

ELEVA European Selection

28/09/2018
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 European equities and equity related securities
- 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: 26th January 2015

Total Fund Assets: 3 101 904 914 €

Last NAV: as of 28/09/2018

Class A1 (EUR) acc.: 131.34 €

Class A1 (EUR) dis.: 106.25 €

Class A1 (CHF) acc. (hedged): 127.95 CHF

Class A1 (USD) acc. (hedged): 135.31 USD

Class A2 (EUR) acc.: 113.63 €

Distribution policy:

Class A1 (EUR) acc.: Accumulation

Class A1 (EUR) dis.: Distribution

Class A1 (CHF) acc. (hedged) : Accumulation

Class A1 (USD) acc. (hedged) : Accumulation

Class A2 (EUR) acc.: Accumulation

Benchmark: STOXX Europe 600 EUR (net return)

ISIN & Bloomberg code:

Class A1 (EUR) acc. : LU1111642408 | EESFA1E LX

Class A1 (EUR) dis. : LU1543705286 | EESA1D LX

Class A1 (CHF) acc. (hedged) : LU1111642663 | EESFA1H LX

Class A1 (USD) acc. (hedged) : LU1111642580 | EESFA1U LX

Class A2 (EUR) acc. : LU1111642820 | EESRCA2 LX

Share class launch date:

Class A1 (EUR) acc. : 9th February 2015

Class A1 (EUR) dis. : 8th June 2017

Class A1 (CHF) acc. (hedged) : 9th February 2015

Class A1 (USD) acc. (hedged) : 9th February 2015

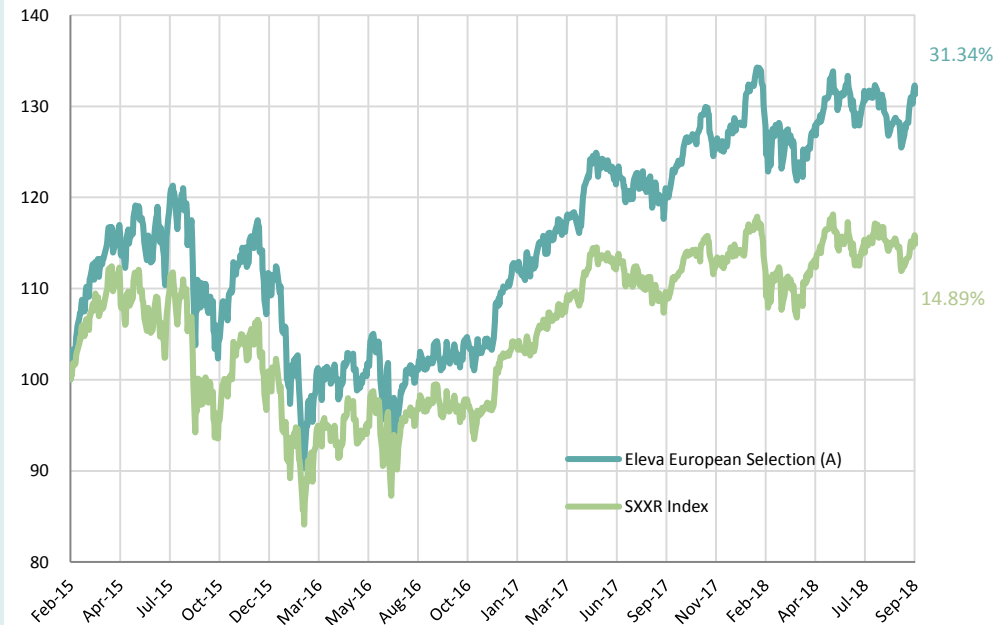
Class A2 (EUR) acc. : 16th June 2015

Registration (A1 EUR acc.): AT, BE, CH, DE, DK, FI, FR, IT, 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
2015	11.77%	1.21%
2016	-1.16%	1.73%
2017	15.88%	10.58%
2018	2.60%	0.90%

(* Class A1 (EUR) acc: (Share class launch 09/02/2015)

Fund Performance (Net)*

	Fund	Index
1 month	2.37%	0.32%
3 months	1.93%	1.26%
6 months	6.05%	5.28%
9 months	2.60%	0.90%
1 year	4.68%	1.48%
2 years	27.96%	18.01%
3 years	25.22%	19.79%
Since inception	31.34%	14.89%

Monthly Comment

Markets were stable in September with ongoing political uncertainty in Italy weighing on sentiment, somewhat balanced by a stabilisation in leading indicators in Europe and in China. ELEVA European Selection was up 2.37%, outperforming the index by 205 bps.

Sector allocation was positive in the month as a result of an overweight position in Materials and an underweight in Consumer Discretionary. Stock picking was very positive, particularly in Energy, Materials and Industrials. **Jardine Lloyd Thomson** was the best contributor after the company was acquired for £4.3 bn in cash by Marsh McLennan. In addition, our oil services convictions (**Saipem**, **Subsea 7**) performed with the market, growingly upbeat on an upturn in oil & gas capex. An improvement in commodity prices also helped our material names. On detractors, **Ocado** and **Delivery Hero** suffered from the rotation towards value names in the month. That said, we remain convinced on their investment propositions.

We continue to keep a growth bias in the fund at 58%, but are mindful not to chase companies with excessive valuations. After a period of synchronised weakness, our leading indicators are stabilising. In our view, Materials, Oil services and a number of selected Financials present interesting value opportunities.

Since inception, Eleve European Selection is up 31.34%, an outperformance of 1645 bps to the STOXX 600 Total Return (SXXR).

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.

Transfert 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 (A1 class): 1.5%

Management fee (A2 class): 2.0%

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

Investment Manager

Firm name:

ELEVA Capital SAS

Address:

15 avenue Matignon, 75008 Paris

Telephone:

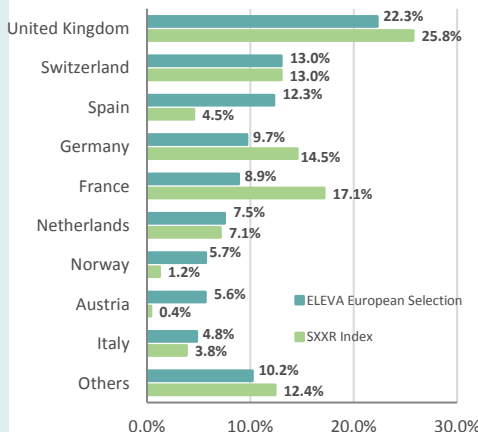
+33(0) 1 86 26 68 25

Contact:

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

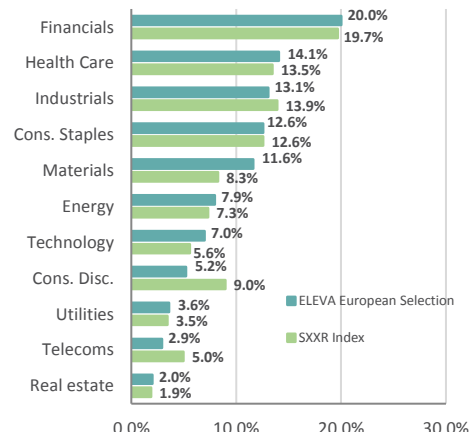
Portfolio analysis

Geographic breakdown



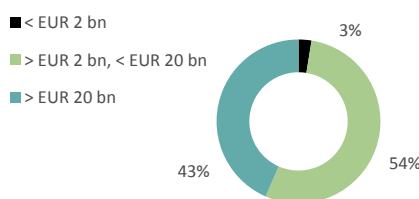
Source: ELEVA Capital

Sector breakdown



Source: ELEVA Capital

Market Capitalisation



Average Market Cap €30.68 bn

Risk Indicator (3 years)

Risk	Fund	Benchmark
Active Weight	85.68%	
Volatility	14.82%	14.46%
Beta	0.98	
Tracking Error	4.10%	
Sharpe ratio	0.55	0.45
Sortino Ratio	0.69	0.59
Information Ratio	0.39	

Top 5 holdings

Company	Sector	Weight
ASTRAZENECA PLC	Health Care	3.35%
ERSTE GROUP BANK AG	Financials	3.29%
NESTLE SA-REG	Cons. Staples	3.19%
SCHINDLER HOLDING	Industrials	3.14%
ARCELORMITTAL	Materials	3.14%
TOTAL		16.11%

Top 3 contributors

Name	Contribution Absolute
Jardine Lloyd	62 bps
Aker BP	49 bps
South32	28 bps

Source: ELEVA Capital

Top 3 detractors

Name	Contribution Absolute
Ocado Group	-28 bps
Delivery Hero	-19 bps
Ferrovial	-12 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.