

# ELEVA European Selection - Class R

28/02/2019  
Monthly report

This document should be read in conjunction with the prospectus and relevant KIIDs which are available on our website [www.elevacapital.com](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 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:** 3 324 589 089 €

**Last NAV:** as of 28/02/2019

Class R (EUR) acc. : 126.27 €

Class R (EUR) dis. : 99.29 €

Class R (CHF) acc. (hedged) : 108.75 CHF

Class R (GBP) acc. (hedged) : 119.31 GBP

Class R (USD) acc. (hedged) : 109.32 USD

### Distribution policy:

Class R (EUR) acc. : Accumulation

Class R (EUR) dis. : Distribution

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

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

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

**Benchmark:** STOXX Europe 600 EUR (net return) - SXXR Index

### ISIN & Bloomberg code:

Class R (EUR) acc. : LU1111643711 | ELVESRE LX

Class R (EUR) dis. : LU1716217044 | ELESRED LX

Class R (CHF) acc. (hedged) : LU1148164426 | EESRCAH LX

Class R (GBP) acc. (hedged) : LU1111643802 | EESRGAH LX

Class R (USD) acc. (hedged) : LU1148156323 | ELERUAH LX

### Share class launch date:

Class R (EUR) acc. : 26th January 2015

Class R (EUR) dis. : 19th February 2018

Class R (CHF) acc. (hedged) : 12th June 2015

Class R (GBP) acc. (hedged) : 24th February 2015

Class R (USD) acc. (hedged) : 30th June 2017

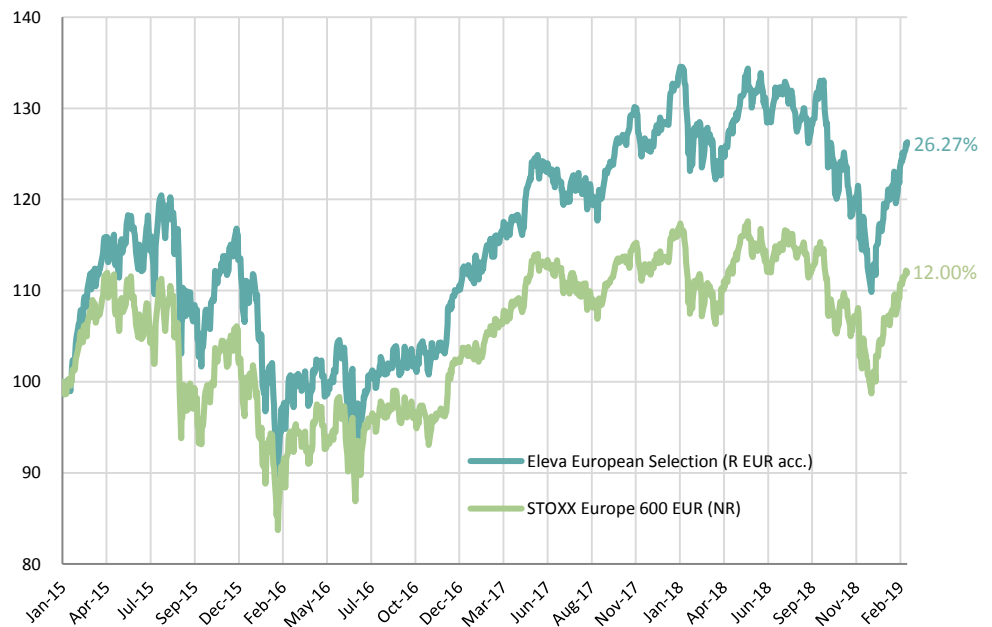
**Registration (R EUR acc.) :** BE, CH, DE, DK, ES, FI, FR, GB, IS, LU, NL, NO, SE, SG

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
2015	11.11%	0.76%
2016	-0.73%	1.73%
2017	16.31%	10.58%
2018	-12.00%	-10.77%
2019	11.84%	10.74%

### Fund Performance (Net)\*

	Fund	Index
1 month	4.12%	4.15%
3 months	5.39%	4.70%
6 months	-2.12%	-1.75%
9 months	-3.33%	-1.46%
1 year	-1.09%	1.05%
2 years	10.91%	6.36%
3 years	28.64%	21.40%
Since inception	26.27%	12.00%

(\* Class R (EUR) acc: Share class launch 26/01/2015 - Past performance is not a reliable indicator of future results.

## Monthly Comment

Markets continued its positive trend in February, fuelled by an improvement in US-China trade dynamics combined with lower probabilities of a no-deal Brexit. Corporate results were also generally better than originally feared by market participants. ELEVA European Selection was up 4.12%, an underperformance of 3 bps versus the index.

The sector allocation impact was slightly negative in the month, our overweight in Industrials was unable to fully compensate our underweight in Financials and Consumer Staples. Stock picking was slightly positive; difficult in Communication services, but better in Technology and Consumer Discretionary. On the contributors, nursing home operator **Orpea** recovered after a weak patch with a better than expected outlook. In addition, **Airbus** and **Altran Technology's** results were also well received. Generally, Financials and Commodity names had a strong month.

On the contrary, **Ubisoft** led the detractors on continued fears, unfounded in our view, of greater competitive intensity in the video games industry. The outlook of Gold operator **Fresnillo** also disappointed.

Our leading indicators have inflected in January. While the macro economic backdrop is still challenging, particularly in Europe, it appears leading indicators are unlikely to get much worse. Indeed, we see some better signals in China and US. Consequently, we have been adding to Cyclical and Value in late December/ January. Valuations in this space declined materially in 2018 and multiples have dropped, in many cases, by more than 30 pct. The Value exposure of the European Selection portfolio has now moved up to 57% of the portfolio.

Since inception, Eleva European Selection is up 26.27% versus the index up 12%, an outperformance of 1427 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 Stoxx 600 total return (SXXR)

## Investment Manager

### Firm name:

ELEVA Capital SAS

### Address:

15 avenue Matignon, 75008 Paris

### Telephone:

+33(0) 1 86 26 68 40

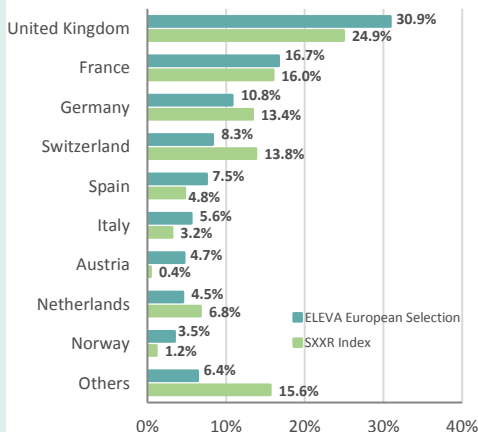
### Contact:

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axel.plichon@elevacapital.com

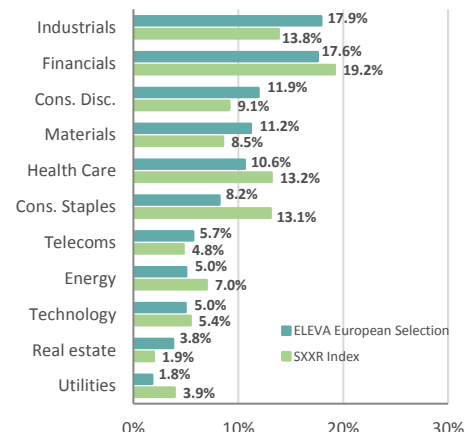
## Portfolio analysis

Source: ELEVA Capital

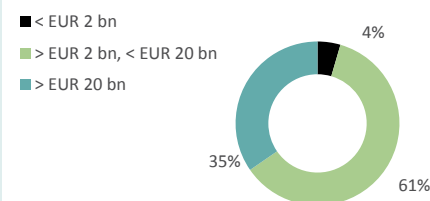
### Geographic breakdown



### Sector breakdown



### Market Capitalisation



Average Market Cap €31.24 bn

### Risk Indicator (3 years)

Risk	Fund	Benchmark
Active Weight	82.7%	
Volatility	13.66%	12.78%
Beta	1.03	
Tracking Error	3.72%	
Sharpe ratio	0.67	0.55
Sortino Ratio	0.84	0.73
Information Ratio	0.56	

### Top 5 holdings

Company	Sector	Weight
ERSTE GROUP BANK AG	Financials	3.11%
ROCHE HOLDING AG-GENUSSCHEIN	Health Care	3.07%
AIRBUS SE	Industrials	3.00%
PRUDENTIAL PLC	Financials	2.76%
UPM-KYMMENE OYJ	Materials	2.63%
<b>TOTAL</b>		<b>14.57%</b>

### Top 3 contributors

Name	Contribution Absolute
Airbus	34 bps
Orpea	29 bps
Erste Group Bank	28 bps

### Top 3 detractors

Name	Contribution Absolute
Masmovil Ibercom	-7 bps
Fresnillo	-22 bps
UBI Soft Entertainment	-39 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.

In Switzerland, the prospectus and the key investor information document(s), the articles of association, the annual and semi-annual reports can be obtained, free of charge, at the offices of the Swiss representative and paying agent, Société Générale Paris, Zurich Branch, Talacker 50, 8001 Zurich. Société Générale Paris is registered at the Commercial Registry of the Canton of Zurich