

# 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.



30 June 2021

### Fund Manager's Comment

Global markets recorded gains in June, despite the Fed's shift in tone. Nevertheless, volatility had a temporary spike, while the cyclical trade suffered from the change in the dot plot. Regional CEE indices had mixed performance. MSCI EFM Europe + CIS was up 4.5%, while the benchmark excluding Russia underperformed, down 0.3%.

Russian equities maintained momentum ahead of the Geneva Summit between President Biden and President Putin, which brought no negative surprises. The MOEX Russia index increased by 3.2%, as financials and energy stocks held on to their leadership. At the same time, the correction in industrial and precious metals prices put materials at the bottom. Despite the general strength of the US dollar post FOMC meeting, the Russian ruble was resilient and slightly appreciated (+0.4%) amid rising crude oil price and further 50bp rate hike by the CBR.

The Turkish BIST 100 was the worst performing index in the CEE region with a monthly loss of 4.5%, while daily turnover continued to slide, down to USD 1.8 bn on average in June. The new CB governor left the key rate unchanged last month, ignoring President's Erdogan call for easing. Moreover, there was a slightly hawkish change in the accompanying press release, with the TCMB adding the word "decisively" to its commitment to current tight monetary policy stance to fight inflation. Still, TRY continued to weaken, down 2.5% against the broadly stronger USD.

The Greek ASE index was down 1.1%, with cyclicals like materials, consumer discretionary and industrials underperforming. Meanwhile, the Romanian BET gained 3.9% in June, driven by energy and bank stocks.

The fund's monthly return stood at 3.3%. The underperformance of 1.2pp against the benchmark was attributable to the portfolio's underweight in the energy sector as opposed to overweight in materials and consumer discretionary. Positions in the latter two sectors contributed negatively to the fund's monthly performance, while energy, staples and technology led in terms of total return.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 2.19 M
NAV/share	EUR 0.9965
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

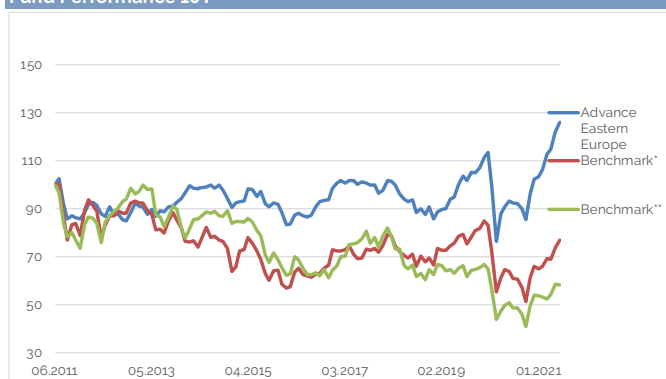
### Fund Identifiers

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

### Fund Results

	Fund	Benchmark*	Benchmark**
1 month	3.33%	4.49%	-0.35%
1 year	35.14%	20.50%	14.94%
Year to Date	23.36%	16.49%	8.15%
Since Launch (annualized)	-0.02%	-2.57%	-3.93%

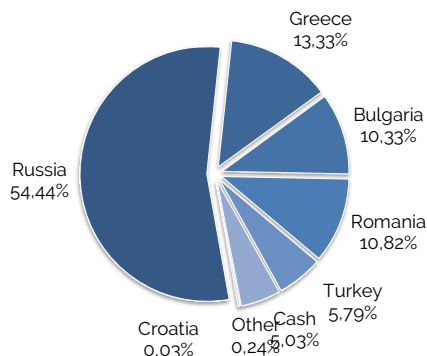
### Fund Performance 10Y



### Annual Performance

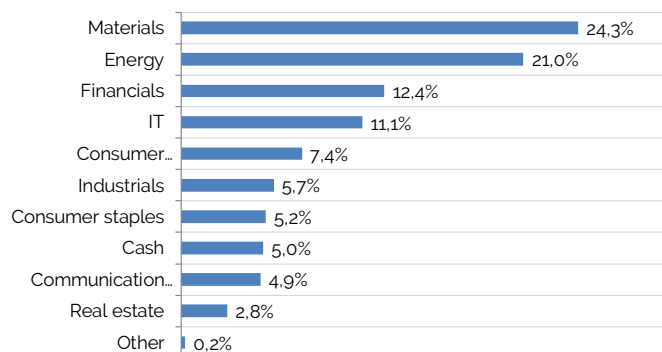
Year	Fund	Benchmark*	Benchmark**
2020	-8.31%	-22.29%	-19.20%
2019	29.88%	27.90%	6.91%
2018	-12.25%	-11.12%	-20.91%
2017	4.42%	12.24%	22.39%
2016	11.31%	24.40%	-1.29%
2015	-2.29%	-8.32%	-22.13%
2014	-4.06%	-22.21%	2.24%
2013	6.64%	-11.15%	-16.81%
2012	4.07%	4.86%	34.08%
2011	-17.02%	-22.53%	-29.75%
2010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

Yandex NV (Russia), Information services

GMK Norliski Nikel (Russia), Materials

Polyus Gold OJSC (Russia), Materials

SBERBANK, COMMON (Russia), Financials