

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

August was a red month for the majority of global equity markets. Trade tensions between the U.S. and China further intensified and were a main topic during the month. Fears of further escalation of trade tensions led to increased volatility with MSCI World falling by 1.1% in EUR terms. Against this background, emerging markets fared worse than developed markets, as MSCI Emerging Markets depreciated by 4.0%. CEE region ranked among the underperformers, with MSCI EFM Europe + CIS ex RU falling by 6.9%, mainly affected by the poor performance of Poland and Turkey.

In spite of the stock market rally in the last business day of the month, Polish WIG20 index declined by 6.2% in August and thereby became the worst-performing equity index within CEE. Banking stocks remained under pressure and affected negatively the index performance. In the last days of August, the publication of an analytic study on the FX mortgages issue by the Supreme Court in Poland triggered a sell-off of FX-exposed banks. Investor sentiment, though, improved in the following days and thus banking stocks recouped part of the losses. The rest of the sectors also performed poorly, with only WIG-IT ending the month on a positive note (+2.1%). Polish zloty depreciated by some 2.1% vs. the euro, which also dragged down the fund's performance.

Czech PX index fell by 1.8%, which resulted in a YTD return of 5.1%. Portfolio positions in the Czech Republic outperformed the local benchmark, mainly due to our overweight positions in Avast PLC (AVST). Shares of Avast, which is one of leading companies in the consumer system security market, appreciated by solid 13% in August and reached new all-time highs. The positive market reaction was due to the excellent H1'19 results and the increased guidance for 2019. EUR/CZK increased by 1.0%.

Hungarian BUX index recorded 2.4% loss in August, as all of the four main index constituents registered declines. Investments in Wizz Air (WIZZ) and ANY Security Printing (ANYB), impacted positive the fund's performance in August as both stocks appreciated slightly. Hungarian forint hit a record-low against the euro, as EUR/HUF appreciated by 1.6%, mainly as a result of the loose monetary policy of National Bank of Hungary (NBH).

Baltic equity indices also suffered declines, but however, fell less relative to MSCI EFM Europe + CIS ex RU and thus remained among the top performing equity markets in CEE since the start of the year.

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 4.16 M
NAV/share	EUR 0.9529
Launch date	23.11.2007
Currency of account	Euro
Subscription fee	up to 1.50%
Management fee	1.5% NAV p.a.
Redemption fee	none
Minimum investment	none
Benchmark	MSCI EFM Europe + CIS ex RU

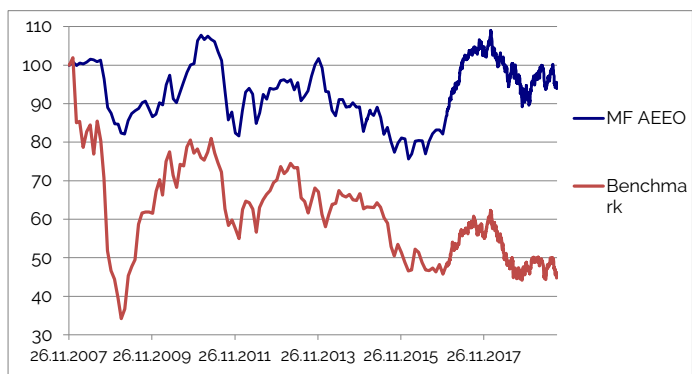
Fund Identifiers

ISIN	BG9000023077
Bloomberg Code	ADVIPOF.BU
Reuters Lipper	68417298

Fund Results

	Fund	Benchmark
1 month	-3.02%	-6.89%
1 year	-3.92%	0.14%
Year to Date	5.48%	-1.10%
Since Launch (annualized)	-0.41%	-6.36%

Fund Performance

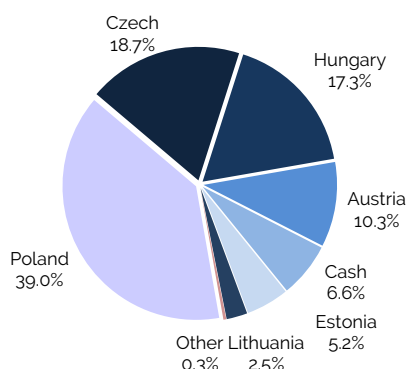


Annual Performance

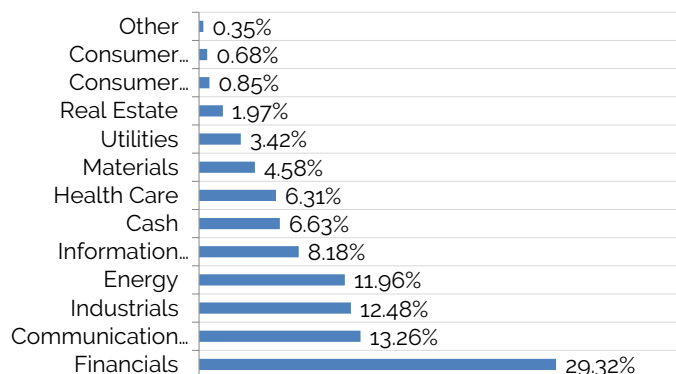
Year	Fund	Benchmark
2018	-14.09%	-20.91%
2017	20.96%	22.39%
2016	7.26%	-1.29%
2015	-2.27%	-22.13%
2014	-16.68%	-22.13%
2013	3.47%	2.24%
2012	17.55%	-16.81%
2011	-23.26%	34.08%
2010	21.98%	-29.75%
2009	2.85%	16.29%
2008	-15.88%	51.49%

Portfolio Breakdown

Market Breakdown



Sector Breakdown



5 Largest Holdings

CD PROJEKT SA (Poland),
Communication Services

AVAST PLC ORD (Czech),
Information Technology

OTP BANK (Hungary),
Financials

WIZZ AIR HOLDINGS PLC,
(United Kingdom),
Industrial

MOL HUNGARIAN OIL AND GAS
PL (Hungary),
Energy