

ELEVA Euroland Selection - Class R

31/01/2019
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: 260 748 233 €

Last NAV: as of 31/01/2019

Class R (EUR) acc.: 99.26 €

Class R (GBP) acc. (hedged): 94.68 GBP

Distribution policy:

Class R (EUR) acc.: Accumulation

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

Benchmark: EURO STOXX Index (Net Return) | SXXT Index

ISIN & Bloomberg code:

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

Class R (GBP) acc. (hedged): LU1616922396 | EESRGA1 LX

Share class launch date:

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

Class R (GBP) acc. (hedged) : 8th March 2018

Registration (R 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

Sources: ELEVA Capital, Bloomberg



Calendar year performance*

	Fund	Index
2017	5.35%	2.61%
2018	-11.71%	-12.72%
2019	6.72%	6.25%

Fund Performance (Net)*

	Fund	Index
1 month	6.72%	6.25%
2 months	0.60%	0.13%
3 months	-2.09%	-0.96%
6 months	-10.79%	-10.15%
Since inception	-0.74%	-4.84%

(* Class I (EUR) acc: share class launched 10/07/2017 - Please note that past performance is not a reliable indicator of future results.

Monthly Comment

Markets started the year with a positive move, partially erasing the precipitous fall in December, encouraged by positive signals on the US-China trade negotiations and by the confirmation of a wait-and-see approach by the Fed. China also announced new measures to stimulate the economy. ELEVA Euroland Selection Fund was up 6.72%, an outperformance versus the index of 47bps.

Sector allocation had a negative impact in the month; we were underrepresented in Energy and Industrials. Stock picking was more favourable however, particularly in Industrials and Technology. On the contributors, **Devoteam** and **Solutions 30** recovered after a difficult share price performance in the second half of last year, whilst confirming their growth potential continues to be very good. In addition, **Plastic Omnium** bounced as the market realized they had over-penalized the company. On the contrary, defensive companies (**Deutsche Telekom**, **MasMovil**) suffered from the sector rotation in favour of more cyclical names or high growth names.

Although early days, our leading indicators have inflected positively in January. While the macro economic backdrop remains challenging, particularly in Europe, our leading indicators suggest they are unlikely to get much worse. Indeed, we see better signals in China and US. As a consequence, we have been adding to Cyclical and Value in late December/ January. Valuations in this space have declined materially over 2018 and multiples have dropped, by more than 30% in many cases. The Value part of Euroland Selection Fund has increased to 51.5% of the portfolio.

Since inception, Eleva Euroland Selection is down -0.74% versus the index -4.84%, an outperformance of 410 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:

+33(0) 1 86 26 68 25

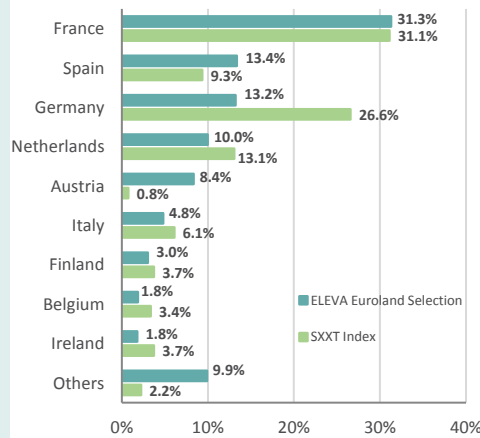
Contact:

Axel Plichon, Head of Business Development
axel.plichon@elevacapital.com

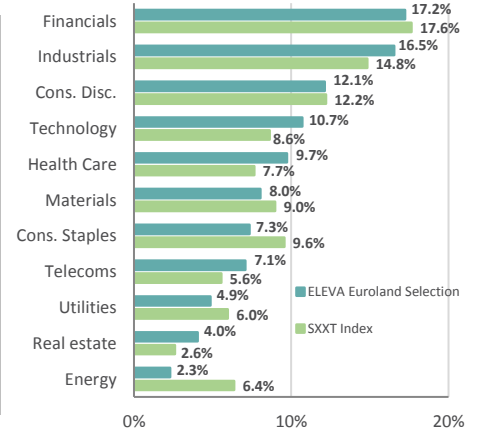
Portfolio analysis

Source: ELEVA Capital

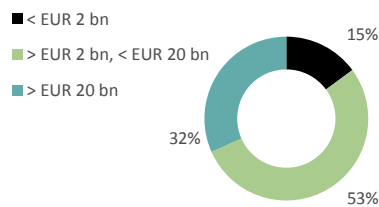
Geographic breakdown



Sector breakdown



Market Capitalisation



Average Market Cap €19.44 bn

Risk Indicator (since inception)

Risk	Fund	Benchmark
Active Weight	84.58%	
Volatility	12.22%	12.25%
Beta	0.95	
Tracking Error	3.90%	
Sharpe ratio	-0.01	-0.23
Sortino Ratio	-0.01	-0.32
Information Ratio	0.68	

Top 5 holdings

Company	Sector	Weight
KERING	Cons. Disc.	3.61%
ERSTE GROUP BANK AG	Financials	3.42%
KONINKLIJKE PHILIPS NV	Health Care	3.37%
ABN AMRO GROUP NV-CVA	Financials	3.31%
AIRBUS SE	Industrials	3.17%
TOTAL		16.89%

Top 3 contributors

Name	Contribution Absolute
Devoteam	64 bps
Airbus	51 bps
Solutions 30	49 bps

Top 3 detractors

Name	Contribution Absolute
Bankinter	-9 bps
Stemmer Imaging	-13 bps
Deutsche Telekom	-14 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.