

# ADVANCE EASTERN EUROPE class A

## Investment Objective

The goal of the fund is to ensure high investment results in the long-term by investing in Eastern European equities in 7 regional markets.

\*This is marketing material

31 March 2023



### Fund Manager's Comment

The aggressive monetary tightening of major CBs finally took its toll on the financial system, as two regional US banks collapsed, while the Swiss authorities orchestrated the takeover of Credit Suisse by UBS. Thus, fears of financial contagion in the US and Europe weighed market sentiment down. On the other hand, this led to dramatic repricing of the yield curve, increasing odds of US recession and rising expectations of Fed rate cuts in 2H23, thus boosting the previous mega-cap tech leaders. MSCI World advanced 0.5%, supported by tech stocks, with Europe (-0.5%) underperforming North America (+0.8%). MSCI EM gained 0.3% on the back of EM Assia. Meanwhile, the regional index MSCI EFM Europe + CIS ex RU markedly underperformed, down 6.2% on index-heavy financials stocks.

After a strong start of the year in the first two months, the Greek ASE was unsurprisingly vulnerable to broader market volatility and the reversal in European bank stocks. The index shed 6.6%, with index-heavy financials having the highest negative contribution, retracing more than 50% of YTD gains. Consumer names, both discretionary and staples, and industrials were markedly resilient.

The global turbulence spoiled the post-earthquake recovery of the Turkish BIST 100 in the second half of March, as the index fell 8.1% in LCU terms. The outflows of foreign investors continued, reaching USD 0.9bn since the start of the year. Meanwhile, domestic retail investors' activity was subdued for a second consecutive month, with average daily equity turnover, though modestly up 1.7% MoM, remaining far below December's frenzy. Despite CB's interventions somewhat cushioning the depreciation of the local currency, TRY kept weakening, down 1.6% and 3.9% against USD and EUR, respectively.

The Romanian BET declined 1.6%, as index-heavy energy (-2.5%) and financials (-3.2%) were under pressure from the broader risk-off sentiment.

The Fund's Class A shares lost 2.8% in March, outperforming the benchmark thanks to markedly positive selection effect of Greek and Bulgarian positions, as well as temporally higher cash allocation. Sector-wise, consumer stocks had the highest positive contribution, followed by real estate. Meanwhile, materials, industrials and financials, the latter being a significant UW, weighed the performance down.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 0 M
NAV/share	EUR 1314959.75
Launch date	04.10.2006
Benchmark*	MSCI EFM Europe&CIS
Benchmark**	MSCI EFM Europe&CIS
Currency of account	Euro
Subscription fee	up to 1.50%
Management fee	1.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

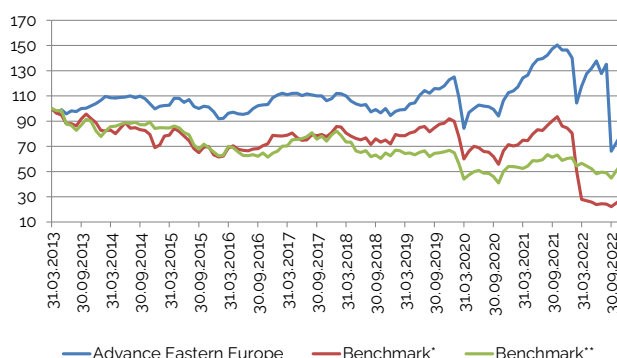
### Fund Identifiers

ISIN	BG9000016063
Bloomberg Code	ADVEAEU.BU
Reuters Lipper	65095316
Valor	3079269
WICN-German	AOMXVY

### Fund Results

	Fund	Benchmark*	Benchmark**
1 month	-2.84%	-6.17%	-6.18%
1 year	-28.17%	-0.23%	-0.23%
Year to Date	-0.28%	-0.05%	-0.05%
Since Launch (annualized)	-2.98%	-8.56%	-3.72%

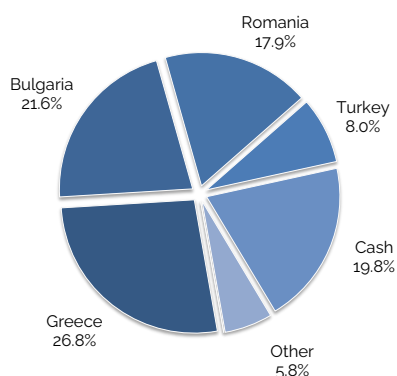
### Fund Performance 10Y



### Annual Performance

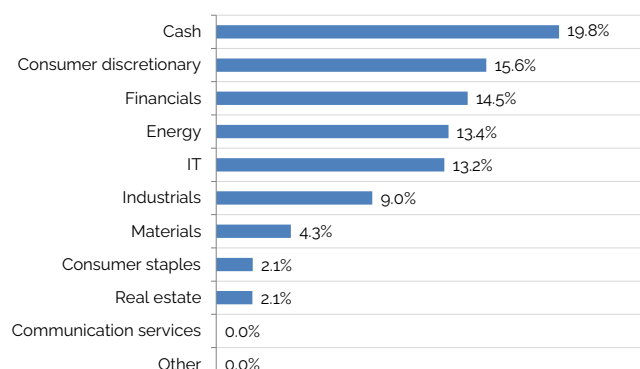
	Fund	Benchmark*	Benchmark**
2022 (indicative)	-42.12%	-66.97%	-6.49%
2021	30.09%	18.34%	11.71%
2020	-8.31%	-22.29%	-19.20%
2019	29.88%	27.90%	6.91%
2018	-12.25%	-11.12%	-20.91%
2017	4.42%	12.24%	22.39%
2016	11.31%	24.40%	-1.29%
2015	-2.29%	-8.32%	-22.13%
2014	-4.06%	-22.21%	2.24%
2013	6.64%	-11.15%	-16.81%
2012	4.07%	4.86%	34.08%
2011	-17.02%	-22.53%	-29.75%
2010	18.44%	21.65%	16.29%
2009	36.50%	73.42%	51.49%
2008	-61.94%	-66.63%	-56.45%
2007	25.91%	11.54%	20.71%

### Market Breakdown



### Portfolio Breakdown

#### Sector Breakdown



### TOP 5 HOLDINGS

Allterco, Bulgaria, IT	JUMBO SA, Greece, Consumer discretionary	GREEK ORGANISATION OF FOOTBALL PROGNOSTICS S.A., Greece, Consumer discretionary	FONDUL PROPRIETATEA SA, Romania, Financials	Motor Oil Hellas Corinth Refineries S.A., Greece, Energy
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