

Investment Objective

The Fund invests in stocks of companies in the CEE region, and has a long-term holding horizon of the investments.



Fund Manager's Comment

Emerging markets, as measured by MSCI EM continued to underperform as the foreign capital flight from stock investments persisted (-\$42bn according to Bloomberg). In contrast to the previous months, the CEE region ranked among the winners, with MSCI EFM Europe + CIS ex RU increasing by 5.2% (in EUR). The best performing sector in CEE, according to MSCI was Industrials (+11.3% in EUR), followed by Energy (+7.3% in EUR), while Healthcare recorded the worst performance, rising by just 0.4% in EUR.

Poland, which is the largest market in the portfolio made the highest contribution to the return in May. Supported by strong appreciation of Energy and Communication services stocks, the benchmark index WIG20 rose by 4.5%. The video game developer CD Projekt (CDR) made the highest contribution to our portfolio return, rising by 12.9%. We benefited also from our exposure to the energy sector. The banking sector remained among the bottom performers (+0.6%). Due to the high uncertainties around the sector and the frequent management board changes, we decided to reduce further our exposure to the sector and sold our position in Alior Bank (ALRR). On 28th of May Polish Central bank quite unexpectedly cut the interest rates by 40 bps to 0.1%. In our opinion this raises concerns about the financial stability of the sector and will have very negative consequences for the smaller banks. Based on these considerations, we feel comfortable with our heavily underweight allocation to Polish banks.

Czech PX index gained 2.6% in May (-19.7% YTD). Shares of the antivirus software company Avast (AVST) remained among the top-performers and made the highest contribution to the index return. Shares of the utility company CEZ continued to appreciate (+3.1% in May) and almost fully recovered from the March lows. At the same time, banking stocks recorded a mixed performance.

Hungarian BUX gained 2.0% in May. Except for OTP Bank (+8.7%), the rest of the largest index constituents finished the month in red. We benefited strongly from our exposure to the low cost carrier Wizz Air (WIZZ), which appreciated by 14.1%. The reopening of the economies, as well as expectations for the restart of the tourism season were main factors behind the stock's return.

Baltic indices made further gains in May. Lithuanian index OMX Vilnius fully erased prior losses and finished the month up by 1.3% YTD.

In May the fund's unit value increased by 4.17%. In comparison, the benchmark index gained 5.21%. The currency effect was positive with Polish zloty, Czech koruna and Hungarian forint appreciating respectively by 2.20%, 0.59% and 1.82% vs. the euro. The fund maintained its superior performance vs. the benchmark both YTD and over the longer term.

Fund Facts

Fund type	open-end
Fund Manager	Emil Yanchev, Konstantin Prodanov
Fund size	EUR 8.69 M
NAV/share	EUR 0.81
Launch date	23.11.2007
Currency of account	Euro
Subscription fee	up to 1.50%
Management fee	15 % NAV p.a.
Redemption fee	none
Minimum investment	none
Benchmark	MSCI EFM Europe + CIS ex RU

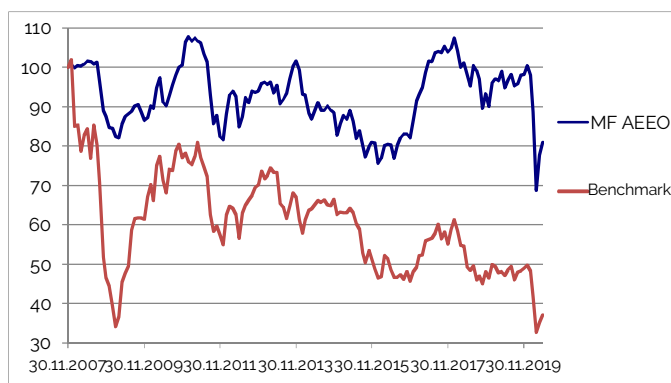
Fund Identifiers

ISIN	BG9000023077
Bloomberg Code	ADVIPOF.BU
Reuters Lipper	68417298

Fund Results

	Fund	Benchmark
1 month	4.17%	5.21%
1 year	-14.51%	-21.35%
Year to Date	-19.45%	-25.58%
Since Launch (annualized)	-1.67%	-7.61%

Fund Performance

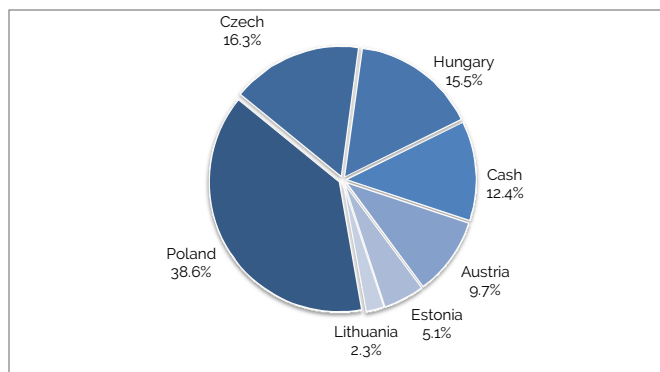


Annual Performance

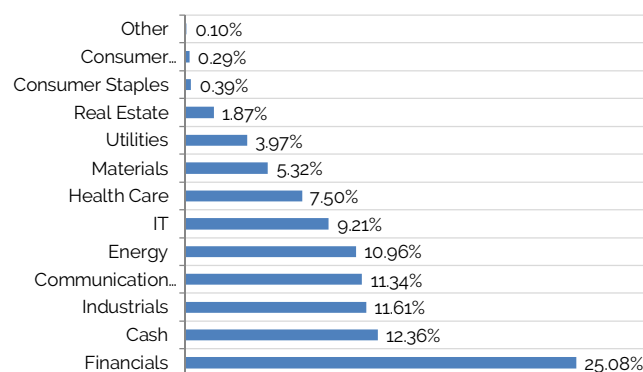
Year	Fund	Benchmark
2019	11.31%	6.91%
2018	-14.09%	-20.91%
2017	20.96%	22.39%
2016	7.26%	-1.29%
2015	-2.27%	-22.13%
2014	-16.68%	-22.13%
2013	3.47%	2.24%
2012	17.55%	-16.81%
2011	-23.26%	34.08%
2010	21.98%	-29.75%
2009	2.85%	16.29%
2008	-15.88%	51.49%

Portfolio Breakdown

Market Breakdown



Sector Breakdown



5 Largest Holdings

CD PROJEKT SA (Poland), Communication Services	LIVECHAT SOFTWARE SA (Poland), Information Technology	AVAST PLC ORD (Czech), Information technology	RICHTER GEDEON NYRT (Hungary), Health Care	CEZ AS (Czech), Utilities
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