

ADVANCE EASTERN EUROPE class A

Investment Objective

The goal of the fund is to ensure high investment results in the long-term by investing in Eastern European equities in 7 regional markets.



*This is marketing material

30 April 2025

Fund Manager's Comment

The White house "reciprocal" tariff fiasco sent shockwaves through global financial markets in early April, as tensions escalated into a de facto trade embargo between the world's two largest economies. The market sell-off was so sharp and broad-based, impacting even traditional safe-haven assets such as US Treasuries and the dollar, that it eventually forced the US administration to retreat and announce a three-month suspension of the new trade measures (ex. China). Subsequent verbal interventions by key Trump administration officials, combined with technical factors, positioning, and a strong earnings season, helped stabilize financial markets. Major equity indices largely retraced their initial double-digit losses, although the US dollar remained under significant pressure. Thus, the currency effect distorted returns in euro terms, with MSCI World falling by 4.3% in EUR (+0.7% in USD), while MSCI EM dropped 4.0% in EUR (+1.0% in USD). Regionally, the MSCI EFM Europe + CIS Index declined by 2.5% in EUR (+2.6% in USD).

The Greek ASE Index edged up by 0.8%, as banks rebounded from an initial drop of nearly 20% in early April. Even the most defensive, high-dividend stocks were not spared during the tariff-induced global sell-off, initially seeing declines of 10–12%. However, high-quality, non-cyclical companies with resilient business models and solid balance sheets quickly caught investor attention and rebounded strongly during the highly volatile second week of the month.

Coming into the volatile month already hit by idiosyncratic political risk, the Turkish market was the worst performer in the region. The BIST 100 Index dropped 6.0% in local currency and 11.6% in EUR. Despite TCMB's measures—including FX interventions and a 350 bps rate hike—the lira continued to weaken and was one of the few EM currencies that declined against the USD (-1.4%). FX reserves fell by another USD 23 bn, to USD 57.5 BN in the end of April (down from the February high of USD 100 bn). Foreign investors continued to offload Turkish assets, with record net outflows of USD 6.5 bn from bond. Thus, a third of the total inflows recorded during all of 2024 have reversed since the start of the year.

The Romanian BET Index declined by 2.0%. Among key sectors, financials showed relative resilience (-1.3%), while energy (-2.4%) and utilities (-2.8%) underperformed.

Class A fund shares declined by 2.1%. Greek positions in the portfolio contributed positively to performance, while the light weight Turkish exposure was a disproportionately heavy drag for a second consecutive month. Sector-wise, consumer names, both discretionary and staples, with their more defensive profile, had the highest contributions to the monthly return. Losses were concentrated in the technology sector.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 1.76 M
NAV/share	EUR 0.824
Launch date	04.10.2006
Benchmark*	MSCI EFM Europe&CIS
Benchmark**	MSCI EFM Europe&CIS
Currency of account	Euro
Subscription fee	up to 1.50%
Management fee	1.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

Fund Identifiers

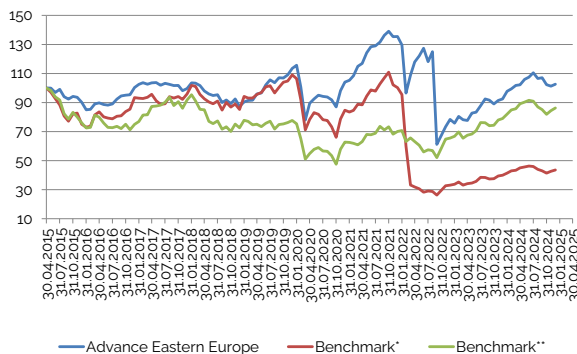
ISIN	BG9000016063
Bloomberg Code	ADVEAEU.BU
Reuters Lipper	65095316
Valor	3079269
WICN-German	AOMXVY
Past performance does not predict future returns.	

Fund Results (30.04.2025)

	Fund	Benchmark*	Benchmark**
1 month	-2.10%	-2.49%	-2.49%
1 year	3.88%	3.72%	3.73%
Year to Date	3.41%	7.13%	7.13%
Since Launch (annualized)	-1.04%	-5.91%	-1.50%

Fund Performance 10Y

Past performance does not predict future returns.



Annual Performance

	Fund	Benchmark*	Benchmark**
2024	11.08%	9.27%	9.27%
2023	20.64%		
2022(ИНДИКАТИВНО)	-42.12%	-66.97%	-6.49%
2021	30.09%	18.34%	11.71%
2020	-8.31%	-22.29%	-19.20%
2019	29.88%	27.68%	6.91%
2018	-12.25%	-10.96%	-20.91%
2017	-0.73%	2.66%	22.39%
2016	11.90%	24.40%	-1.29%
2015	-2.29%	-8.32%	-22.13%

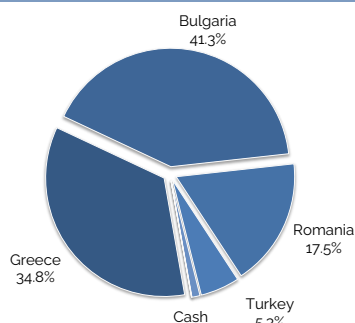
*Annual performance since 03.01.2023 when class A was started

Source: The calculated yield is based on net asset value per unit and does not include issuance and redemption costs, according to the Fund's Rules and Prospectus. *Benchmark information is based on official data from www.msci.com

The risks of investing in shares of the contract fund are market, interest, liquidity, currency, operational, settlement risk, legislative, concentration risk, etc. More information about the risks can be found in the fund's prospectus.

Portfolio Breakdown

Market Breakdown



Sector Breakdown

Финансови услуги	21.9%
ИТ	20.6%
Потребителски стоки	18.6%
Енергетика	11.5%
Индустриално производство	8.7%
Потр. стоки от ПН	6.5%
Комунални услуги	4.0%
Недвижими имоти	2.7%
Здравеопазване	2.5%
Материали	1.8%
Парични средства	1.1%
Други	0.0%

TOP 5 HOLDINGS

Shelly Group, Bulgaria, IT

GREEK ORGANISATION OF FOOTBALL
PROGNOSTICS S.A., Greece,
Consumer discretionary

JUMBO SA, Greece, Consumer
discretionary

Sirma Group Ad, Bulgaria, IT

Eurobank Ergasias Services and
Holdings SA, Greece, Financials

This is a marketing message. Please review the prospectus and key information document of the relevant fund before making an investment decision. The information is valid at the date of issue of the marketing material and may change in the future. The information provided does not constitute investment advice, advice, investment research or investment recommendation and should not be construed as such. The value of the Fund's units and the income from them may decline, profit is not guaranteed and investors bear the risk of not recovering their investment in full. Investments in funds are not guaranteed by a guarantee fund created by the state or by any other type of guarantee. Previous results of the activity have no connection with the future results of an investment company. Future results are subject to taxation depending on the personal circumstances of each investor and may change in future periods. The documents are available in Bulgarian on the website www.karollcapital.bg, and upon request they can be obtained free of charge in paper form at the office of the Management Company. The fund is actively managed and does not follow an index. A summary of shareholder rights is available at https://karollcapital.bg/uploads/2023/Prava_na_pritejatelite.pdf