

## 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 July 2025



### Fund Manager's Comment

Risk on sentiment prevailed on global markets in July amid receding trade uncertainty following key US trade agreements with Japan and the EU. US indices kept climbing the wall of worry to new ATH on the back of positive earnings surprise from mega-cap stocks. MSCI World rose by 3.8% in euro terms, with American stocks (+4.7%) reclaiming their exceptionalism over Europe (+0.7%). MSCI EM added 4.3%, while the regional MSCI EFM Europe + CIS stood out with a gain of 5.3%.

The Greek ASE index rose by 6.8%, with the financial sector once again in the lead (+11.9%). Banks kicked off 2Q earnings season with strong results, announcing interim dividends (~1.5% DY on average) and exceeding analysts' net profit estimates by 3.1% on an aggregate level. The positive surprises were concentrated in Alpha Bank and Piraeus Bank, which beat expectations by 12.7% and 7.7%, respectively. Despite the sector's narrowing NIM, banks' NII remains resilient thanks to strong growth in corporate lending, while fee and commission income continues to drive growth, particularly at Alpha Bank.

Turkish equities maintained their positive momentum in July, driven by expectations of interest rate cuts from the TCMB. The BIST 100 index posted a monthly gain of 8.0% in local currency, led by industrial stocks. The lira remained under pressure, weakening by 2.0% against the US dollar. International investors showed renewed interest in Turkish assets, with net portfolio inflows of USD 2.2bn into government bonds and USD 963mn into equities largely offsetting the outflows recorded in April and May. On the macroeconomic front, the TCMB resumed its rate-cutting cycle as expected, responding to the slower pace of inflation in May and June, with a 300 bps cut to 43%—slightly above market expectations (~250 bps). Meanwhile, the disinflation trend extended into July, with inflation easing to 33.5%, giving the central bank room to continue cutting rates through the rest of the year.

The Romanian BET index rose by 7.8%, shrugging off the prospects of an economic slowdown stemming from the looming fiscal consolidation. Local investors appeared to focus on energy and utilities companies, anticipating accelerated investment in the energy sector and, in particular, new gas projects. Energy stocks gained 8.1%, while utilities advanced by 6.4%. Banks lagged slightly behind, posting a 4.7% increase.

Class A fund shares gained 3.8%, with Greek positions generating nearly half of the return. Sector-wise, financials were the largest positive contributor, followed by energy and consumer discretionary. At the same time, industrials and materials were a slight drag on performance.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 21 M
NAV/share	EUR 0.9856
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

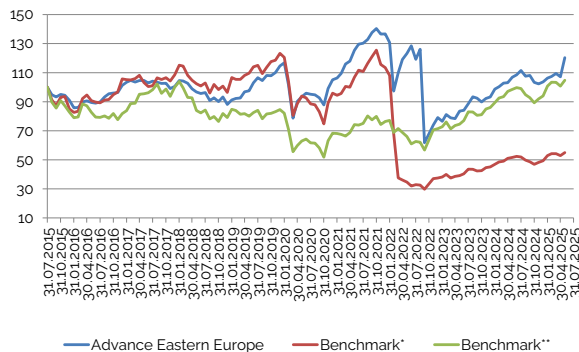
ISIN	BG9000016063
Bloomberg Code	ADVEAEU.BU
Reuters Lipper	65095316
Valor	3079269
WICN-German	AOMXVY
Past performance does not predict future returns.	

### Fund Results (31.07.2025)

	Fund	Benchmark*	Benchmark**
1 month	3.78%	5.34%	5.35%
1 year	14.98%	14.99%	14.99%
Year to Date	23.69%	21.10%	21.10%
Since Launch (annualized)	-0.08%	-5.22%	-0.84%

### Fund Performance 10Y

Past performance does not predict future returns.



### Annual Performance

	Fund	Benchmark*	Benchmark**
2024	11.08%	9.27%	9.27%
2023	20.64%	20.55%	20.55%
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%	27.68%	6.91%
2018	-12.25%	-10.96%	-20.91%
2017	-0.73%	2.66%	22.39%
2016	11.90%	24.40%	-1.29%
2015	-2.29%	-8.32%	-22.13%

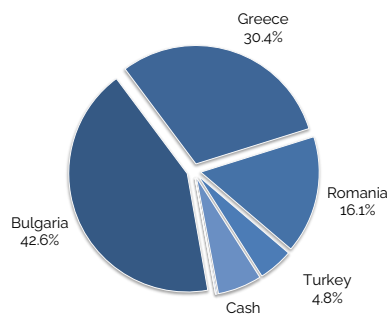
\*Annual performance since 03.01.2023 when class A was started

Source: The calculated yield is based on net asset value per unit and does not include issuance and redemption costs, according to the Fund's Rules and Prospectus. \*Benchmark information is based on official data from [www.msci.com](http://www.msci.com)

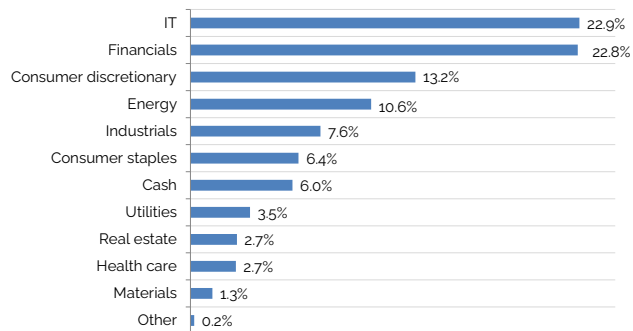
The risks of investing in shares of the contract fund are market, interest, liquidity, currency, operational, settlement risk, legislative, concentration risk, etc. More information about the risks can be found in the fund's prospectus.

### Portfolio Breakdown

#### Market Breakdown



#### Sector Breakdown



### TOP 5 HOLDINGS

Shelly Group, Bulgaria, IT

Sirma Group, Bulgaria, IT

GREEK ORGANISATION OF FOOTBALL PROGNOSTICS S.A., Greece, Consumer discretionary

Eurobank Ergasias Services and Holdings SA, Greece, Financials

Motor Oil Hellas Corinth Refineries S.A., Greece, Energy

This is a marketing message. Please review the prospectus and key information document of the relevant fund before making an investment decision. The information is valid at the date of issue of the marketing material and may change in the future. The information provided does not constitute investment advice, advice, investment research or investment recommendation and should not be construed as such. The value of the Fund's units and the income from them may decline, profit is not guaranteed and investors bear the risk of not recovering their investment in full. Investments in funds are not guaranteed by a guarantee fund created by the state or by any other type of guarantee. Previous results of the activity have no connection with the future results of an investment company. Future results are subject to taxation depending on the personal circumstances of each investor and may change in future periods. The documents are available in Bulgarian on the website [www.karollcapital.bg](http://www.karollcapital.bg), and upon request they can be obtained free of charge in paper form at the office of the Management Company. The fund is actively managed and does not follow an index. A summary of shareholder rights is available at [https://karollcapital.bg/uploads/2023/Prava\\_na\\_pritejatelite.pdf](https://karollcapital.bg/uploads/2023/Prava_na_pritejatelite.pdf)