

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 January 2024



Fund Manager's Comment

Risk-on sentiment prevailed in January, despite a marked divergence in terms of regions and sectors. MSCI World climbed 2.9%, led by strong rally of mega tech stocks (MSCI North America +3.1%), while DM European equities lagged (+1.5%). Meanwhile, MSCI EM declined 3.1% as the relentless sell-off in China continued. Apart from Poland, the CEE region stood out with robust gains, with MSCI EFM Europe + CIS advancing 38%.

The Greek ASE gained 5.7% on the back of a broad-based rally (ex. telcos and IT). Financials outperformed, followed by materials and industrials. Key developments over the month were the first bond issue after the country regained investment grade and the IPO of Athens International Airport (AIA), both of which attracted huge international investor interest. The total demand for AIA's IPO was above EUR 8 bn, an oversubscription of ca. 12 times, confirming that Greece is definitely back on investors' map.

Turkey's BIST 100 had a strong comeback from December lows, up 13.7% in LCU terms (+12.9% in EUR terms). Sector-wise, industrials were in the lead, followed by consumer staples and telecommunications, who keep transferring price increases onto consumers. Except for a brief pause in the first week of January, foreign investors were net buyers of Turkish equities through the month. In terms of macro backdrop, TCMB delivered another 250bp hike at its January meeting, raising the key rate to 45%, while inflation stabilized at 64.9% YoY. Despite the CB governor's reshuffle, analysts expect the rebalancing of the economy to continue.

The Romanian BET was up a modest 0.9%. Among the index-heavy sectors, banks (+2.6%) and energy (+1.4%) were in the black. Meanwhile, utilities declined 1.3%, as shares of Hidroelectrica were under pressure due to falling electricity prices in Europe, which brought about some analyst downgrades.

Class A shares of the Fund had a very strong start of the year, up 5.8%. Bulgarian and Greek positions contributed the most to the monthly return, with a markedly positive selection effect in Bulgaria. Sector-wise, tech and financials, contributed the most to the positive performance, followed by smaller gains for industrials, consumer discretionary and energy. Only utilities were slightly in the red.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Raykov, Konstantin Prodanov
Fund size	EUR 163 M
NAV/share	EUR 0.7586
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

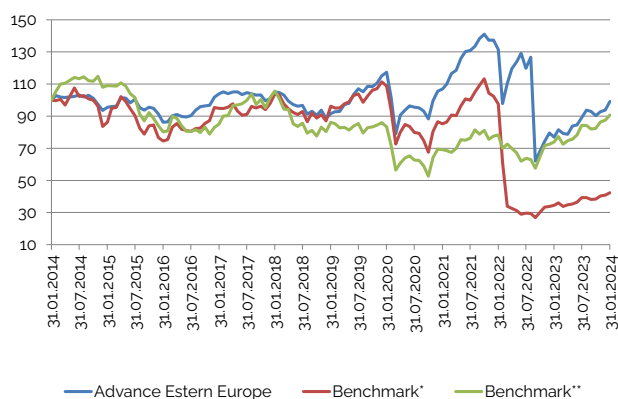
Fund Identifiers

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

Fund Results

	Fund	Benchmark*	Benchmark**
1 month	5.76%	3.79%	3.79%
1 year	28.99%	22.73%	22.73%
Year to Date	5.76%	3.79%	3.79%
Since Launch (annualized)	-1.58%	-6.97%	-2.29%

Fund Performance 10Y



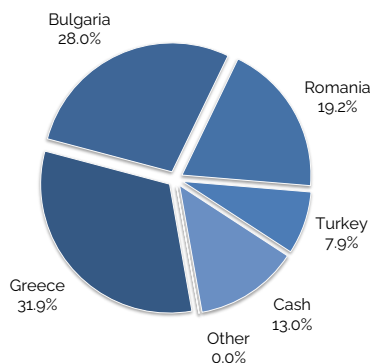
Annual Performance

	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%

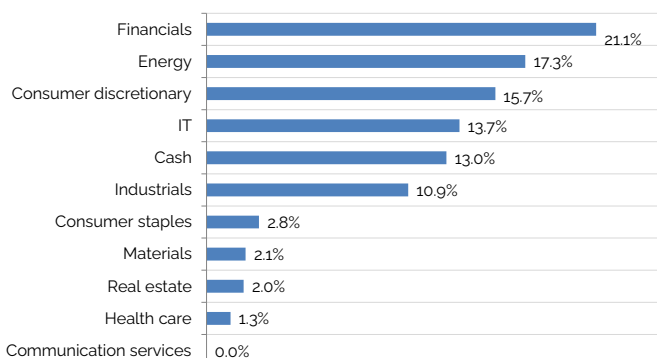
*Annual performance since 03.01.2023 when class A was started

Portfolio Breakdown

Market Breakdown



Sector Breakdown



TOP 5 HOLDINGS

Shelly Group, Bulgaria, IT	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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