

# ELEVA Global Bonds Opportunities - Class A2

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 +4, and is guided by our market scenario analysis, market opportunities and volatility
- Recommended investment period: 2 years

## Key figures

Net Asset Value	€ 107.23
Assets Under Management	€ 20,535,470

## Risk Indicator

LOWER RISK	1	2	3	4	5	6	7	HIGHER RISK
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## General data

**Managers:** Laurent Pommier - Arthur Cuzin

**Legal Structure:** Luxembourg SICAV - UCITS

**Inception date:** 06/10/2020

**ISIN Code:** LU2168540636

**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:** T+2

## Fees

**Subscription fee:** 2% maximum

**Redemption fee:** 0%

**Management fee:** 1.2% max

**Performance fee:** 20% of any excess return the NAV achieves over the High Water Mark

## Contact

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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](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

## Performance

Source : ELEVA Capital



## Calendar year performance\*

	Fund
2020	0.74%
2021	-0.38%
2022	-10.43%
2023	9.19%
2024	5.33%
2025	3.72%

## Cumulative performance\*

	Fund
1 month	0.87%
3 months	2.17%
6 months	3.72%
9 months	3.07%
1 year	7.41%
3 years	20.95%
Since inception	7.23%

## Monthly Comment

In addition to the trade war, the Israeli and US attacks on Iranian military and nuclear sites have taken investors' attention. While visibility remains low, the absence of an escalation of the conflict and the preservation, at this stage, of Iran's oil production capacity have allowed risky assets to remain resilient. After peaking at close to USD 80/bbl, Brent crude prices quickly retraced to their three-month average. With regard to tariffs, the situation appears to be easing, with tariffs on Chinese imports to the US returning to 30%. The country's economic slowdown is continuing very gradually (decline in the ISM manufacturing index, fall in job creation). Inflation has risen less than expected, with the PCE inflation rate at 2.1%, as have service prices, in line with wage increases. While this development could have justified a cut in key rates, the Fed preferred to opt for patience, giving itself time to analyze the consequences of the Trump administration's policies. As expected, the ECB once again lowered its rate to 2% and indicated that it was now in "a good position to address the uncertainties ahead." The SNB lowered its rate to 0% with inflation entering negative territory in May at -0.1% year-on-year. Rate desynchronization is setting in. Ten-year sovereign rates in the US, the UK, and Japan fell by 17 basis points (4.23%), 16 basis points (4.49%) and 4 basis points (1.44%), while in Germany it rose by 11 basis points (2.61%), penalized by financing requirements linked to military spending. The credit market remained buoyant, with cash credit spreads tightening by 8 basis points (92 basis points) for investment grade and 13 basis points (320 basis points) for high yield. Emerging markets also performed well, supported by the weakening US dollar.

The ELEVA Global Bonds Opportunities fund posted a positive performance in June. Its directional portfolio was driven by duration, credit and emerging markets. Long positions in US and UK rates and short positions in Canada were the biggest contributors. The long position on Germany contributed negatively in June. A long break-even inflation position was initiated in the eurozone at the start of the attack on Iran. Romanian exposure and credit selection are performing well. At this stage, the CDS hedge used to neutralize the credit allocation is being maintained. Within the arbitrage pocket, the long position in US duration against Canada has performed well. Curves remain stable

repaid.



## Portfolio analysis

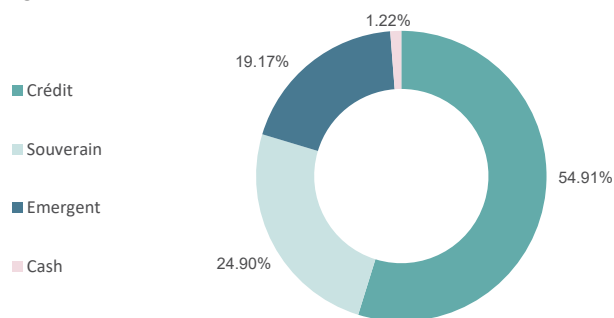
### Main features

Modified duration	3.46
Yield to Maturity (local)	4.66%
YtW (local)	4.27%
Linear average rating	BBB-

Leverage	713%
Issuer number	34
Number of currencies	8
Annualized volatility (since inception)	4.68%

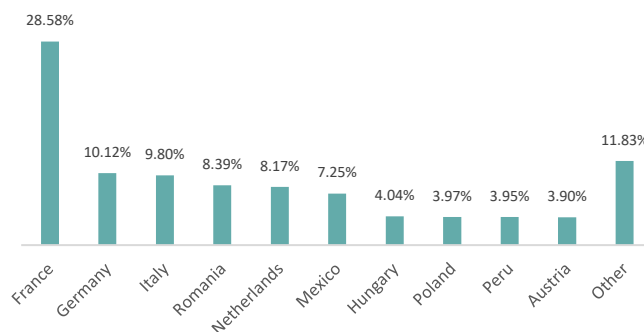
### Asset Allocation (%)

Excluding derivatives



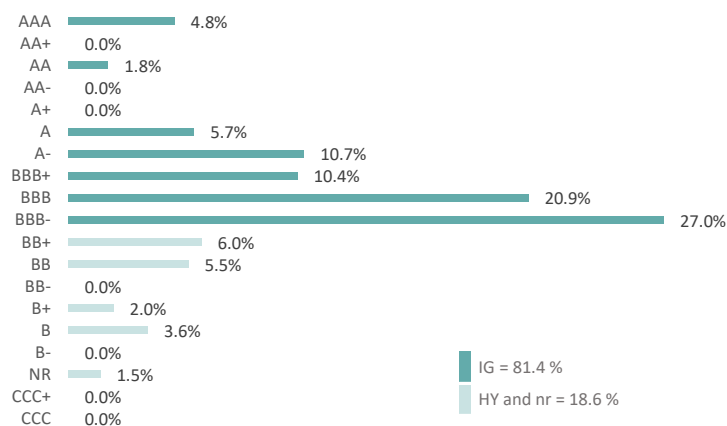
### Country weights (top 10)

Excluding derivatives

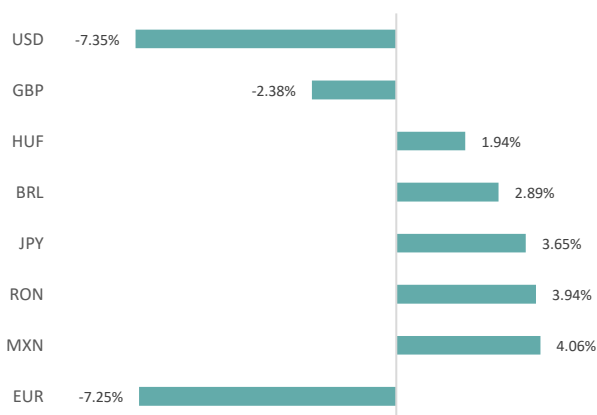


### Breakdown by rating

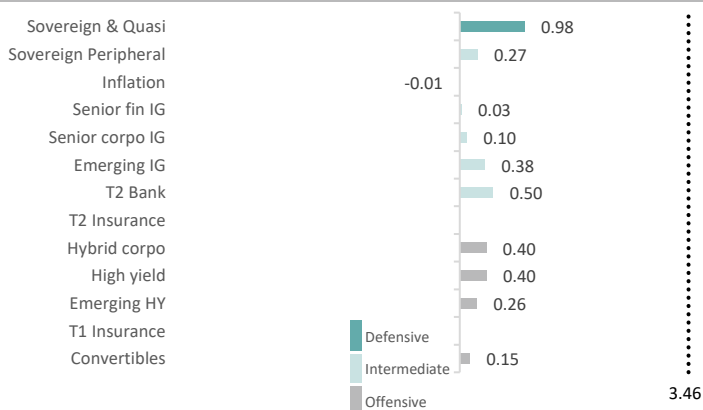
Excluding derivatives



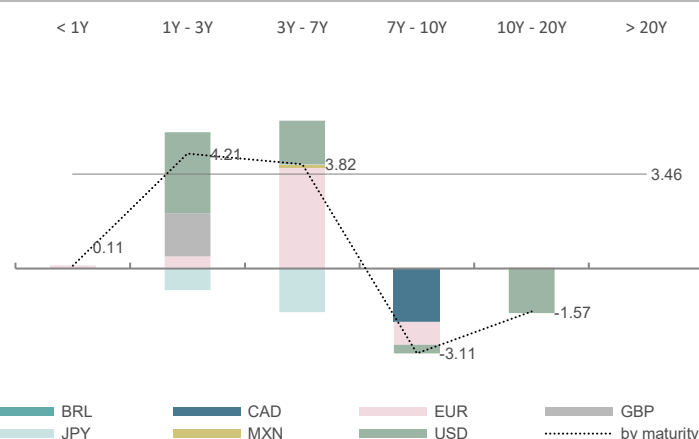
### FX strategy



### Asset breakdown



### Curve term structure





## Top 10 - Holdings

Description	Currency	Weights
ROMANIA	EUR	5.8%
BUNDESREPUB. DEUTSCHLAND	EUR	4.9%
REPUBLIC OF POLAND	EUR	4.1%
REPUBLIC OF PERU	EUR	4.0%
BONOS Y OBLIG DEL ESTADO	EUR	3.9%
UNITED MEXICAN STATES	EUR	3.9%
ENGIE SA	EUR	3.7%
REPSOL INTL FINANCE	EUR	3.6%
IBERDROLA INTL BV	EUR	3.4%
MEX BONOS DESARR FIX RT	MXN	3.4%

## Monthly performance attribution

Duration	+35 bps
Credit	+26 bps
Relative Value	+34 bps
Inflation	-2 bps
Emergings	+45 bps
FX	-13 bps
<b>Total</b>	<b>+125 bps</b>

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