

# ADVANCE EASTERN EUROPE

## 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.



31 July 2021

### Fund Manager's Comment

Global market returns showed significant dispersion in July. The developed markets index MSCI World advanced 1.7%, while MSCI EM tumbled 7.0% on tightening regulatory grip on Chinese tech companies and markedly stronger third wave of the Delta variant in Asia-Pacific. Regional CEE indices were by far the most resilient EM segment, with a modest 0.8% loss for MSCI EFM Europe + CIS and 1.5% gain for the benchmark excluding Russia.

MOEX Russia index was among the laggards last month, declining 1.8% in local currency terms. The main drag came from energy stocks, which were modestly down as crude oil rally cooled off following a heated OPEC+ July meeting. Meanwhile, the ruble demonstrated stability vs the US dollar, supported by an aggressive 100 bp CBR hike, amid otherwise broader weakness of the commodity currency basket.

The Turkish BIST 100 managed to stabilize and recorded a monthly gain of 2.7% in TRY terms. The week-long market holiday of Eid al-Adha pushed trading activity further down, with daily turnover declining to USD 1.4 bn on average in July. The TCMB kept the key rate unchanged at 19.0%, in line with analysts' consensus forecast. This was supportive for TRY, which appreciated 3.0% against the USD following months of decline. Negatively, CPI accelerated to 18.95% YoY in July, reducing the real policy rate buffer to practically zero and putting the CB in a tight spot ahead of its Aug 12th meeting.

The Greek ASE index was modestly up 0.4% in July, while cyclicals underperformed for a second consecutive month amid a strong new wave of infections and the reintroduction of some containment measures. Meanwhile, the Romanian BET was barely changed last month (-0.2%).

The fund's monthly return stood at 0.5%, 1.3 pp ahead of the benchmark index thanks to superior selection of Bulgarian and Russian positions. Real estate, IT, financial and materials contributed positively, while consumer and energy stocks were a slight drag to the performance.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 2.20 M
NAV/share	EUR 1.0015
Launch date	4.10.2006
Benchmark*	MSCI EFM Europe&CIS
Benchmark**	MSCI EFM Europe + CIS ex RU
Currency of account	Euro
Subscription fee	up to 1.50%
Management fee	1.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

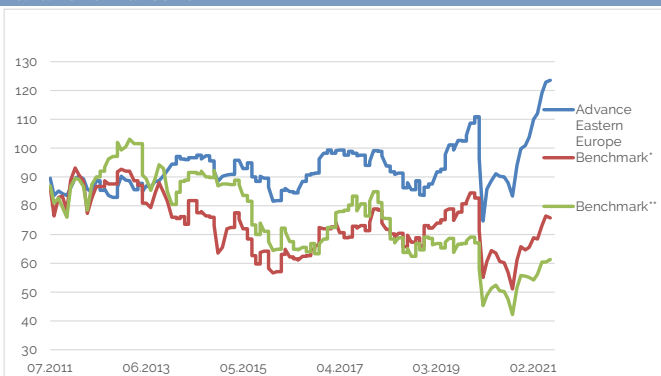
### Fund Identifiers

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

### Fund Results

	Fund	Benchmark*	Benchmark**
1 month	0.50%	-0.81%	1.50%
1 year	36.91%	25.18%	21.60%
Year to Date	23.98%	15.55%	9.78%
Since Launch (annualized)	0.01%	-2.61%	-3.81%

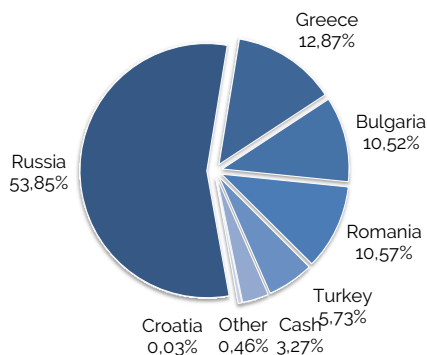
### Fund Performance 10Y



### Annual Performance

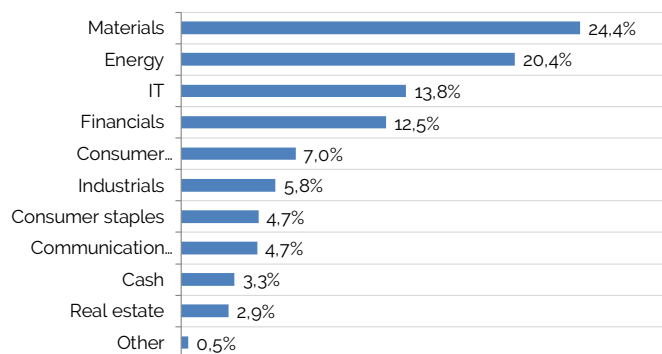
Year	Fund	Benchmark*	Benchmark**
2020	-8.31%	-22.29%	-19.20%
2019	29.88%	27.90%	6.91%
2018	-12.25%	-11.12%	-20.91%
2017	4.42%	12.24%	22.39%
2016	11.31%	24.40%	-1.29%
2015	-2.29%	-8.32%	-22.13%
2014	-4.06%	-22.21%	2.24%
2013	6.64%	-11.15%	-16.81%
2012	4.07%	4.86%	34.08%
2011	-17.02%	-22.53%	-29.75%
2010	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 AD (Bulgaria), IT

GMK Norliski Nikel (Russia), Materials

SBERBANK, COMMON (Russia), Financials

JSC "NOVATEK", Common (Russia), Energy

Polyus Gold OJSC (Russia), Materials