

# ADVANCE INVEST

## Investment Objective

To seek long term capital appreciation through investments in stocks listed on the Bulgarian & Romanian markets. The fund is actively managed through bottom-up selection of undervalued stocks with high growth potential as determined by fundamental measures.



31 July 2021

### Fund Manager's Comment

Despite the holiday mood in July, investors had to balance between security and inflation. The main reason was the rapid spread of the Delta variant of COVID-19 around the world, which heightened fears of new quarantine measures. Another cause for concern was rising inflation trends. Despite the risks, market players are not giving up on stocks and continue to look for undervalued assets in the CEE region.

The leading index of the Bulgarian Stock Exchange (SOFIX) realized a monthly increase of 2.3%, reaching a new higher value at 570.44 points. Since the beginning of the year, the SOFIX has returned 27.5% and is among the fastest growing indices. The companies that contributed the most to the increase of SOFIX were Advance Terrafund REIT (ATER; + 12.3% MoM), Real Estate Fund Bulgaria REIT (BREF; + 17.5% MoM) and Albena (ALB; + 9.4% MoM). At the other end, the underperforming stocks that were a drag on the index were Sopharma (SFA; -1.7% MoM), Eurohold Bulgaria (EUBG; -0.8% MoM) and Telelink Business Services Group (TBS; -1.5% MoM).

The main index of the Romanian Stock Exchange (BET) ended the month with a slight decrease of 0.2% to 11848.61 points. The return of the index since the beginning of the year remained 23.9%. At the same time, the index including dividend payments (BET-TR) realized a growth of 0.2% to a level of 20658.97 points. The companies that contributed the most to the index performance were BRK Financial Group (BRK; +18.3% MoM), Teraplast (TRP; +9.1% MoM) and Alro (ALR; +6.3% MoM), while those that detracted from the value of the benchmarks were Bittnet (-44.2% MoM), Electromagnetica (ELMA; -12.2% MoM) and Purcari Wineries (WINE; -8.1% MoM).

In July the value of the fund's units increased by 2.3% while the benchmark index (MSCI EFM Europe + CIS ex RU) increased by 1.5%. The fund maintained its strong performance against the benchmark index. Comparing the returns for 2020, as well as YTD, Advance Invest outperforms by more than 10pp the benchmark index for both periods.

### Fund Facts

Fund type	open-end
Fund Manager	Tihomir Kaundzhiev
Fund size	BGN 9,06 M
NAV/share	BGN 1,5285
Launch date	10/05/2004
Benchmark	MSCI EFM Europe + CIS ex RU
Currency of account	BGN (1EUR = BGN 1.95583)
Subscription fee	up to 150%
Management fee	2.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

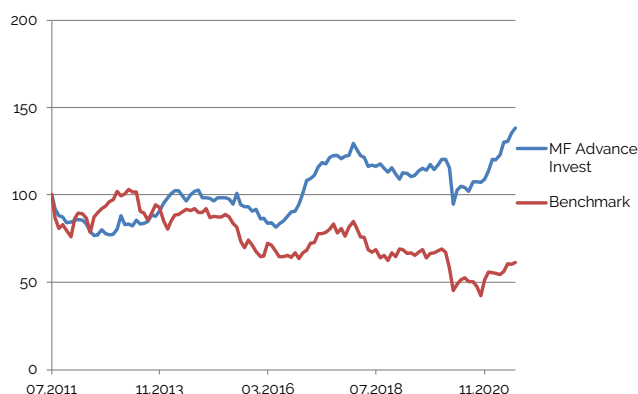
### Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

### Fund Results

	Fund	Benchmark
1 month	2.31%	1.50%
1 year	35.93%	21.60%
Year to Date	21.72%	9.78%
Since Launch (annualized)	2.49%	0.98%

### Fund performance vs Benchmark

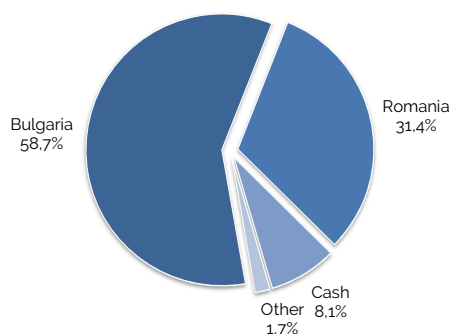


### Annual Performance

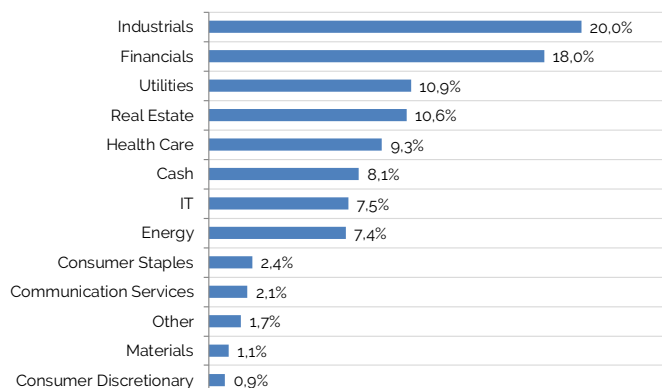
Year	Fund	Benchmark
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
2007	55.37%	20.71%
2006	31.20%	9.97%
2005	32.60%	51.04%
2004	38.00%	-17.05%

### Portfolio Breakdown

#### Market Breakdown



#### Sector Breakdown



### 5 Largest holdings

CEZ AD (Bulgaria), Utilities

ELEVEN CAPITAL (Bulgaria), Information technology

Advance Terrafund REIT (Bulgaria), Real Estate

SOPHARMA AD (Bulgaria), Health Care

'Bulgarian real estate fund' REIT (Bulgaria), Real Estate