%	0.44%	0.12%	0.50%	0.96%	0.72%	-0.03%	1.78%	0.03%	0.91%	5.41%
2020	-0.75%	-0.51%	-1.52%	2.32%	2.51%	1.64%	0.87%	2.16%	0.46%	-1.30%	0.25%	1.52%	7.81%
2019		0.44%	0.25%	1.08%	-1.90%	0.26%	1.22%	0.72%	-0.68%	0.57%	1.67%	0.43%	4.32%

## Monthly Comment

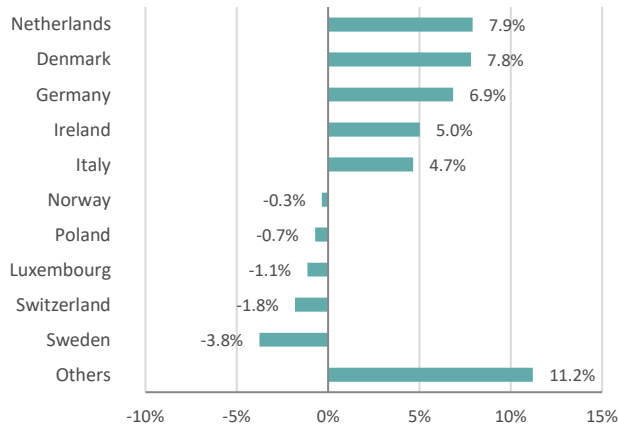
ELEVA Absolute Return Europe was up 1.73% this month.

The long book had a positive impact on performance and outperformed the move in relevant indices. Financials, materials, and health care were the main drivers of performance. **Novo Nordisk** reacted well to the acceleration in demand for their obesity products. Banks had a strong performance, driven by resilient net interest income and improving fee-related revenues at a time of low valuation, in our view. **Unicredit**, **BBVA**, and **Intesa San Paolo** contributed positively. **3i group** had a well-received Capital Markets Day for their discounter retailer Action group, that had a very strong start to the year. Cyclical were in favour and **Stellantis** announced a share buyback and a better than expected outlook for 2024. In the other hand, **BE Semiconductor** was affected by a decision by some clients to postpone their new generation of investments into hybrid bonding. **Siemens** and **Deutsche Post** warned investors of a relatively slow start to the year, with improvements expected in the second half of 2024. The short book had a negative impact on performance, with index hedges and single name shorts contributing negatively. Consumer staples, information technology, and energy were the positive drivers of short book performance. Nevertheless, it was not enough to compensate for the negative impact of index hedges, and of single name shorts in financials, materials, and consumer discretionary.  
Economic growth was uneven in 2023, with low growth in Europe and China balanced by an acceleration in the US and good developments elsewhere. Falling inflation expectations reduce the risks of a Central Bank mistake. European macroeconomic surprises are now improving in our view, leading the way to a more synchronized upturn. In that environment, we believe that corporates will still be able to grow at a moderate pace.  
The proportion of Value and cyclical in the long book increased from 51.5% to 55.1% and from 69.5% to 70.5%. Net exposure decreased slightly from 36.0% to 35.7% but gross exposure increased from 140.2% to 142.2%.

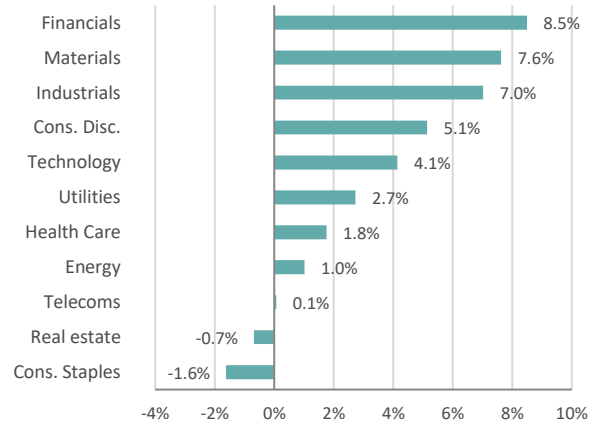
Since inception, ELEVA Absolute Return Europe was up 26.20%.

## Portfolio analysis

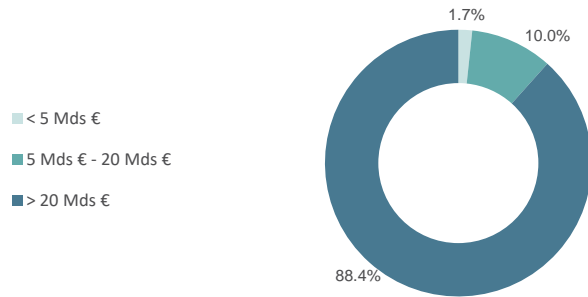
### Geographic breakdown (Net %)



### Sector breakdown (Net %)



### Market Capitalisation (Long Book)



### Risk measures

Indicator	Value
Equity Long Exposure	88.93%
Equity Short Exposure	53.23%
Equity Net Exposure	35.70%
Equity Gross Exposure	142.17%
Volatility (since inception)	4.27%
Sharpe ratio (since inception)	0.9
Sortino Ratio (since inception)	1.3

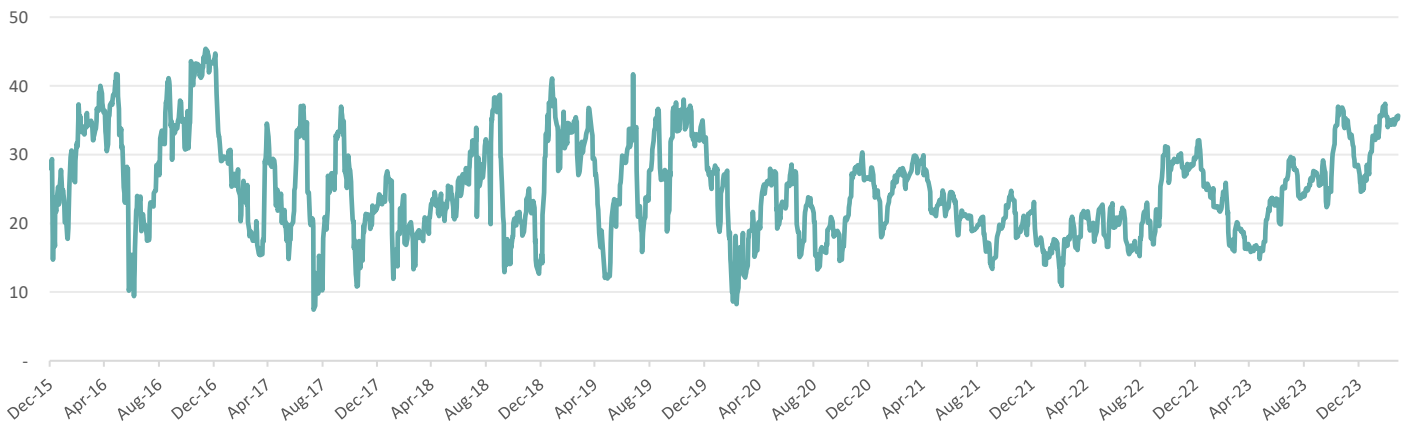
### Top 5 Long Holdings

Company	Weight (%)
NOVO NORDISK A/S-B	5.10%
ASML HOLDING NV	4.99%
TOTAL SA	2.96%
UNICREDIT SPA	2.65%
SAP SE	2.63%

### Top 5 Short Holdings

Indexes and Companies	Weight (%)
EUX STOXX EUROPE 600 JUN24	35.65%
FINANCIALS COMPANY	0.75%
FINANCIALS COMPANY	0.71%
FINANCIALS COMPANY	0.58%
CONS. STAPLES COMPANY	0.57%

### Net Exposure



## ESG data Long Book

### Investment process

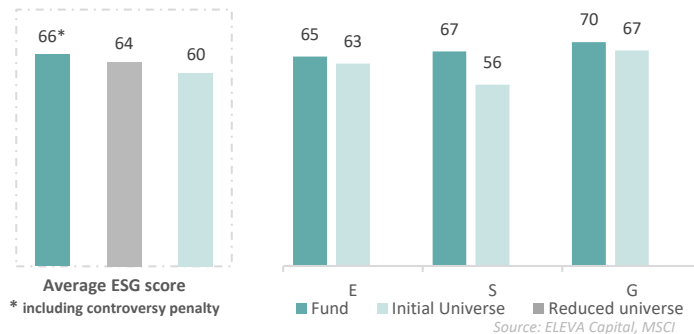
Steps	nb of companies
Initial universe (financial criterias and existence of an ESG score)	827
1. Universe post Exclusions*	813
2. Universe reduced by 20% of issuers with the lowest ESG score	647
Initial universe reduction related to exclusions and ESG selection	22%
3. Portfolio post fundamental research**	45

\* 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

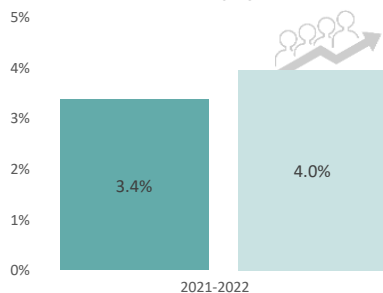
Name	Sector	Country	ESG Score
ASML HOLDING NV	Technology	Netherlands	84
SCHNEIDER ELECTRIC SE	Industrials	France	80
SSE PLC	Utilities	United Kingdom	77

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

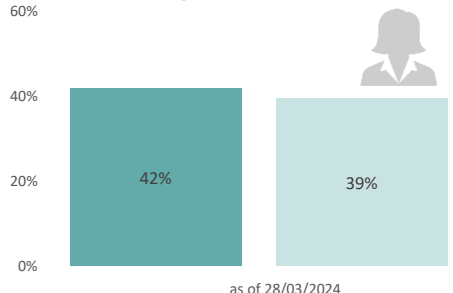
Name	Sector	Country	ESG Score
STELLANTIS NV	Cons. Disc.	Netherlands	47
RYANAIR HOLDINGS PLC	Industrials	Ireland	50
ROLLS-ROYCE HOLDINGS PLC	Industrials	United Kingdom	53

## ESG Performances

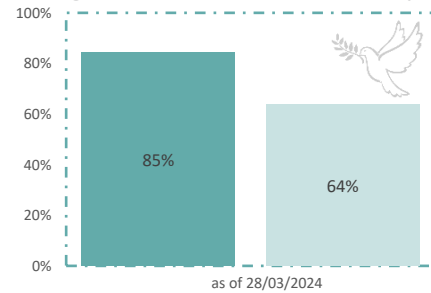
### Growth in the number of employees



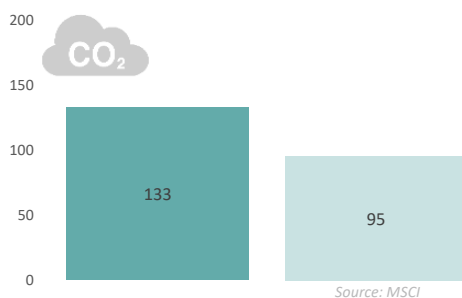
### Percentage of women on the board



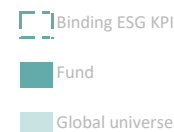
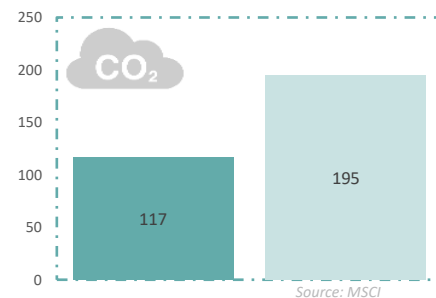
### Signatories of the United Nations Global Compact



### 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)



## 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%	96%	98%	98%
Initial universe	89%	99%	99%	99%	99%

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