

ELEVA Euroland Selection

31/10/2018
Monthly report

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.

Investment objective and approach

- Aiming to achieve superior long-term risk adjusted returns
- Medium-term time horizon
- Investing primarily in equities and equity related securities of companies incorporated or having their principal business activities in Euroland countries.
- Conviction investing using bottom-up stock-picking with high active weight of 80%+ and tracking error target of 6%
- Flexible, opportunistic, and pragmatic approach, with no sector/country bias and style/market cap agnostic
- Using a macroeconomic overlay to support sector positioning

Fund facts

Manager: Eric Bendahan

Legal structure: Luxembourg SICAV - UCITS V

Fund launch date: 10th July 2017

Total Fund Assets: 197 917 550 €

Last NAV: as of 31/10/2018

Class R (EUR) acc.: 101.38 €

Class R (GBP) acc. (hedged): 96.42 GBP

Distribution policy:

Class R (EUR) acc.: Accumulation

Class R (GBP) acc. (hedged): Accumulation

Benchmark: EURO STOXX Index (Net Return)

ISIN & Bloomberg code:

Class R (EUR) acc.: LU1616922123 | EESEREA LX

Class R (GBP) acc. (hedged): LU1616922396 | EESRGAI LX

Share class launch date:

Class R (EUR) acc.: 10th July 2017

Class R (GBP) acc. (hedged): 2nd August 2017

Registration (I EUR acc.): CH, DK, FI, FR, GB, IS, LU, NL, NO, PT, SE, SG

For all available share classes please refer to the Fund prospectus

PEA Eligible

Performance and risk measures



Source: ELEVA Capital, Bloomberg

Calendar year performance*

	Fund	Index
2017	5.35%	2.61%
2018	-3.77%	-6.37%

Fund Performance (Net)*

	Fund	Index
1 month	-7.62%	-6.62%
2 months	-6.46%	-6.84%
3 months	-8.88%	-9.28%
6 months	-6.89%	-8.26%
Since inception	1.38%	-3.92%

(* Class I (EUR) acc: share class launched 10/07/2017

Monthly Comment

Markets were under severe pressure in October. The combination of muted earnings, slowing macro indicators and rising interest rates in the US created an aggressive sell off in the month. Growth, small and mid-caps and cyclical companies underperformed significantly. ELEVA Euroland Selection was down 7.62%, underperforming the index by 100 bps.

Sector allocation had a negative impact in the month; our overweight position in Technology and Consumer Staples had a negative impact which was not fully compensated by the underweight in Consumer Discretionary. Stock picking also had a negative impact, particularly in Materials and Technology. On the contributors, **Masmovil** had a positive impact with the company raising its guidance after very strong commercial momentum in Spain. **Sanofi** was also in favour posting solid numbers, whilst **Grifols** published some promising early data on Alzheimer's. On the other hand, a number of Materials companies came under severe pressure and in turn reversed some of their September gains, including **UPM Kymmene** and **ArcelorMittal**. Oil and oil services companies also suffered heavily from lower oil prices. In addition, our stock picks in the Technology sector suffered heavily from the sector rotation and from their mid-cap status, **Reply** and **Solutions 30** in particular.

We continue to keep a growth and quality bias in the Fund (58%), noting further deterioration in our leading indicators in the month. In our view, this is to be weighed against an attractive valuation backdrop for European equities.

Since inception, Eleva Euroland Selection is up 1.38%, an outperformance of 530 bps.

Fund manager

Eric Bendahan is the Portfolio Manager of Eleva European Selection, Eleva Euroland Selection and Eleva Absolute Return Europe Funds. Prior to founding Eleva Capital, Eric worked for 9 years at Banque Syz & Co where he was responsible for managing Oyster European Opportunities and Oyster European Selection funds. Eric is a CFA Charterholder and has a Master's in Business and Economics at ESSEC.

Administrative information

Central administration:

Brown Brothers Harriman (Luxembourg) S.C.A.

Transfer agent:

Brown Brothers Harriman (Luxembourg) S.C.A.

Custodian bank:

Brown Brothers Harriman (Luxembourg) S.C.A.

Auditor:

PricewaterhouseCoopers

Management Company:

Lemanik Asset Management S.A.

Subscription / Redemption Cut off:

12:00 CET

Subscription / Redemption Settlement:

T+2

Fees

Subscription fee: Up to 3%

Redemption fee: 0%

Management fee: 0.9%

Performance fee: 10% of outperformance to the EURO

STOXX Index Net Return (SXXT)

Investment Manager

Firm name:

ELEVA Capital SAS

Address:

15 avenue Matignon, 75008 Paris

Telephone:

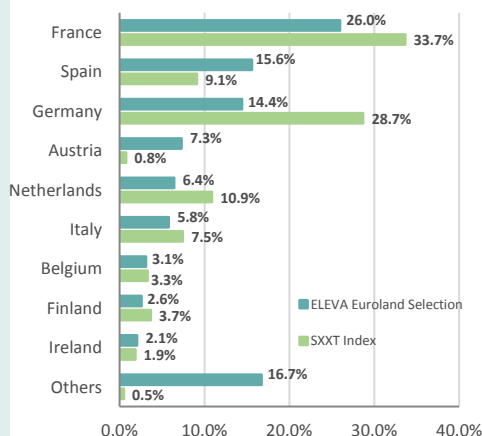
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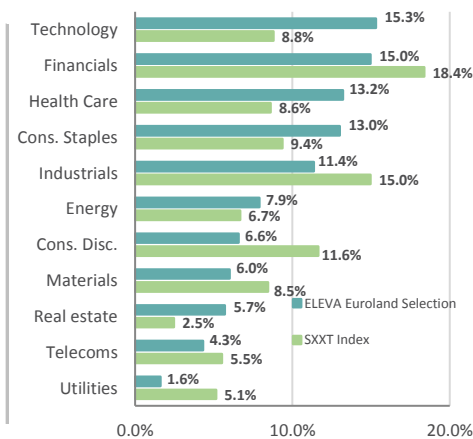
Portfolio analysis

Geographic breakdown



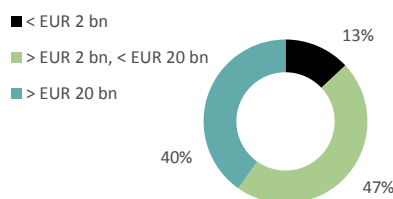
Source: ELEVA Capital

Sector breakdown



Source: ELEVA Capital

Market Capitalisation



Average Market Cap €25.22 bn

Risk Indicator (since inception)

Risk	Fund	Benchmark
Active Weight	78.38%	
Volatility	11.21%	11.21%
Beta	0.93	
Tracking Error	3.84%	
Sharpe ratio	0.13	-0.23
Sortino Ratio	0.17	-0.33
Information Ratio	1.06	

Top 5 holdings

Company	Sector	Weight
SANOFI	Health Care	4.21%
BEIERSDORF AG	Cons. Staples	3.70%
SAIPEM SPA	Energy	3.68%
ERSTE GROUP BANK AG	Financials	3.40%
PERNOD RICARD SA	Cons. Staples	3.26%
TOTAL		18.25%

Top 3 contributors

Name	Contribution Absolute
Masmovil Ibercom SA	36 bps
Grifols S.A.	12 bps
Sanofi	8 bps

Source: ELEVA Capital

Top 3 detractors

Name	Contribution Absolute
Arcelormittal SA	-69 bps
Upm-Kymmene Corp	-51 bps
Reply SPA	-49 bps

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Product(s) described herein is/are not available to all persons in all geographic locations. There are significant risks associated with investment in the Fund. Investment may not be suitable for all investors and is intended for sophisticated investors who have fully understood the risks associated with such an investment and can accept a substantial or complete loss of their investment.

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.