

# ELEVA Absolute Return Europe - Class I

Monthly report

For professional, qualified and institutional investors.

This document should be read in conjunction with the prospectus and the KIID 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 an absolute return over the medium term through capital growth
- Investing primarily in European equities and equity related securities on both a long and short basis
- Differentiated and disciplined bottom up investment philosophy complemented by a macroeconomic overlay to support sector positioning
- Flexible net exposure between -10 and +50% driven by fundamental idea generation and market volatility
- Recommended investment horizon : At least 5 years

## Fund facts

**Manager:** Eric Bendahan

**Legal structure:** Luxembourg SICAV - UCITS V

**Fund launch date:** 30th December 2015

**Total Fund Assets:** 2 369 385 674 €

**Last NAV:** as of 29/01/2021

Class I (EUR) acc.: 1 166.91 €

Class I (EUR) dis.: 1 162.23 €

Class I (CHF) acc. (hedged) : 1 224.40 CHF

Class I (GBP) acc. (hedged) : 1 158.12 GBP

Class I (USD) acc. (hedged) : 1 182.17 USD

### Distribution policy:

Class I (EUR) acc.: Accumulation

Class I (EUR) dis.: Distribution

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

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

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

### ISIN & Bloomberg code:

Class I (EUR) acc.: LU1331972494 | ELARIEA LX

Class I (EUR) dis.: LU1331973112 | ELARIED LX

Class I (CHF) acc. (hedged): LU1331972817 | ELEICAH LX

Class I (GBP) acc. (hedged): LU1331972908 | ELEIGAH LX

Class I (USD) acc. (hedged): LU1331972650 | ELAIUAH LX

### Share class launch date:

Class I (EUR) acc.: 10<sup>th</sup> January 2018

Class I (EUR) dis.: 12<sup>th</sup> January 2018

Class I (CHF) acc. (hedged) : 11<sup>th</sup> August 2017

Class I (GBP) acc. (hedged) : 19<sup>th</sup> June 2018

Class I (USD) acc. (hedged) : 23<sup>th</sup> August 2018

**Registration (I EUR acc.):** AT, BE, DK, FI, FR, DE, IS, IE, IT, LU, NL, NO, PT, SG, ES, SE, GB, CH

For all available share classes please refer to the Fund prospectus.

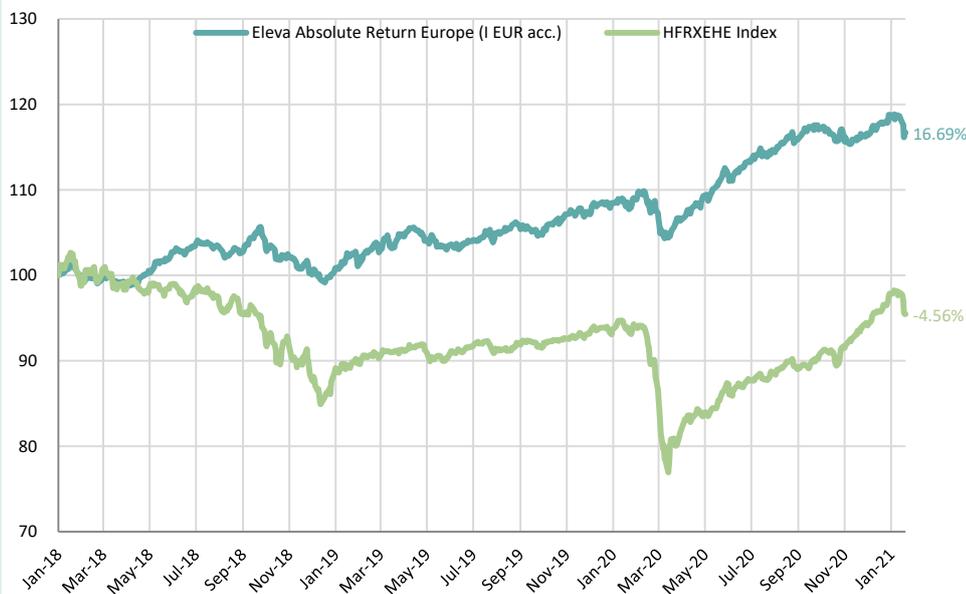
## Risk measures since inception

Volatility	4.33%
VaR (99%, 20 days)	4.11%
Sharpe ratio	1.31
Sortino Ratio	1.69

Sources: ELEVA Capital

## Performance and risk measures

Sources: ELEVA Capital, Bloomberg



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021	-0.91%												-0.91%
2020	-0.63%	-0.36%	-1.41%	2.42%	2.38%	1.65%	0.96%	2.19%	0.55%	-1.12%	0.30%	1.49%	8.64%
2019	2.66%	0.81%	0.37%	1.32%	-1.54%	0.30%	1.24%	0.82%	-0.53%	0.64%	1.70%	0.53%	8.58%
2018	0.94%	-1.27%	-0.46%	0.64%	2.13%	1.08%	0.26%	-0.24%	1.75%	-2.41%	-1.09%	-1.41%	-0.18%

Class I (EUR) acc: share class launched 10/01/2018 - Please note that past performance is not a reliable indicator of future results.

## Monthly Comment

Markets opened on a high note due to ongoing progress on vaccinations and expectations of further significant fiscal stimulus. However they lost ground over the month as additional lockdowns were implemented globally. High retail investor activity disrupted the US market in January and triggered a wave of short covering activity. ELEVA Absolute Return Europe was down 0.91% in January.

The long book had a negative impact on performance, weighted by poor contributions from Financials and Staples, while Industrials and Materials had a positive impact. Cyclical were in favour generally, even if it reversed partially as some investors cut their positions to reduce gross exposure. **Covestro** was the best contributor in the month, thanks to ongoing market tightness on their main chemical end markets in polycarbonates and polyurethanes. **Michelin** showed a healthy recovery in tyre demand in Q4, as did **Volvo** with record orders of trucks in the US. On the contrary, defensives suffered. **JDE Peet** was as investors worried about the impact of the weak out of home coffee demand in Europe and Brazil. There was also some profit taking in **Stellantis**, the merged entity of Fiat and Peugeot, after a strong share price performance.

The short book was a small drag to performance. Index hedges helped, but their impact was outweighed in the last week of the month by a wave of short covering that took place in Europe, even if the retail investor influence is clearly not as pronounced as in the US. Our short book is quite diversified and we try to avoid trades that are too crowded in our view.

The macroeconomic environment has been extremely affected by the COVID-19 outbreak, but should now improve. A gradual availability of vaccine means that the economic environment should normalize fully by early 2022. There is probably scope for value and cyclical to continue their outperformance in the next quarters. We will continue to monitor leading indicators that are in the process of peaking. Value exposure is at 49.3% of the long book. Net exposure was reduced to 18.0% as volatility picked up in markets, whilst gross exposure is at 135.4%.

Since inception, ELEVA Absolute Return Europe is up 16.69%.

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## Portfolio 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:

HSBC Continental Europe, Luxembourg Branch

### Transfert agent:

HSBC Continental Europe, Luxembourg Branch

### Custodian bank:

HSBC Continental Europe, Luxembourg Branch

### Auditor:

PricewaterhouseCoopers

### Management Company:

ELEVA Capital SAS

### Subscription / Redemption Cut off:

12:00 CET

### Subscription / Redemption Settlement:

T+2

## Fees

**Subscription fee:** Up to 3%

**Redemption fee:** 0%

**Management fee:** 1%

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

## Investment Manager

### Firm name:

ELEVA Capital SAS

### Address:

32 rue de Monceau, 75008 Paris

### Telephone:

+33 (0)1 40 69 28 70

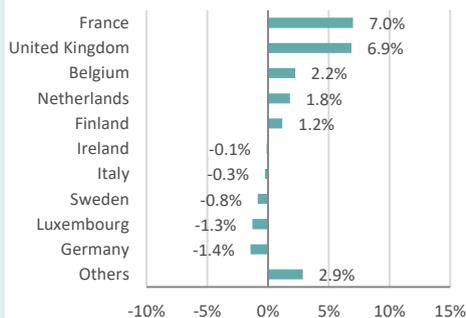
### Contact:

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

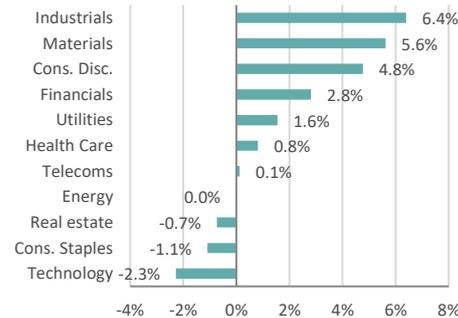
## Portfolio analysis

Source: ELEVA Capital

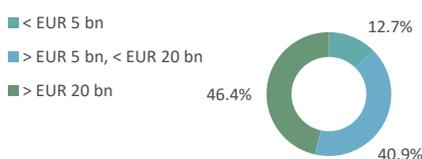
### Geographic breakdown (Net %)



### Sector breakdown (Net %)



### Market Capitalisation (Long Book)



### Portfolio Breakdown

Portfolio Exposure	Exposure (%)
Equity Long Exposure	76.7%
Equity Short Exposure	58.7%
Equity Net Exposure	18.0%
Equity Gross Exposure	135.4%

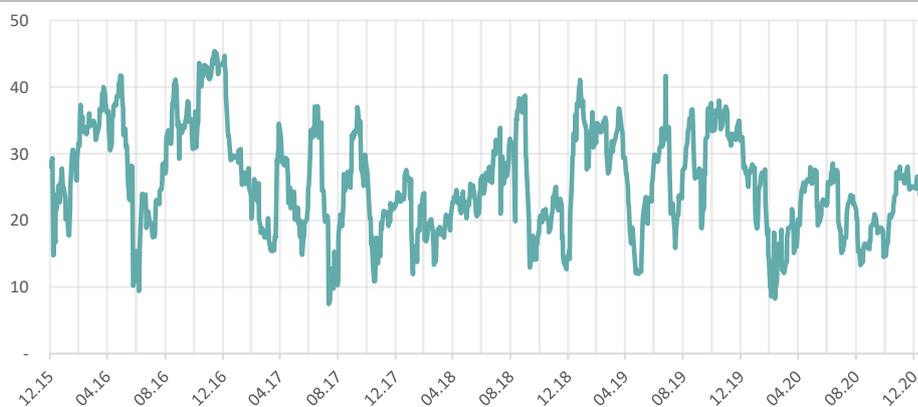
### Top 5 Long Holdings

Company	Weight (%)
STELLANTIS NV	2.58%
PERNOD RICARD SA	2.12%
MICHELIN (CGDE)	1.99%
TELEPERFORMANCE	1.94%
SKF AB-B SHARES	1.76%

### Top 5 Short Holdings

Indexes and Companies	Weight (%)
STOXX EUROPE 600	37.45%
CONSUMER STAPLES COMPANY	0.72%
CONSUMER DISCRETIONARY COMPANY	0.70%
FINANCIALS COMPANY	0.68%
FINANCIALS COMPANY	0.66%

### Net Exposure



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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.

The I share classes are not registered for marketing in Belgium and are offered under the private placement regime.