

# 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 December 2023



### Fund Manager's Comment

Global equities maintained positive momentum in December, sticking to the seasonal pattern. The Santa rally was boosted by the Fed's dovish tone after the last FOMC meeting of the year, which strengthened market expectations of significant rate cuts in 2024. Developed markets outperformed again, with MSCI World up 3.5% compared to 2.4% gain for MSCI EM. Due to the turbulence of Turkish stocks, the regional MSCI EFM Europe + CIS ex RU lagged (+1.2%). Nevertheless, it kept a solid lead in terms of full year performance (+20.6%) against developed European markets (+12.7%) and global EM (+3.4%).

The Greek ASE increased 1.4%, finishing as the best performer among major CEE indices in terms of annual return (+39.1%). Consumer discretionary, staples and industrials contributed the most to the positive monthly performance, while financials and energy stocks were a slight drag.

Turkey's BIST 100 declined 6.0% in LCU terms (-9.7% in EUR terms) amid continuing monetary policy tightening. The annual return stood at 35.6% in lira terms in 2023, but was deeply negative in EUR terms (-16.9%), as the local currency depreciated significantly. Foreign investors were strong buyers of Turkish equities, with USD 1.1bn of net portfolio inflows in December. In terms of macro backdrop, TCMB delivered a smaller 250bp hike in its final meeting of the year, rising the key rate to 42.5%, while inflation slightly accelerated to 64.8% YoY.

The Romanian BET was up 4.5% (+31.8% in 2023). All index-heavy sectors were in the black, with energy (+5.6%) and financials (+6.2%) outperforming utilities (+1.9%).

Class A shares of the Fund gained 1.1%, with Bulgarian and Romanian positions contributing the most. Sector-wise, tech, consumer discretionary and energy stocks had the largest positive contribution, while time, materials and industrials were the top detractors.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 1.55 M
NAV/share	EUR 0.7173
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

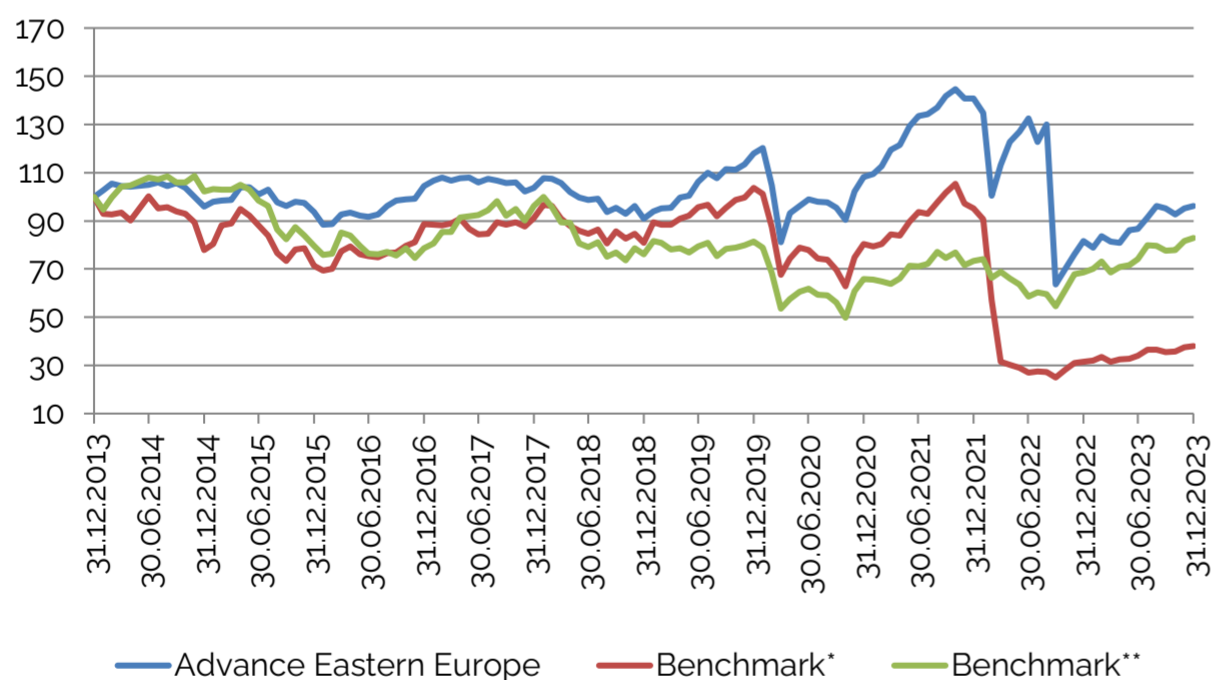
### Fund Identifiers

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

### Fund Results

	Fund	Benchmark*	Benchmark**
1 month	1.09%	1.24%	1.24%
1 year	17.92%	20.55%	20.55%
Year to Date	17.92%	20.55%	20.55%
Since Launch (annualized)	-1.91%	-7.20%	-2.51%

### Fund Performance 10Y

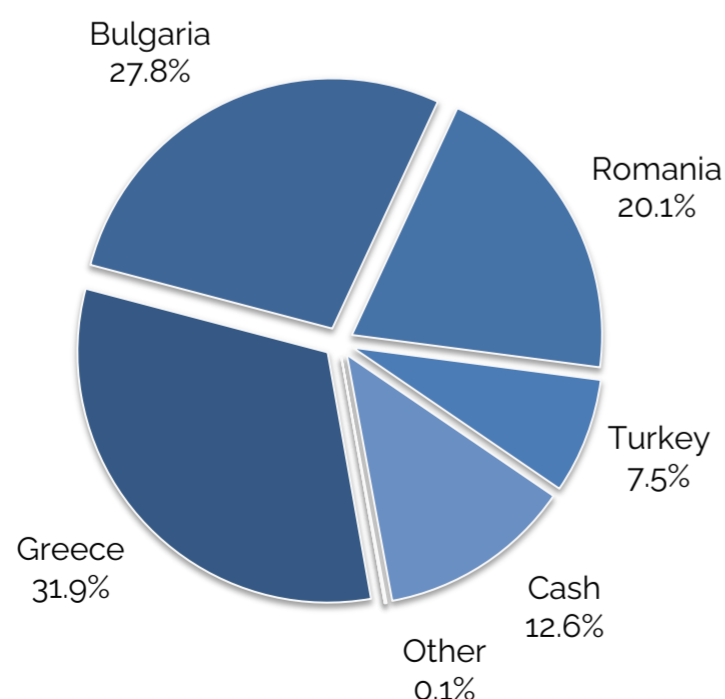


### Annual Performance

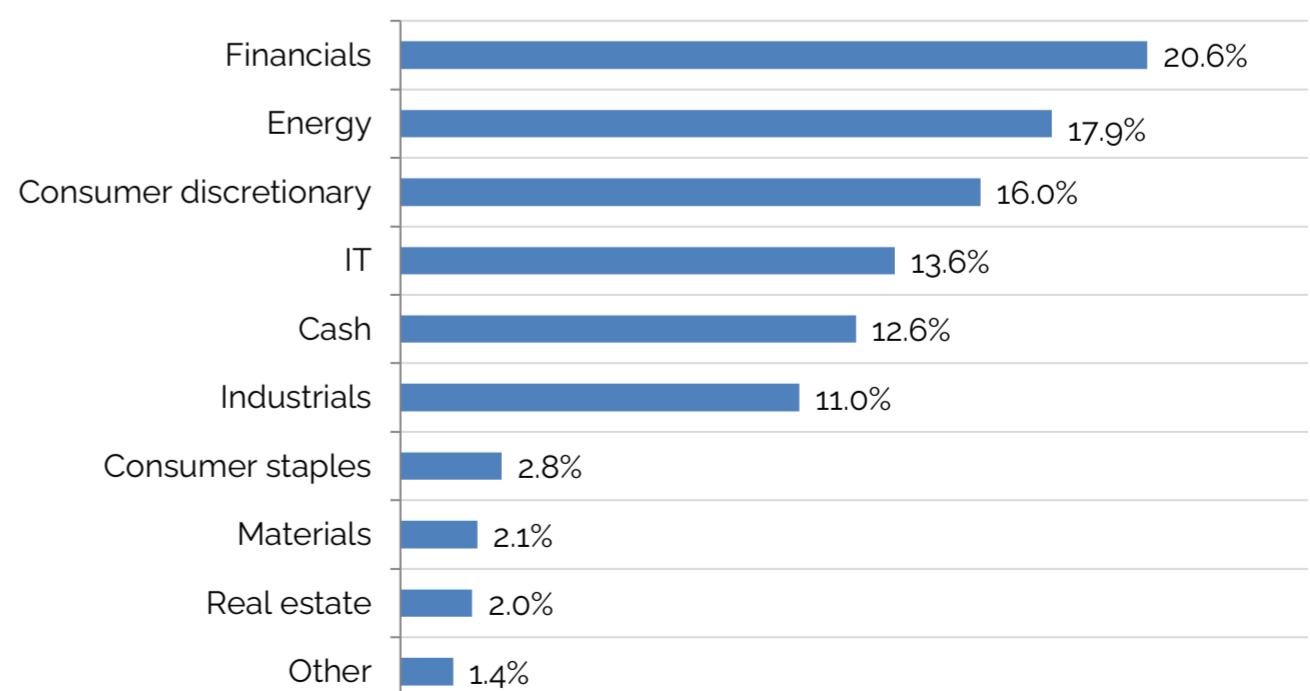
	Fund	Benchmark*	Benchmark**
2022 (indicative)	-42.12%	-66.97%	-6.49%
2021	30.09%	18.34%	11.71%
2020	-8.31%	-22.29%	-19.20%
2019	29.88%	27.90%	6.91%
2018	-12.25%	-11.12%	-20.91%
2017	4.42%	12.24%	22.39%
2016	11.31%	24.40%	-1.29%
2015	-2.29%	-8.32%	-22.13%
2014	-4.06%	-22.21%	2.24%
2013	6.64%	-11.15%	-16.81%
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%

### Portfolio Breakdown

#### Market Breakdown



#### Sector Breakdown



### TOP 5 HOLDINGS

Shelly Group, Bulgaria, IT	JUMBO SA, Greece, Consumer discretionary	GREEK ORGANISATION OF FOOTBALL PROGNOSTICS S.A., Greece, Consumer discretionary	Motor Oil Hellas Corinth Refineries S.A., Greece, Energy	S.P.E.E.H. HIDROELECTRICA S.A., Romania, Energy
----------------------------	--	---	--	---