

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

30 April 2023

Fund Manager's Comment

Stock indices in Bulgaria and Romania lagged major CEE markets in April. The Bulgarian SOFIX declined 0.6%, while the Romanian BET posted a modest increase of 1.3%. Trading activity in Sofia was lower, with equity turnover down 15% MoM. The average daily liquidity on the Bucharest Stock Exchange also fell 24% MoM.

Among the SOFIX constituents, SFA (+4.5%) recorded the strongest return, as the company surprised with a record high DPS of BGN 0.6 (ca. 10% DY) following a two-year pause. Among the top 3 gainers were also GR6 (+4.2%) and BREF (+3.7%), which announced a 5% DY. On the other end of spectrum, EUBG (-7.0%) was the worst performer. The stock continued to decline, as the holding's insurance company Euroins Insurance Group challenged in court the Romanian Financial Supervisory Authority ASFK's decision to revoke Euroins Romania's operating license, which was later rejected by the Court of Appeal. Among the top decliners was also NEOH (-5.8%), following a BoD discussion on the potential dividend proposal for FY2022. The company plans to keep the DPS unchanged YoY at BGN 5.00, which is a negative surprise considering the lower payout ratio amid a 50% increase of net income in FY2022.

In Romania, index-heavy energy stocks advanced (+3.4%), while financials moderately declined (-0.2%). The President vetoed the latest changes to the solidarity tax ordinance and the Parliament will have to re-examine it. Still, downside risk of retroactive tax on FY2022 profits of OMV Petrom remains.

The fund's NAV per share was almost unchanged at the end of April (-0.1%). Energy positions had the highest positive contribution to the monthly performance, followed by healthcare and real estate stocks. At the other hand, financials and industrials were a key drag for the performance for a third consecutive month.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 10.76 M
NAV/share	BGN 1.7771
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

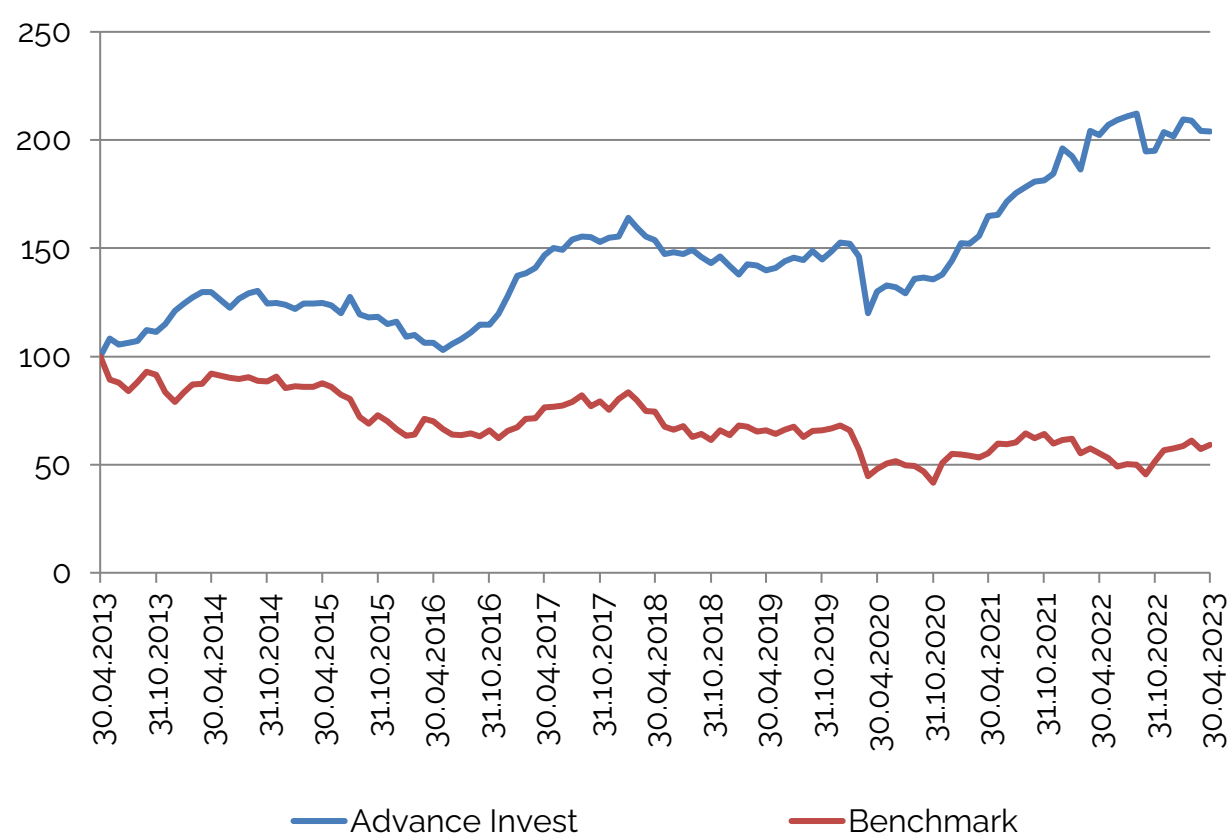
Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

Fund Results

	Fund	Benchmark
1 month	-0.14%	3.10%
1 year	0.87%	6.93%
Year to Date	1.13%	3.05%
Since Launch (annualized)	3.08%	0.78%

Fund performance vs Benchmark

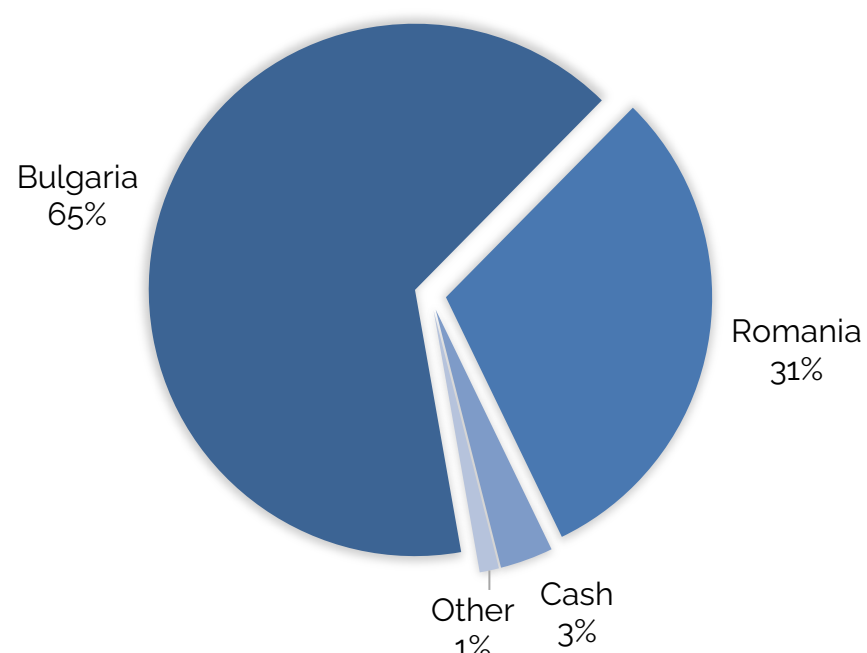


Annual Performance

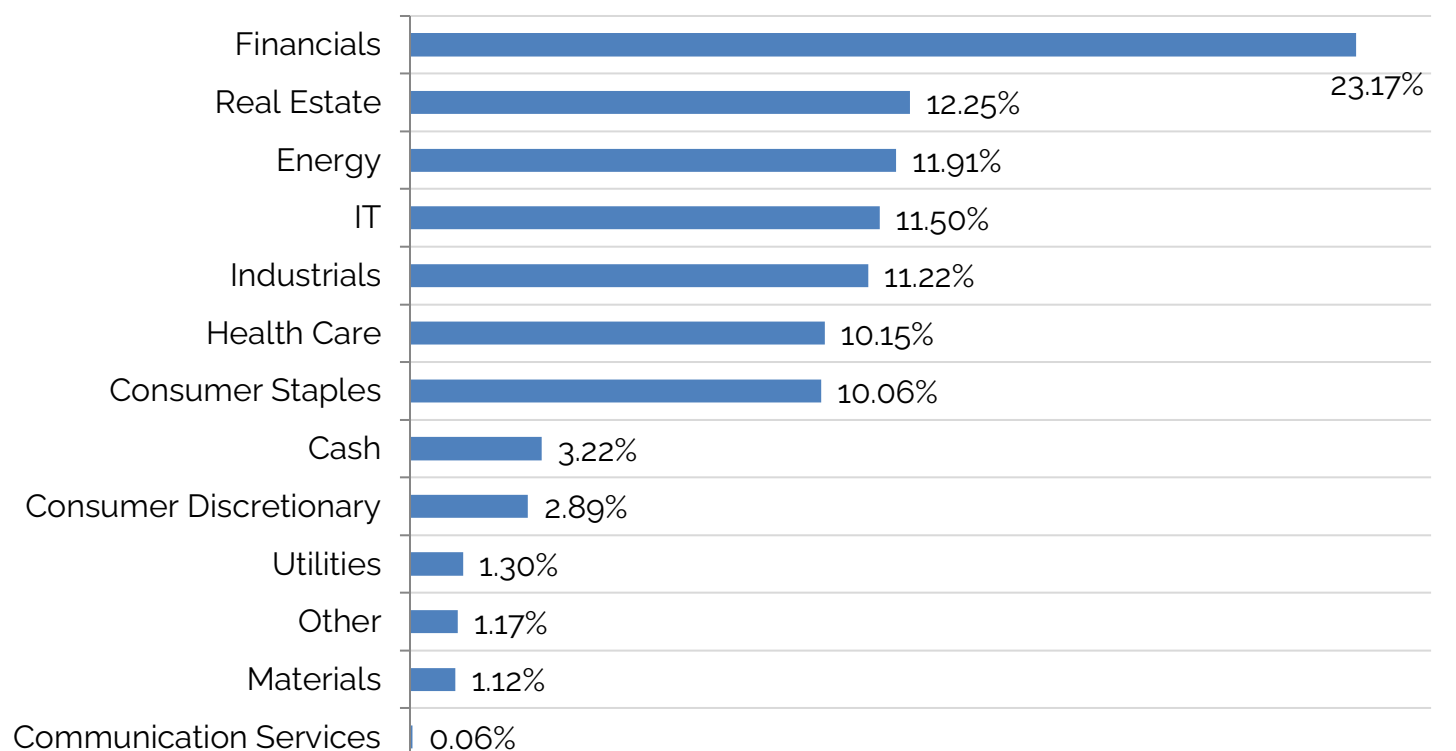
	Fund	Benchmark
2022	2.84%	-6.49%
2021	36.06%	11.71%
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%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

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