

ADVANCE EASTERN EUROPE

Investment Objective

The goal of the fund is to ensure high investment results in the long-term by investing in Eastern European equities in 8 regional markets.



31 March 2019

Fund Manager's Comment

Expectations for a favourable outcome from the trade negotiations between the USA and China continued to underpin positive returns for most global markets in March. Central and Eastern Europe, however, were a mixed bag as MSCI EFM Europe + CIS finished the month almost flat, while the benchmark excluding Russia lost 3.2% in euro terms.

Russian stocks finished the month in positive territory, MOEX adding 0.5%. At the same time, positive dynamics in the oil market (Brent price up 3.6% for the month, finishing Q1 27% higher) supported the Russian rubble (+2.7% against the euro in March).

The Turkish market was the most dynamic one in March. In expectation of the local elections, authorities undertook measures to support the Turkish lira, which, however, resulted in a massive sell-off of Turkish stocks. BIST100, which was among the top performers in the region in the previous two months, lost 10.3% in March, erasing most of its YTD gains. At the same time, the Turkish lira which was stable in the previous two months, lost 4.1% against the euro in March.

The Romanian market continued to rise further as a result of significant changes to the measures announced by the government in December 2018, targeted at filling the budget deficit and affecting mostly banks, energy and telecommunication companies. The new measures will have a much smaller effect on companies' financials compared to the initial expectations. BET added another 4.8% to finish the first quarter 9% higher.

The top performer this year continues to be Greece, which, following 2% growth of the main index in March, finished Q1 with a hefty 17.6% gain. The Serbian market registered solid growth too (+6.2%) but remains on negative territory since the beginning of the year. Bulgaria is in the red as well, after a slight drop of the main index in March.

Fund Facts

Fund type	open-end
Fund Manager	Nadia Nedelcheva, CFA
Fund size	EUR 2.68 M
NAV/share	EUR 0.7115
Launch date	04.10.2006
Benchmark*	MSCI EFM Europe&CIS
Benchmark**	MSCI EFM Europe + CIS ex RU
Currency of account	Euro
Subscription fee	up to 1.50%
Management fee	1.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

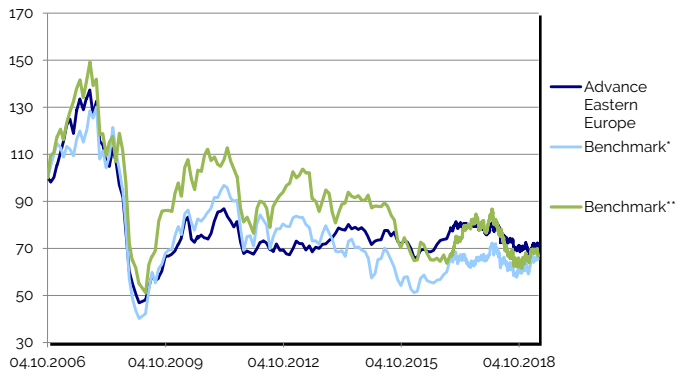
Fund Identifiers

ISIN	BG9000016063
Bloomberg Code	ADVEAEU.BU
Reuters Lipper	65095316
Valor	3079269
WICN-German	AOMXVY

Fund Results

	Fund	Benchmark*	Benchmark**
1 month	0.27%	0.02%	-3.16%
1 year	-9.88%	-2.56%	-12.47%
Year to Date	4.89%	9.29%	2.82%
Since Launch (annualized)	-2.69%	-3.48%	-3.89%

Fund Performance

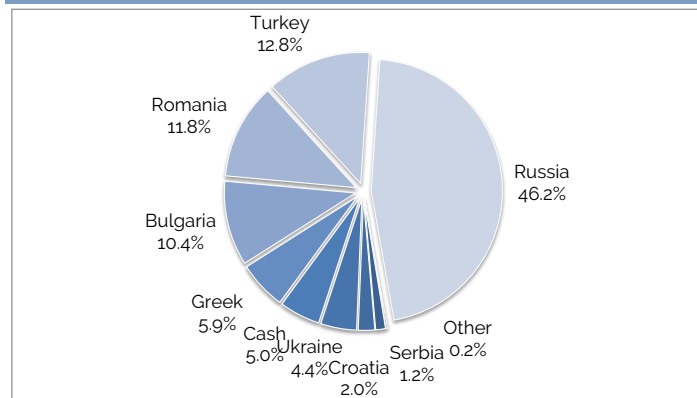


Annual Performance

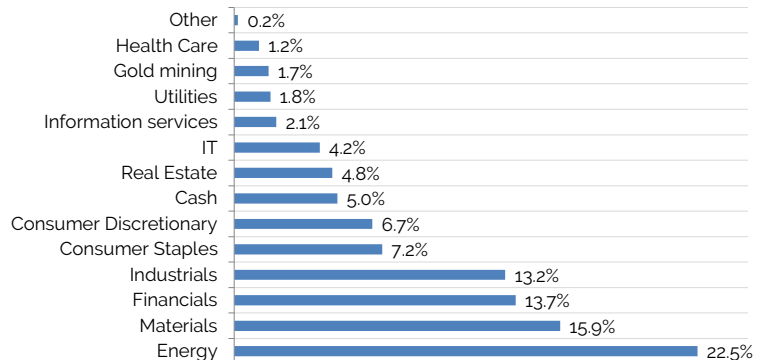
	Fund	Benchmark*	Benchmark**
2018	-12.25%	-11.12%	-20.91%
2017	4.42%	12.24%	22.39%
2016	11.31%	24.40%	-1.29%
2015	-2.29%	-8.32%	-22.13%
2014	-4.06%	-22.21%	2.24%
2013	6.64%	-11.15%	-16.81%
2012	4.07%	4.86%	34.08%
2011	-17.02%	-22.53%	-29.75%
2010	18.44%	21.65%	16.29%
2009	36.50%	73.42%	51.49%
2008	-61.94%	-66.63%	-56.45%
2007	25.91%	11.54%	20.71%

Portfolio Breakdown

Market Breakdown



Sector Breakdown



TOP 5 HOLDINGS

GMK Nortliski Nikel (Russia),
Materials

Lukoil (common) (Russia),
Energy

JSC "NOVATEK", Common (Russia),
Energy

JUMBO SA, (Greece) - Consumer
Discretionary

X5 Retail Group N.V., (Russia) -
Consumer Staples