

# 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 2023

### Fund Manager's Comment

Equity indices in Bulgaria and Romania were in the black in August despite the volatility on global financial markets. The Bulgarian SOFIX soared 10.0%, though the rally was heavily concentrated. The Romanian BET was modestly up 0.2%. Trading activity in Sofia was seasonally lower, with equity turnover down 18% MoM. The average daily liquidity on the Bucharest Stock Exchange was also lower (-41% MoM).

Among SOFIX constituents, Shelly Group (a.k.a. Allterco) recorded the highest monthly return (SLYG, +52.6%), contributing 80% of the monthly return of the index. Despite the robust revenue and earnings revisions the multiple expansion of the stock appears exhausted in the short-term. Among the outperformers was also SFT (+12.6%), likely driven by anticipation (possibly groundless) of the upcoming buyback window. The worst performing stocks were NEOH (-6.8%), GR6 (-5.8%) and MONB (-5.2%).

The Romanian BET was almost flat (+0.2%), while trading volumes declined 41% MoM on high base effect and the seasonality factor. Among index-heavy sectors, financials were very volatile on fears of introduction of a windfall tax against the backdrop of high budgeted deficit. Still, banks managed to stay in the black in August (+1.2%), although rumors of the tax changes were later confirmed in early September, with exact parameters still unclear.

The fund's NAV per share was up 3.0%, outpacing the benchmark. Sector wise, information technology and contributed 3/4 of the monthly return, followed by health care and real estate stocks. Financials and energy positions had modest negative contribution.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 13.01 M
NAV/share	BGN 1.988
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

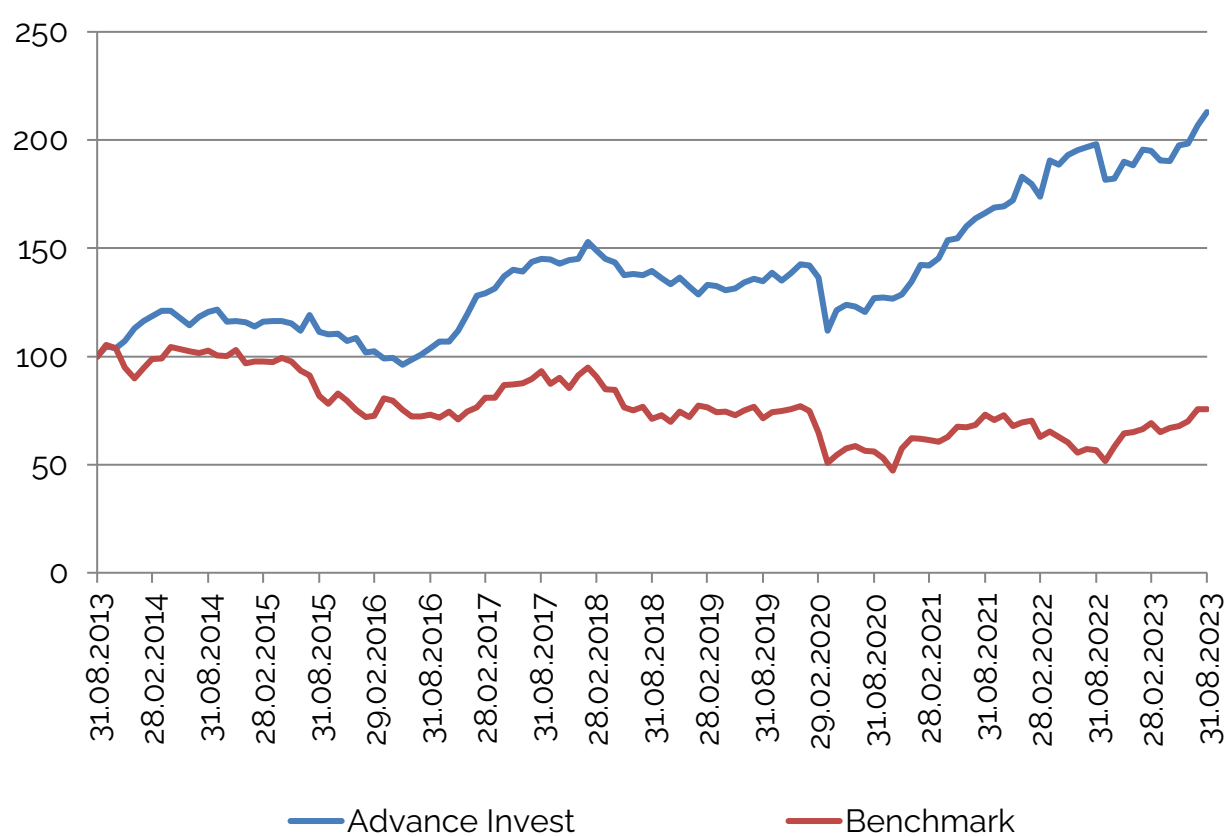
### Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

### Fund Results

	Fund	Benchmark
1 month	3.04%	-0.15%
1 year	7.52%	33.56%
Year to Date	13.13%	16.11%
Since Launch (annualized)	3.62%	1.40%

### Fund performance vs Benchmark

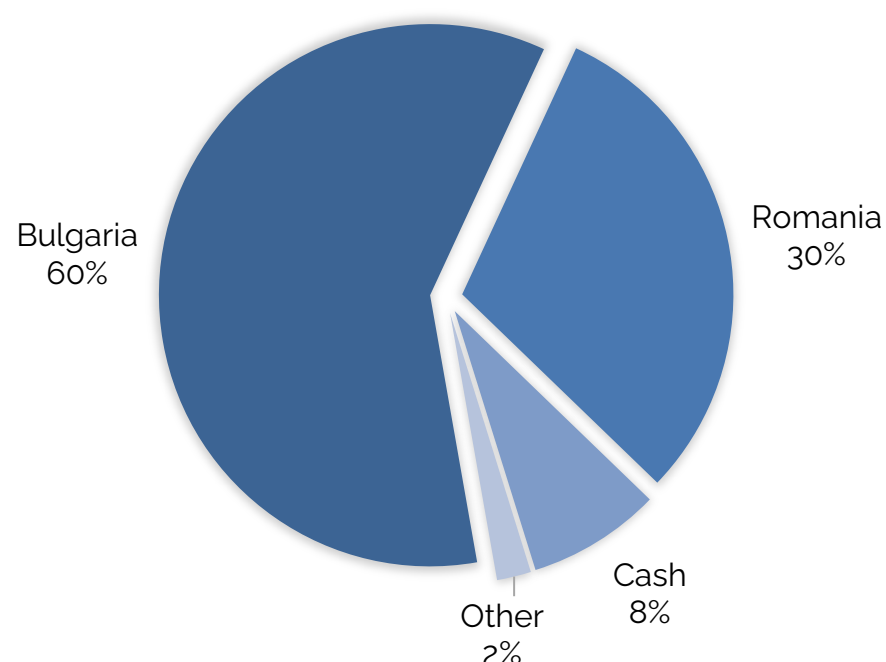


### Annual Performance

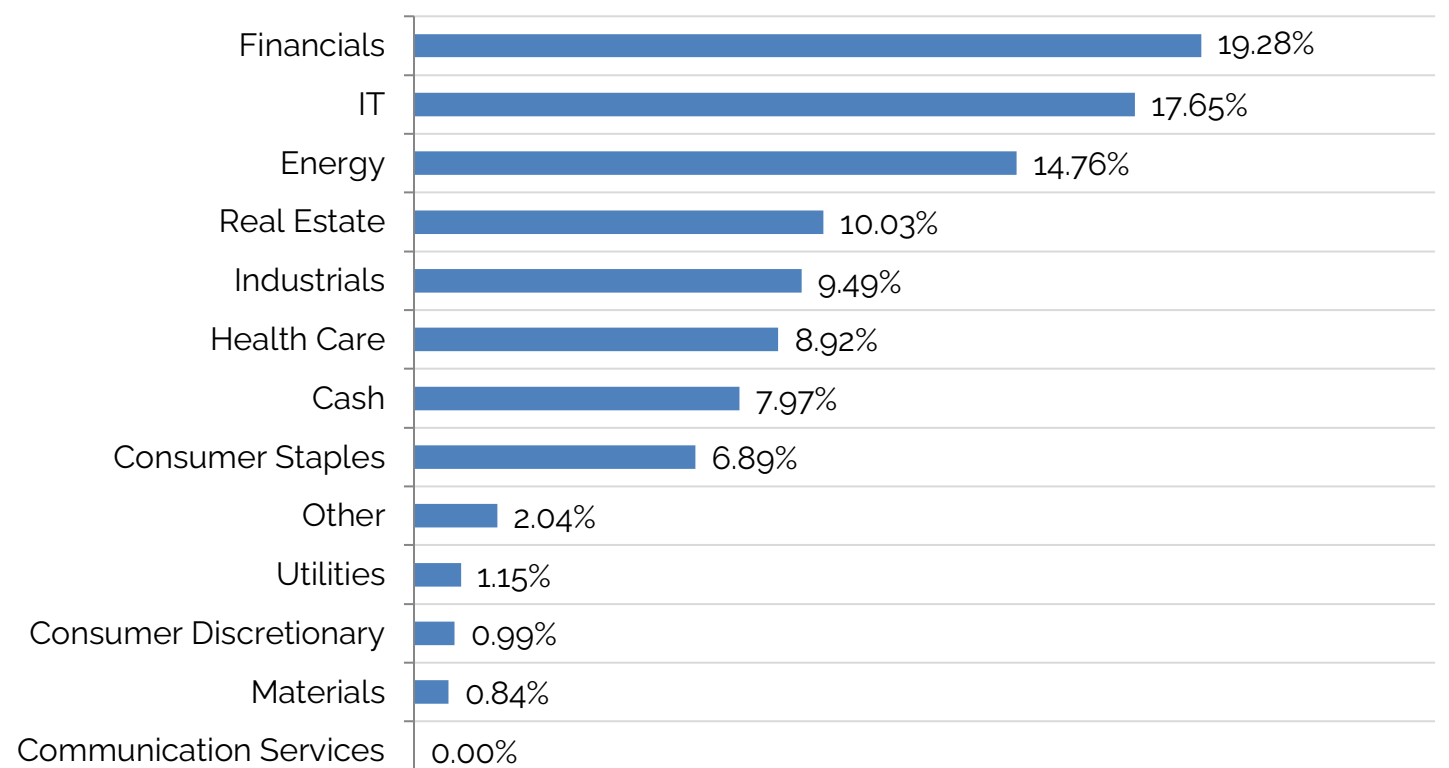
Year	Fund	Benchmark
2022	2.84%	-6.49%
2021	36.06%	11.71%
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
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

Shelly Group, Bulgaria, IT	Agria Group Holding Jsc (Bulgaria), Consumer Staples	OMV PETROM, Romania, Energy	Advance Terrafund REIT (Bulgaria), Real Estate	ELEVEN CAPITAL (Bulgaria), Information technology
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