

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, is guided by our market scenario analysis, market opportunities and volatility
- Recommended investment period: 5 years

Key figures

Class R

Net Asset Value	101.62
Assets Under Management	92,052,843.59

Potentially lower reward ← Potentially higher reward
Lower risk Higher risk

1	2	3	4	5	6	7
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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 France, Luxembourg Branch

Central administration : HSBC France, Luxembourg Branch

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

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

Regulations do not allow us to present performance data for units that are less than one year old.

Monthly Comment

The turmoil of bond markets did not lead to a clear positioning: the US 10-year yield ended the month unchanged while its German equivalent shrank and came closer to the psychological threshold of 0%. Investment Grade and peripheral credit spreads did not perform, while high beta bonds still bring value. The Fed remains patient despite the uncertainties on the employment dynamics (materialized by the disappointment of the April "Nonfarm Payrolls") and the clearly accelerating inflation figures (core CPI and PCE). Some central banks (BoC, BoE and RBNZ) have begun the monetary turn via tapering announcements. On the currency front, excess demand for commodities (oil, iron, copper, etc.) has pushed commodity-elastic currencies such as the ZAR, CAD and BRL to annual highs. On the geopolitical front, new tensions emerged while others eased. In Eastern Europe, Belarus triggered a diplomatic crisis while tension in Ukraine eased in anticipation of the Biden-Putin summit. In the Middle East, the Israeli-Palestinian conflict was revived while the door was opened for a nuclear deal between the West and Iran.

Against this backdrop, ELEVA Global Bonds Opportunities fund had a negative performance in the month. Bond picking was positive in both emerging markets (long positions in Egypt and Ukraine) and the credit market. The strong figure on the US inflation front weighed on our bet to the US real rate hike, while the disappointment on the US employment front dampened our short rate hike strategy and penalised our US-Germany spread.

We keep our structural short positioning on short maturities in anticipation of a normalisation of monetary policies (in an environment of economic recovery and inflationary pressure). Our exposure to risky assets is becoming increasingly selective; we favour high-yield credit with low duration and sectors that are not penalised by rising rates. We are taking advantage of opportunities offered by first-time issuers and rare issuers. We keep our relative value strategies between the US and Europe, namely through higher spreads between rates and the Investment Grade credit spread (Long Eur/Short US). We have reduced our short position in the US real rate. We remain attentive to currency pairs that seem overvalued (USD-CAD, RUB-ZAR).

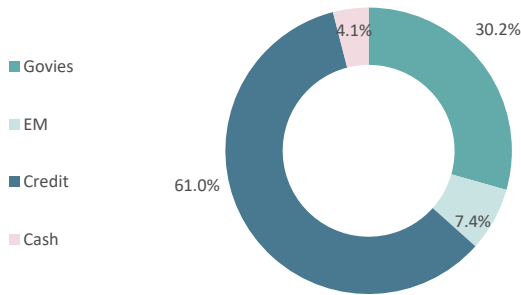
ELEVA Global Bonds Opportunities has shown a positive absolute net performance since inception in September 2020 and YTD.

Main features

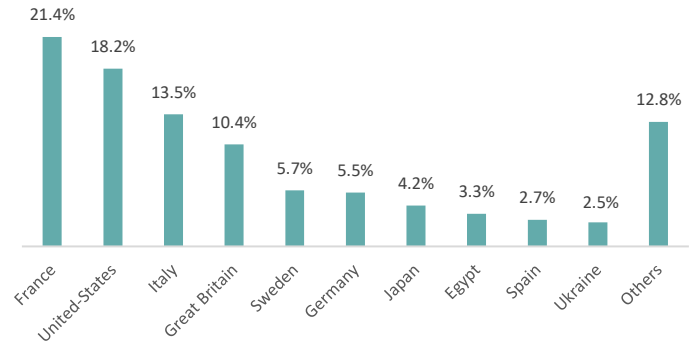
Modified duration	-3.24
Yield to Maturity	0.85%
Linear average rating	BBB
YtW	0.51%

Leverage	435%
Issuer number	56
Number of currency	7

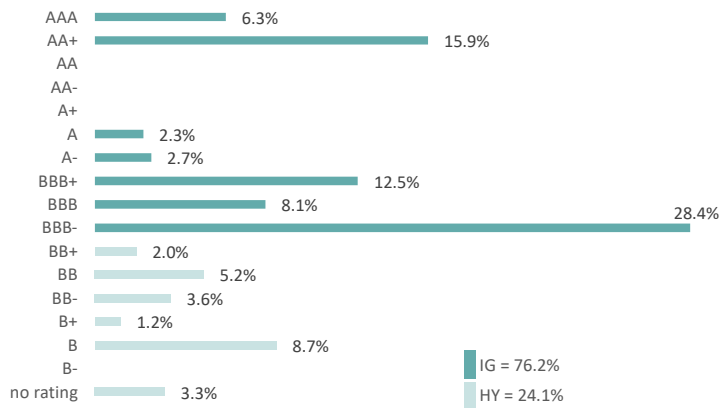
Asset Allocation (%)*



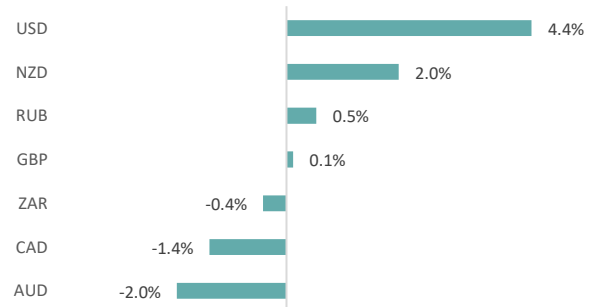
Country weights (top 10)*



Breakdown by rating (%)*

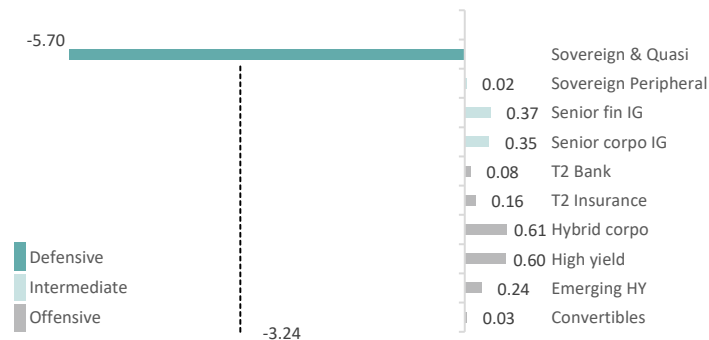


FX strategy

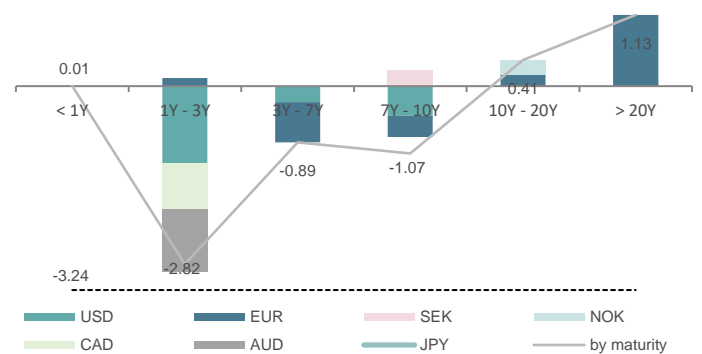


* Excl. derivatives

Asset breakdown



Curve term structure



Top 10 - Holdings

Description	Currency	Weights
United States Treasury NoteBond 0.125% 31/08/2022	USD	8.9%
United States Treasury NoteBond 0.125% 30/09/2022	USD	6.9%
BTP Italy (Govt) 5.5% 01/09/2022	EUR	5.2%
Egypt Government International B 5.75% 29/05/2024	USD	3.3%
Italy Buoni Poliennali Del Tesor 0.35% 01/02/2025	EUR	2.8%
Sweden Government Bond 0.125% 12/05/2031	SEK	2.6%
Ukraine (Government Of) 7.75% 01/09/2023	USD	2.5%
Norway Government Bond 1.25% 17/09/2031	NOK	2.4%
Cnh Industrial Fin Eur S 1.75% 12/09/2025	EUR	2.3%
Goldman Sachs Group Inc 2% 27/07/2023	EUR	2.3%

Monthly performance attribution

Duration	-11bps
Credit	+1bps
Relative Value	-15bps
Inflation	-12bps
Emergings	+12bps
FX	-2bps
Total	-27bps

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.