

# 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

30 November 2023

### Fund Manager's Comment

The sharp reversal in long term interest rates provided strong tailwinds for risk assets in November. Developed markets outperformed, as MSCI World was up 5.8% compared to 4.5% gain for MSCI EM. The regional MSCI EFM Europe + CIS ex RU advanced 4.9, with Greek stocks in the lead.

The Greek ASE index increased 6.9%. Financials were among the top gainers on robust 3Q23 earnings beating consensus estimates. Meanwhile, HFSF finalized the sale of its 9% Alpha Bank stake to UniCredit and announced the sale of half of its share in NBG (22% of 40.4% total). We view this latest development as a key milestone for the once troubled Greek financial sector and a sign of strong strategic and institutional investor interest. HFSF still holds 27% stake in Piraeus Bank.

The BIST 100 added 5.8% in LCU terms amid improving foreign investor interest in Turkish equities, with USD 427mn of net portfolio inflows in November. Meanwhile the ongoing normalization of monetary policy will likely continue to have a restraining effect on the risk appetite of local investors. The TCMB delivered another 500bp hike in November, rising the key rate to 40%, and will most likely press further in December. Thus, the real interest rate has improved to ca. -20% from a low of -77% at the end of last year. The lira weakened further, down 1.95% against the USD, while inflation momentum was relatively stable for a second consecutive month (up 3.3% MoM and 62.0% YoY). The Romanian BET was up 3.5%. All index-heavy sectors were in the black, with utilities (+6.9%) in the lead, followed by energy (+2.4%) and financials (+2.3%). Shares of Hidroelectrica were well bid following robust 3Q23 financial results and guidance upgrade of FY2023 production – up to 17.3 TWh from 16.3 TWh previously.

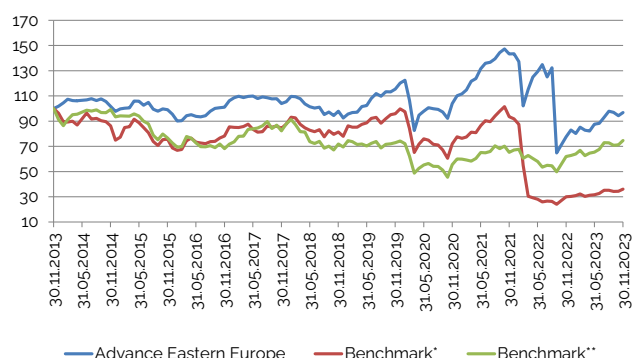
Class A shares of the Fund gained 2.7%, with Greek and Romanian positions contributing the most to the monthly return. Sector-wise, financials and energy stocks had the highest positive contribution, followed by utilities and industrials. At the same time, only IT stocks were modestly in the red last month.

Fund Facts	
Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 152 M
NAV/share	EUR 0.7096
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	2.68%	4.90%	4.90%
1 year	24.80%	20.43%	20.43%
Year to Date	16.65%	19.07%	19.07%
Since Launch (annualized)	-1.98%	-7.30%	-2.59%

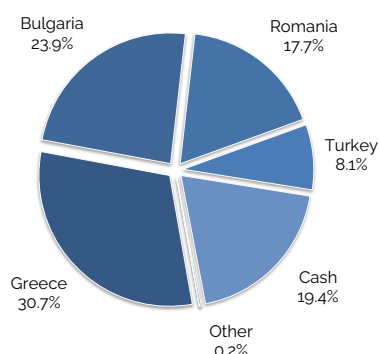
### Fund Performance 10Y



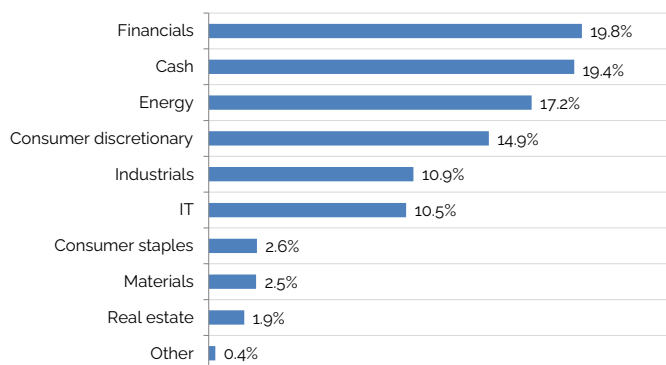
### Annual Performance

	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%

### Market Breakdown



### Portfolio 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
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