

ADVANCE INVEST

Investment Objective

To seek long term capital appreciation through investments in stocks listed on the Bulgarian & Romanian markets. The fund is actively managed through bottom-up selection of undervalued stocks with high growth potential as determined by fundamental measures.



30 November 2020

Fund Manager's Comment

In November we observed an extremely strong and positive recovery momentum in the CEE markets. Stocks of companies from the financial, energy and industrial sector rose sharply, erasing a large part of the losses accumulated in the past few months. Against this background, the Bulgarian and Romanian capital markets lagged behind, missing the overall euphoria. That can be explained by the fact that the focus of most investors was on larger markets in the region.

In the past month the Romanian BET index rose by 8.8% in EUR terms and 9.1% in local currency terms. Shares of BRD (+17.0% MoM), Banca Transilvania (+16.1% MoM) and OMV Petrom (+13.6% MoM) were the ones that contributed the most to the rise of the index. At the same time, the stock of MedLife clinic chain (+24.4% MoM) was among the top performers on the Romanian stock exchange. The sentiment among investors was positive as a whole, but still the December 6th parliamentary elections made investors a bit more cautious. The ongoing health crisis caused by the second wave of COVID-19 infection was an additional reason for caution. Romania's president has said there are no plans to "block the country" after the elections, but added that current restrictions are unlikely to be lifted by the end of the year.

The main Bulgarian index SOFIX lost just slightly more than 1% of its value in November. The broader market index BGTR30 was down by 0.2%. The performance of the indices in November was largely influenced by the quarterly consolidated reports published by public companies. The performance of SOFIX components was mixed, and the index monthly drop was a result largely of the depreciation of the shares of Eurohold Bulgaria (-9.2%), First Investment Bank (-6.7%) and Sopharma (-3.3%). The top performers for the month were Doverie United Holding (+ 6.9%), Real Estate Fund Bulgaria REIT (+5.1%), Central Cooperative Bank (+5.1%) and Monbat (+5.0%).

In November the fund's price gained 1.7%. At the same time, MSCI EFM Europe + CIS ex RU surged by 21.9%. The fund however maintained its usual strong outperformance against the benchmark, both since the beginning of the year and in the long run. The solid outperformance placed the fund for a third consecutive year in a row in first place as the most successful fund in the category "Equity Funds, Emerging Markets" in the ranking of the Investor Finance Forum 2020.

Fund Facts

Fund type	open-end
Fund Manager	Tihomir Kaundzhiev
Fund size	BGN 7.40 M
NAV/share	BGN 1.2012
Launch date	10/05/2004
Benchmark	MSCI EFM Europe + CIS ex RU
Currency of account	BGN (1EUR = BGN 1.95583)
Subscription fee	up to 150%
Management fee	2.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

Fund Results

	Fund	Benchmark
1 month	1.67%	21.87%
1 year	-7.09%	-24.05%
Year to Date	-9.66%	-25.37%
Since Launch (annualized)	1.11%	-0.03%

Fund performance vs Benchmark

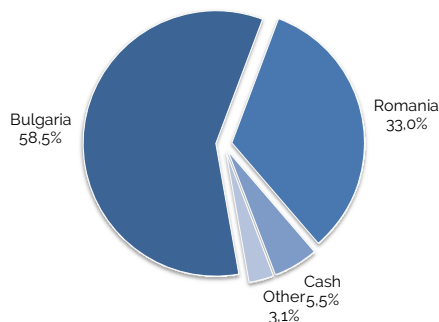


Annual Performance

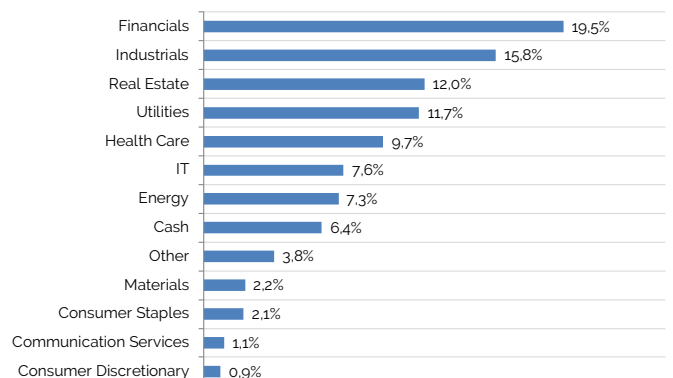
Year	Fund	Benchmark
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
2007	55.37%	20.71%
2006	31.20%	9.97%
2005	32.60%	51.04%
2004	38.00%	-17.05%

Portfolio Breakdown

Market Breakdown



Sector Breakdown



5 Largest holdings

CEZ AD (Bulgaria), Utilities

ELEVEN CAPITAL (Bulgaria), Information technology

SOPHARMA AD (Bulgaria), Health Care

FONDUL PROPRIETATEA SA (Romania), Financials

Advance Terrafund REIT (Bulgaria), Real Estate