

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 2021

Fund Manager's Comment

Capital markets in Bulgaria and Romania remained stable amid significant volatility and declining market indices in the CEE region in late November. In Romania, the period coincides with the stabilization of the political situation and the formation of a grand coalition between the National Liberal Party (PNL) and the Social Democratic Party (PSD). However, this political agreement did not generate optimism among investors. At the same time, parliamentary and presidential elections were held in Bulgaria, won by the new "The Change Continues" party, which is expected to form a new regular government in Bulgaria after coalition talks among four political parties.

The leading Bulgarian stock exchange index (SOFIX) ended the month at a level of 622.72 points, a monthly increase of 6.6%. The shares with the largest positive contribution to the index were those of Alterco (+ 27.9% MoM), Doverie United Holding (+ 30.9% MoM) and Advance Terrafund (+ 6.2% MoM). At the same time, the declines in the shares of Monbat (-3.4% MoM), Real Estate Fund Bulgaria (-2.3% MoM) and Telelink Business Services Group (-3.1% MoM) were the main detractors to the index performance.

Despite the fact that the upward trend on the Bucharest Stock Exchange persisted even amid the political crisis in Romania, news related to the new variant of the COVID-19 virus managed to break the upward trend. In the last week of the month, Romanian stock market indices experienced the steepest decline since the COVID-19 shock in February-March last year. During the month, the leading Romanian index (BET-TR EUR) fell by 3.2% to 19619.67 points. The stocks that dragged the index lower during the month were Transelectrica (-17.9% MoM), Electrica (-16.1% MoM) and Transgaz (-14.9% MoM). The best performing stocks during the month were those of One United Properties (+ 24.1% MoM), Fondul Proprietatea (+ 8.4% MoM) and Transport Trade Services (+ 5.6% MoM). Shares of One United (ONE) and Transport Trade Services (TTS) rose after news that FTSE Russell decided to include them in its FTSE Global All Cap Index. Another good news for the market was the listing of a new company on the Romanian stock exchange. The transport and distribution company Aquila started trading on BVB at the end of November after the biggest IPO of the year, which attracted 74 million euros for Aquila's expansion and investment in new own brands.

In November, the value of the fund's units rose by 1.7% while the benchmark index (MSCI EFM Europe + CIS ex RU) reported a decline of 6.9%. At the same time, the fund maintained its strong outperformance against the benchmark index both YTD and for the period of the last 3 and 5 years.

Fund Facts

Fund type	open-end
Fund Manager	Tihomir Kaundzhiev
Fund size	BGN 10.03 M
NAV/share	BGN 1.6073
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	1.74%	-6.91%
1 year	33.81%	17.81%
Year to Date	27.99%	8.81%
Since Launch (annualized)	2.74%	0.91%

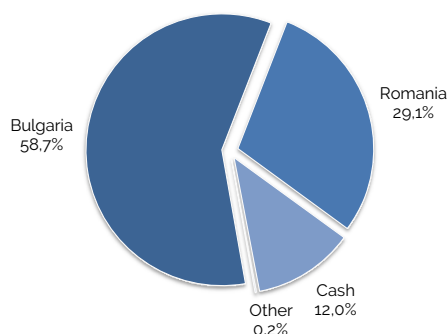
Fund performance vs Benchmark



Annual Performance

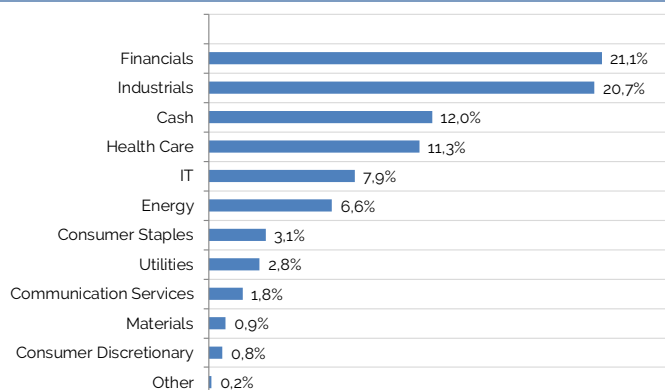
Year	Fund	Benchmark
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
2007	55.37%	20.71%
2006	31.20%	9.97%
2005	32.60%	51.04%
2004	38.00%	-17.05%

Market Breakdown



Portfolio Breakdown

Sector Breakdown



5 Largest holdings

ELEVEN CAPITAL (Bulgaria), Information technology

SOPHARMA AD (Bulgaria), Health Care

Advance Terrafund REIT (Bulgaria), Real Estate

Agria Group Holding Jsc (Bulgaria), Industrials

Bulgarian Real Estate Fund REIT (Bulgaria), Real Estate