

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 March 2021

Fund Manager's Comment

During last month investors once again demonstrated their affinity for shares of companies offering regular dividends and stable income. Value stocks again prevailed over the shares of companies characterised by expectations of significant revenue growth. This contributed to the positive performance of the stock markets in Bulgaria and Romania.

The Romanian stock index BET rose sharply by 9.7%, reaching 11,189.60 points at the end of the month. YTD the index has grown by 14.2% and maintains its positive trend. The companies, which contributed the most for the positive performance, are "Fondul Proprietatea" (FP, +20.34%), "OMV Petrom" (SNP, +18.29%) and "Romgaz" (SNG, +18.15%). Among the factors that led to the increase in Romanian stock prices were the annual financial results for 2020, which showed that the net profit of most large companies was not affected much by the effects of the pandemic. At the same time, most industrial and energy companies plan to distribute dividend payments that will generate a return between 2% and 6% for their shareholders.

After several sessions of timid increases, the main index of the Bulgarian stock exchange recorded a monthly growth of 1.4%, ending again at 502.28 points. The growth of the index since the beginning of the year is 12.2%, which is due to the very solid performance of the shares of "Eurohold Bulgaria" (EUBG, +45.98%), "Doverie United Holding" (DUH, +33.04%) and "Advance Terrafund" (ATER, +18.23%). In March, SOFIX was rebalanced, with the shares of "Alterco" (+11.22% MoM), "Telelink Business Services Group" (-2.94% MoM) and "Albena" (-6.25% MoM) being added to the index.

In March the value of the fund's unit increased by +1.7%. At the same time, the benchmark index (MSCI EFM Europe + CIS ex RU) fell by 1.6%. The fund maintained its usual strong performance against the benchmark. The profitability of Advance Invest exceeds by more than 10pp the profitability of the index for both 2020 and YTD for 2021.

Fund Facts		Fund Identifiers	
Fund type	open-end	ISIN	BG9000014134
Fund Manager	Tihomir Kaundzhiev	Reuters Lipper	68417296
Fund size	BGN 8.28 M	Код в Bloomberg	ADVIMFD BU
NAV/share	BGN 1,3558		
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 performance vs Benchmark



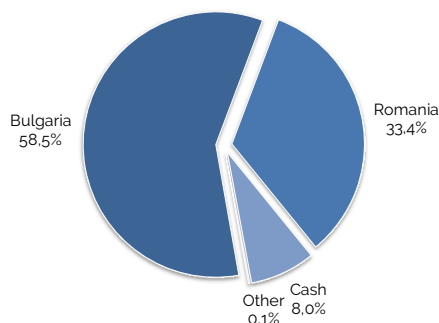
Fund Results

	Fund	Benchmark
1 month	2.31%	-1.60%
1 year	29.68%	19.38%
Year to Date	7.96%	-2.88%
Since Launch (annualized)	1.82%	0.27%

Annual Performance

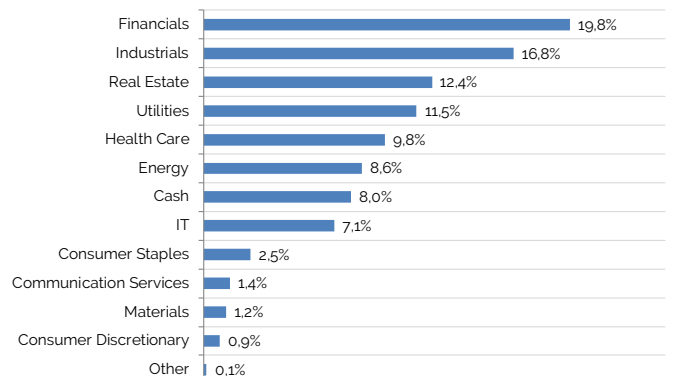
Year	Fund	Benchmark
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
2007	55.37%	20.71%
2006	31.20%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

Market Breakdown



Portfolio Breakdown

Sector Breakdown



5 Largest holdings

CEZ AD (Bulgaria), Utilities	ELEVEN CAPITAL (Bulgaria), Information technology	FONDUL PROPRIETATEA SA (Romania), Financials	SOPHARMA AD (Bulgaria), Health Care	Advance Terrafund REIT (Bulgaria), Real Estate
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