

# ELEVA European Selection - Class A2

28/03/2024  
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 :  $\geq 5$  years

## Key figures

Net Asset Value	175.64 €
Total Fund Assets	5 564 540 151 €

## 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:** 16/06/2015  
**ISIN Code:** LU1111642820  
**Bloomberg Ticker:** EESRCA2 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:** 2%  
**Performance fees:** 15% of the outperformance to the SXXR with a relative HWM over 5 rolling years

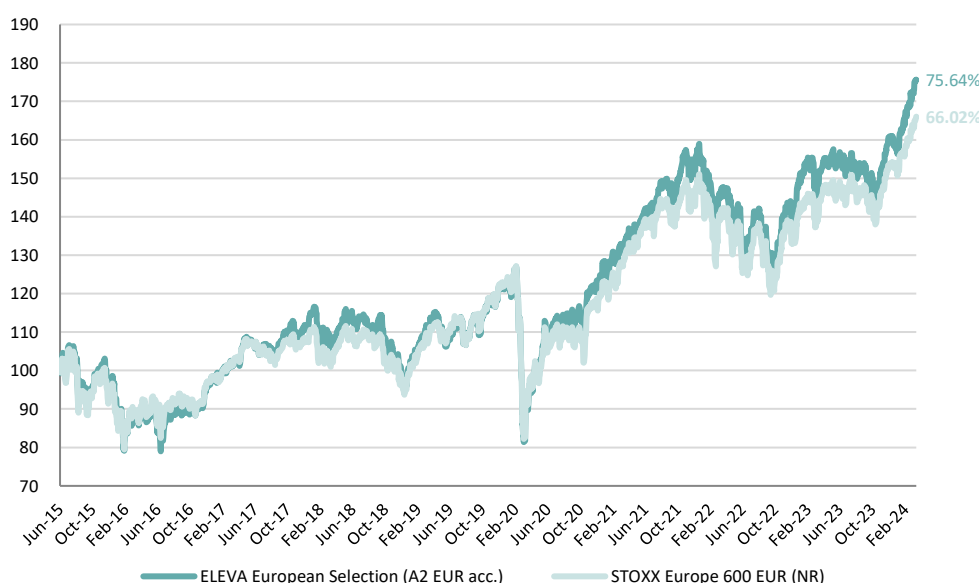
## Contact

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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

	Fund	Index
2015	-1.95%	-4.36%
2016	-1.65%	1.73%
2017	15.30%	10.58%
2018	-12.92%	-10.77%
2019	25.34%	26.82%
2020	2.05%	-1.99%
2021	27.06%	24.91%
2022	-11.78%	-10.64%
2023	15.96%	15.80%
2024	9.12%	7.65%

## Cumulative performance

	Fund	Index
1 month	4.29%	4.04%
3 months	9.12%	7.65%
6 months	17.37%	14.87%
9 months	12.63%	12.45%
1 year	15.56%	15.01%
3 years	32.69%	28.59%
5 years	59.57%	53.02%
Since inception	75.64%	66.02%

## Monthly Comment

ELEVA European Selection was up 4.29% vs an index up 4.04%, an outperformance of 25 bps.

Sector allocation had a slightly negative impact, affected by the overweight in information technology, the underweight in energy, and the overweight in consumer discretionary, but was somewhat compensated by the positive impact of consumer staples, materials, and communication services. Stock picking was positive, particularly in financials, health care, and consumer staples. Banks had a strong performance, driven by positive outlooks, with resilient net interest income and improving fee-related revenues at a time of low valuation, in our view. **BBVA** and **Unicredit** outperformed. **3i group** had a well-received Capital Markets Day for their flagship discounter Action group, that had a very strong start to the year. Cyclical continue to be in favour, and **Stellantis** announced a buyback and a better than expected outlook for 2024.

On the other hand, **BE Semiconductor** was affected by a decision by some clients to postpone their new generation of investments in 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.

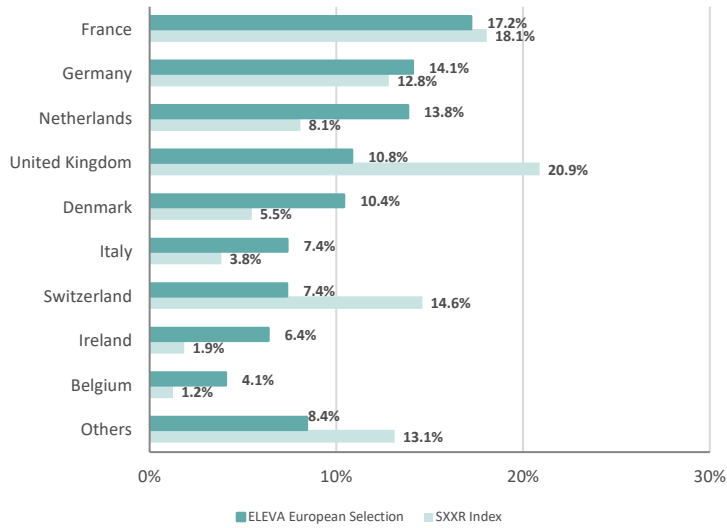
Economic growth was uneven in 2023, with low growth in Europe and in China balanced by an acceleration in the US and good developments elsewhere. Falling inflation expectations reduce the risk of a Central Bank mistake. European macroeconomic surprises are now improving, leading the way to a more synchronized upturn. In that environment, we believe that corporates will still be able to grow at a moderate pace. Value was increased to 54.8%, and cyclicals remain high at 72.1% of the fund.

Since inception, ELEVA European Selection is up 75.64% vs an index up 66.02%, an outperformance of 962 bps.

## Portfolio analysis

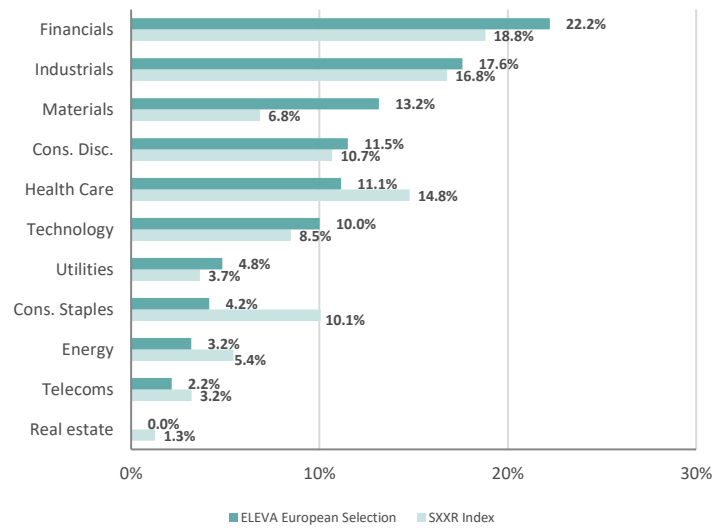
### Geographic breakdown

cash excluded



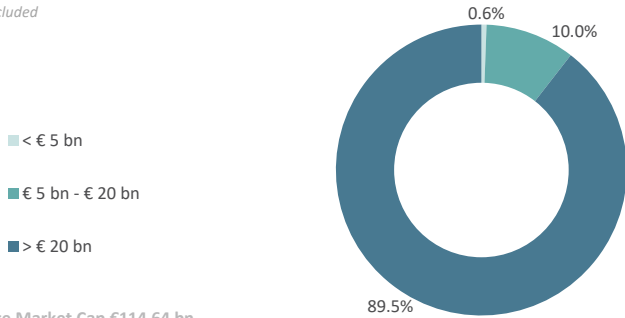
### Sector breakdown

cash excluded



### Market capitalisation

cash excluded



Average Market Cap €114.64 bn

### Risk Indicators

	Fund	Benchmark
Active Weight	73.19%	
Volatility*	16.82%	16.81%
Beta*	0.97	
Tracking Error*	3.92%	
Sharpe ratio*	0.38	0.34
Sortino Ratio*	0.46	0.41
Information Ratio*	0.17	

\* since inception

### Top 5 Holdings

Company	Sector	Country	Weight	ESG Score**
NOVO NORDISK A/S-B	Health Care	Denmark	6.05%	69
ASML HOLDING NV	Technology	Netherlands	5.99%	84
TOTAL SA	Energy	France	3.09%	72
UNICREDIT SPA	Financials	Italy	2.96%	63
LVMH MOET HENNESSY LOUIS VUI	Cons. Disc.	France	2.91%	69

\*\* ELEVA proprietary score from 0 to 100

### Top 3 contributors

Company	Absolute Contribution
NOVO NORDISK A/S CLASS B	52 bps
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	43 bps
STELLANTIS N.V.	33 bps

### Top 3 detractors

Company	Absolute Contribution
BE SEMICONDUCTOR INDUSTRIES N.V.	-23 bps
FLUTTER ENTERTAINMENT PLC	-17 bps
VOLKSWAGEN AG PREF	-17 bps

## ESG data

### Investment process

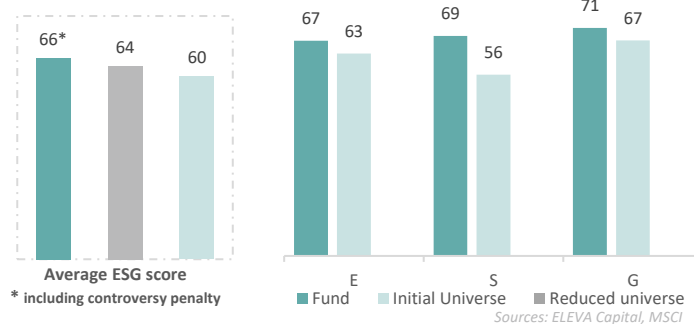
Steps	nb of companies
Initial universe (financial criterias and existence of an ESG score)	827
1. Universe post Exclusions*	813
2. Universe reduced by 20% of issuers with the lowest ESG score	647
Initial universe reduction related to exclusions and ESG selection	22%
3. Portfolio post fundamental research**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

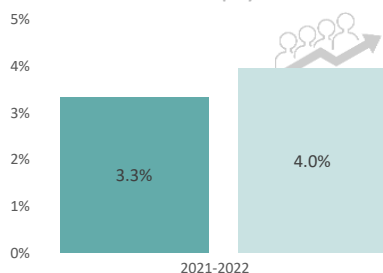
Name	Sector	Country	ESG Score
ASML HOLDING NV	Technology	Netherlands	84
SCHNEIDER ELECTRIC SE	Industrials	France	80
SSE PLC	Utilities	United Kingdom	77

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

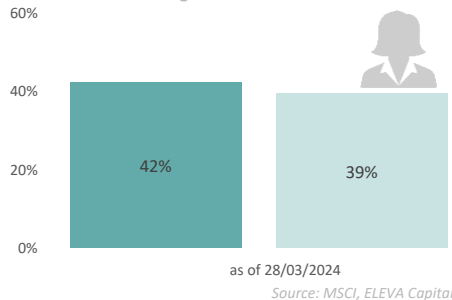
Name	Sector	Country	ESG Score
STELLANTIS NV	Cons. Disc.	Netherlands	47
RYANAIR HOLDINGS PLC	Industrials	Ireland	50
ROLLS-ROYCE HOLDINGS PLC	Industrials	United Kingdom	53

## ESG Performances

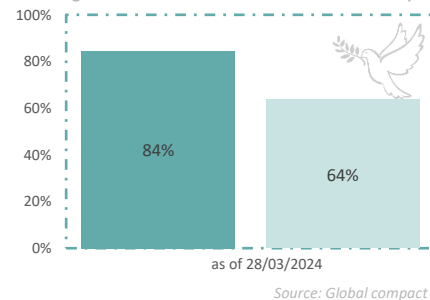
### Growth in the number of employees



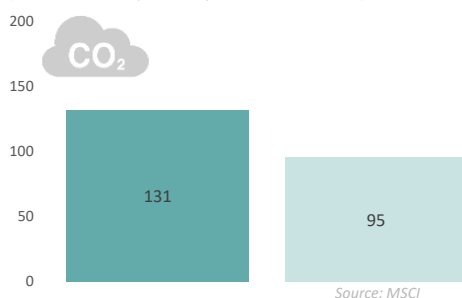
### Percentage of women on the board



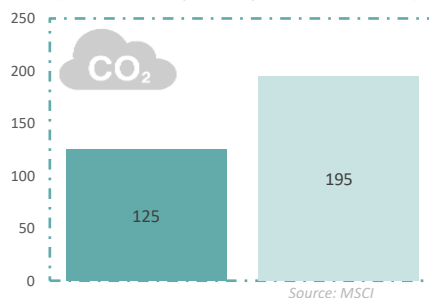
### Signatories of the United Nations Global Compact



### 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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