

# 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.



This is marketing material

31 August 2022

### Fund Manager's Comment

Bulgarian and Romanian stocks diverged for a second month, but the leadership rotated to SOFIX, both in terms of monthly and YTD returns. Liquidity was seasonally low, with equity turnover decline more notable in Bucharest (-44% MoM) than in Sofia (-6% MoM).

The Bulgarian SOFIX recorded a monthly gain of 2.1%. Sentiment shifted between the two listed banks, with FIB (+7.3%) emerging as the top performer in August, while at the bottom was CCB (-3.4%). Still, the former's underperformance on a 2Y horizon remains wide (-80pp). Above index return last month posted also tech names TBS (+5.0%) and A4L (+4.7%), as well as holding stocks, which were laggards in July - EUBG (+4.0%), IHB (+3.9%) and DUH (+3.8%). Among the modest decliners were BREF (-1.7%), HVAR (-0.9%) and ATER (-0.7%).

The Romanian BET lost 3.2%, dragged down by profit taking in this year's outperforming energy stocks, amid announced changes in energy regulations of gas and electricity prices. Shares of Romgaz sold off more notably (SNG, -6.7%), while OMV Petrom (SNP, -2.3%) was relatively resilient, although the negative impact on both names is estimated to be only marginal. After robust 2Q2022 financial results, indicating sustainable loan growth, healthy BS and high CARs, banks advanced, with BRD and TLV up 3.3% and 1.0%, respectively.

The fund's NAV per share gained 0.67% in August, keeping a solid 21pp outperformance vs the benchmark YTD. Financials, real estate and healthcare positions contributed the most to the monthly return, while energy and industrials were the biggest drag on the fund's performance.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 11.26 M
NAV/share	BGN 1.849
Launch date	10/05/2004
Benchmark	MSCI EFM Europe + CIS ex RU
Currency of account	BGN (1EUR = BGN 1.95583)
Subscription fee	up to 1.50%
Management fee	2.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

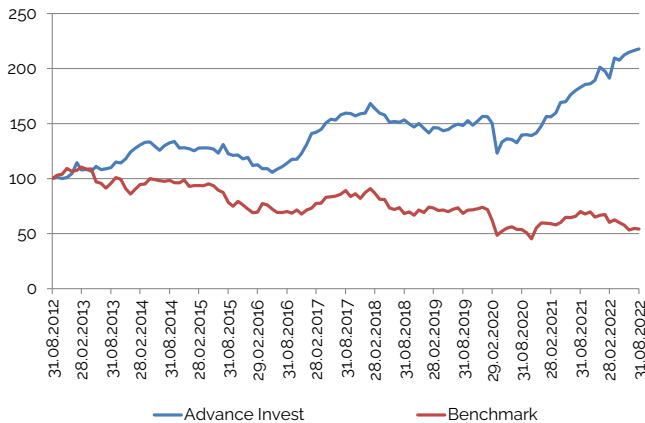
### Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

### Fund Results

	Fund	Benchmark
1 month	0.67%	-0.89%
1 year	19.03%	-22.63%
Year to Date	8.21%	-18.70%
Since Launch (annualized)	3.41%	-0.12%

### Fund performance vs Benchmark

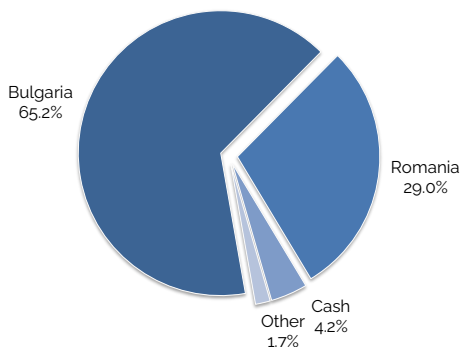


### Annual Performance

Year	Fund	Benchmark
2021	36.06%	11.71%
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%

### Portfolio Breakdown

#### Market Breakdown



#### Sector Breakdown

Financials	23.29%
Real Estate	11.67%
Consumer Staples	11.37%
IT	10.97%
Industrials	10.83%
Health Care	10.52%
Energy	10.15%
Cash	4.17%
Consumer Discretionary	2.86%
Other	1.68%
Utilities	1.66%
Materials	0.77%
Communication Services	0.06%

### 5 Largest holdings

Agria Group Holding Jsc (Bulgaria), Consumer Staples	ELEVEN CAPITAL (Bulgaria), Information technology	Advance Terrafund REIT (Bulgaria), Real Estate	SOPHARMA AD (Bulgaria), Health Care	OMV PETROM, Romania, Energy
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