

# 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 April 2024



### Fund Manager's Comment

The negative economic surprises in the US cooled investor's enthusiasm off in April, as slowing growth and faster inflation raised the specter of stagflation. Global equities diverged, with MSCI World down by 2.9%, while the MSCI EM gained 1.3%, led by renewed inflows to Chinese stocks. The regional MSCI EFM Europe + CIS stood out as an outperformer, up 3.9% on the back of strong rally in Turkey.

The Greek ASE increased 1.8%, led by selective recovery among banks, with Tier 1 names ETE and EUROB outperforming. Thus far, 1Q24 financial results of the sector (ETE and TPEIR) are broadly in line with analysts' consensus and confirm the strong underlying trends. Looking beyond the earnings season, the next key short-term catalyst will be the dividend approvals by the Single Supervisory Mechanism (SSM), which is expected in June.

After volatile pre-election dynamics in March, Turkish equities regained momentum against the backdrop of Erdogan's unwavering support for finance minister Simsek and his economic reforms. BIST 100 gained 9.9% in LCU terms, with banks markedly in the lead, while the Turkish lira was broadly stable against the USD and the euro. Foreign investors were net buyers of Turkish stocks, to the tune of USD 385 mn in April. TCMB kept the key rate unchanged at 50% at its latest meeting, expecting tight monetary stance and base effects to bring subsiding consumer price pressure in 2H2024. Meanwhile, the inflation rate accelerated to 69.8% in April, which was below the consensus forecast of 70.1%.

The Romanian BET was almost flat (+0.2%), as the five-month rally ran out of steam. The performance of the index-heavy sectors was muted, with 0.2% gain for both financials and utilities and energy slightly down 0.5%. Among noteworthy corporate news during the month were the dividend announcements of the two listed banks, with dividend yields of 5.7% and 4.4%, respectively, for BRD and TLV. Class A shares of the Fund increased 0.4%. The Greek and Turkish positions contributed relatively equally to the monthly return, while Romanian and Bulgarian stocks were marginally lower. Sector-wise, financials and consumer discretionary had the highest positive contribution, followed by industrials. At the same time, energy and tech names were a slight drag for the overall performance.

### Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 1.7 M
NAV/share	EUR 0.7932
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

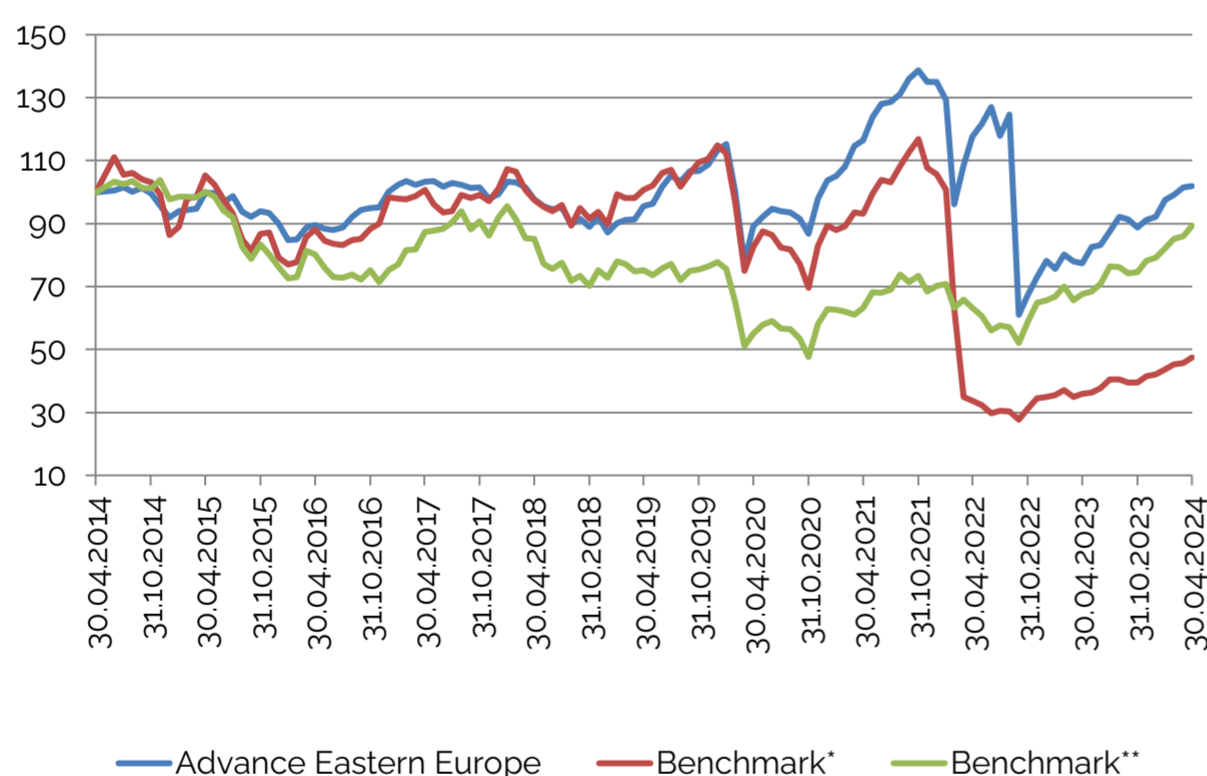
### Fund Identifiers

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

### Fund Results

	Fund	Benchmark*	Benchmark**
1 month	0.38%	3.92%	3.92%
1 year	31.61%	32.02%	32.02%
Year to Date	10.58%	12.86%	12.86%
Since Launch (annualized)	-1.31%	-6.43%	-1.79%

### Fund Performance 10Y



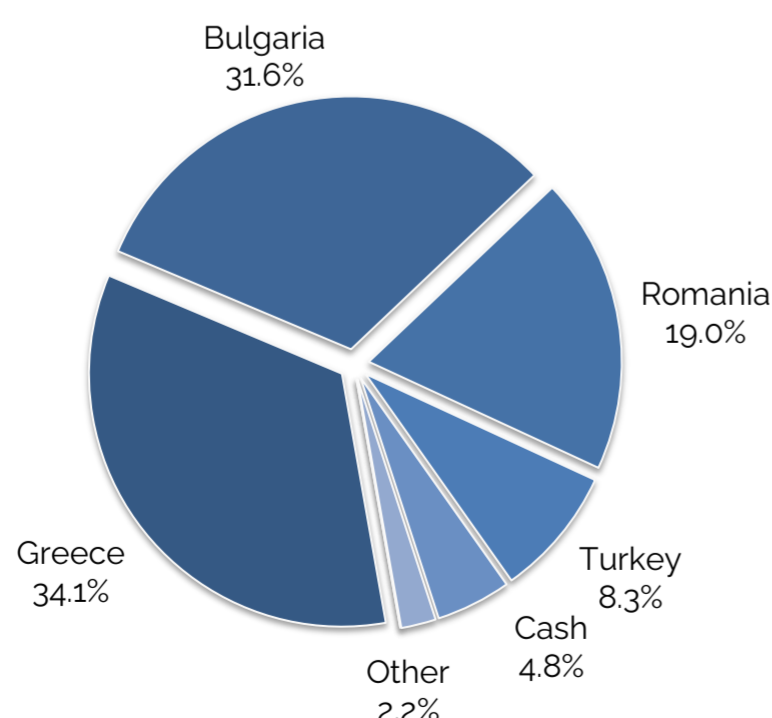
### Annual Performance

	Fund	Benchmark*	Benchmark**
2023*	20.64%		
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%

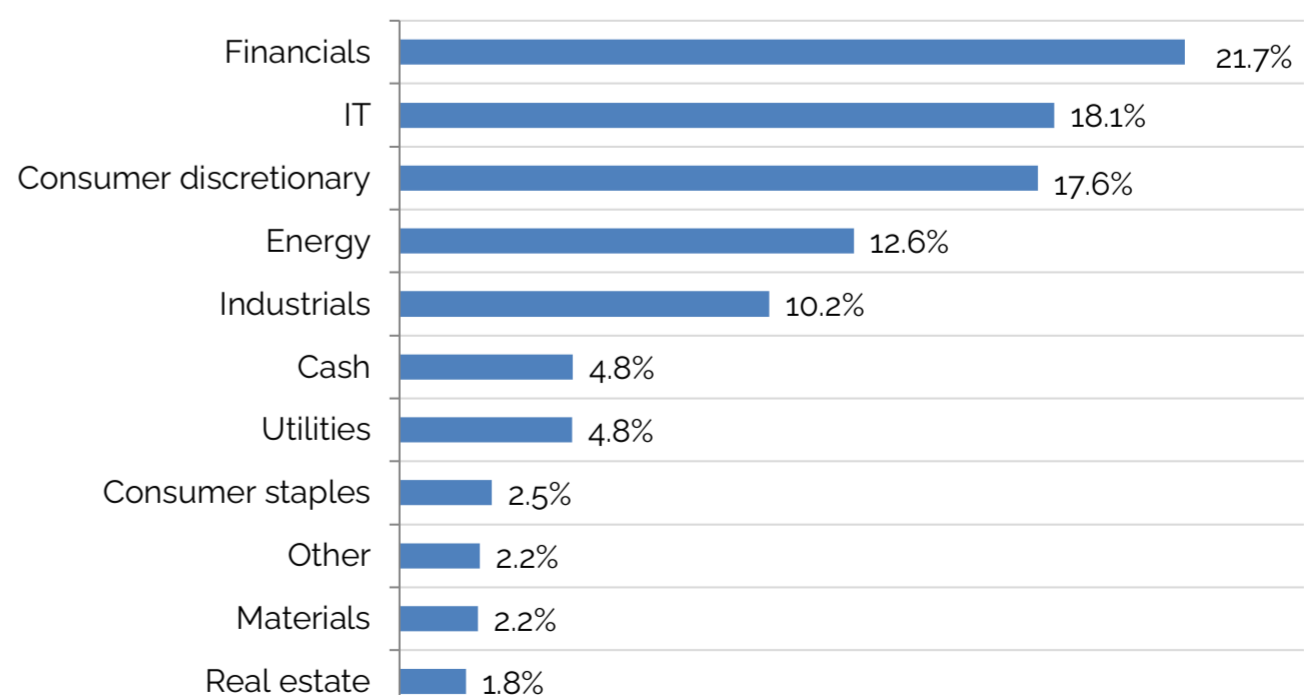
\*Annual performance since 03.01.2023 when class A was started

### Portfolio Breakdown

#### Market Breakdown



#### Sector Breakdown



### TOP 5 HOLDINGS

Shelly Group, Bulgaria, IT	Sirma 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
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