

## 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.



31 January 2022

### Fund Manager's Comment

In January we witnessed extremely dynamic trading accompanied by sharp increases and declines in the stock prices on the exchanges in Sofia and Bucharest. Inflationary processes and increased demand for high dividend yield stocks were the factors fueling the price increases. At the same time, the geopolitical escalation of tensions and news related to the likelihood of an armed conflict in Ukraine led to a disorderly sell-off at the beginning of the last week of the month. At the sectoral level, we saw selling pressure on technology stocks and increased interest in buying stocks of banks and financial services companies.

Despite the declines towards the end of the month the Romanian BET-TR index registered a monthly gain of 1.7%, ending at 21362 points. The stocks that contributed to the positive change were Fondul Proprietatea (+5.4% MoM), BRD-Groupe Societe Generale (+11.8% MoM) and Banca Transilvania (+1.7% MoM). The companies from the energy sector were the hardest hit. The index measuring their performance - BET-NG fell 3.3% over the month. The sell-off of OMV Petrom (-5.41% MoM), Transgaz (-5.5% MoM) and Romgaz (-3.0% MoM) was at the root of the index's decline.

The leading index of the Bulgarian capital market (SOFIX) started with a strong increase to 650.71 points, but due to strong selling pressure on some of its components, it ended the month at 618.53 points, a decrease of 2.7% in January. The shares that weighed on its performance were those of Alterco (-20.2% MoM), Eurohold Bulgaria (-4.88% MoM) and Doverie United Holding (-2.06% MoM). The shares that rose and brought the index to a new annual high in the second week of January were those of Chimiport (+6.78% MoM), First Investment Bank (+11.3% MoM) and Central Cooperative Bank (+11.4% MoM). These stocks helped the broader market index - the BGTR30 - to realize a monthly increase of 2.0% reaching 696.80 points at the end of the month.

In January, the value of the fund's units declined by 1.9% while the benchmark index (MSCI EFM Europe + CIS ex RU) recorded an increase of 1.0%. The fund maintained its strong outperformance against the benchmark index both for the last year, and for the last 3 and 5 year periods.

### Fund Facts

Fund type	open-end
Fund Manager	Tihomir Kaundzhiev
Fund size	BGN 10.18 M
NAV/share	BGN 1.6766
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

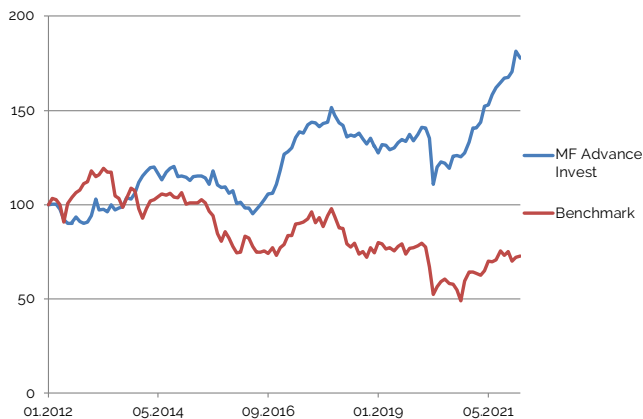
### Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

### Fund Results

	Fund	Benchmark
1 month	-1.88%	0.98%
1 year	26.26%	13.21%
Year to Date	-1.88%	0.98%
Since Launch (annualized)	2.96%	1.11%

### Fund performance vs Benchmark

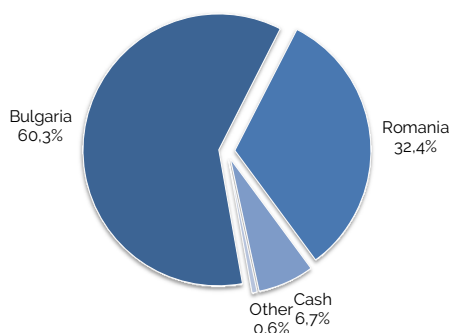


### Annual Performance

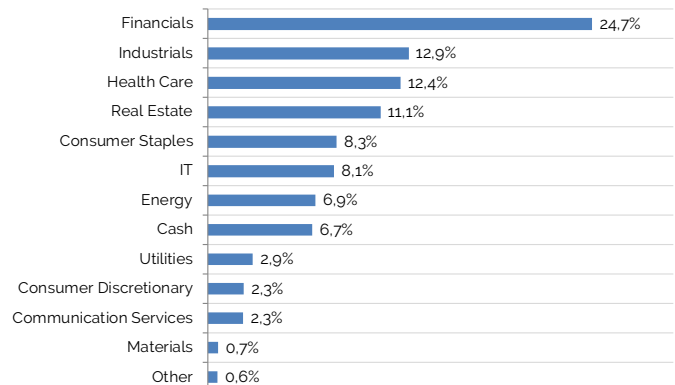
Year	Fund (%)	Benchmark (%)
2021	36.06%	11.71%
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
2007	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



### 5 Largest holdings

Advance Terrafund REIT (Bulgaria), Real Estate

SOPHARMA AD (Bulgaria), Health Care

Agria Group Holding Jsc (Bulgaria), Industrials

ELEVEN CAPITAL (Bulgaria), Information technology

FONDUL PROPRIETATEA SA (Romania), Financials