

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.



*This is marketing material

31 October 2023

Fund Manager's Comment

Stock indices in Bulgaria and Romania continued to demonstrate resilience to the global risk-off sentiment in October. The Bulgarian SOFIX was down 1.2%, while the Romanian BET was declined just 0.8%. Trading activity in Sofia decreased markedly from an elevated base, down 58% MoM. The average daily liquidity on the Bucharest Stock Exchange was also lower (-23% MoM).

The best performing SOFIX stock was the stock exchange itself (BSE, +16.6%), followed by FIB (+10.7%), as the bank reported solid financial results in 9M2023 amid robust lending growth and expanding NIM. Among index-heavy constituents, ATER and SFA were almost unchanged, while EUBG (-5.0%) and SLYG (-5.6%) had the largest negative contribution to the index performance.

Among key sectors in Romania, financials maintained positive momentum (+5.7%), while energy (-3.5%) and utilities (-3.4%) weighed the index down. Meanwhile, the government introduced an emergency ordinance hiking the royalties level for the energy sector, applying to new concessions or upon renewal of existing. Still, the key Neptun Deep project of OMV Petrom and Romgaz should be exempt in any case due to the fiscal stability clause of the offshore law.

The fund's NAV per share was flat. Sector-wise, healthcare, real estate and financials had a marginal positive contribution to the monthly return, while IT, energy and utilities were the worst performers.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 13.21 M
NAV/share	BGN 2.0248
Launch date	10/05/2004
Benchmark	MSCI EFM Europe + CIS ex RU
Currency of account	BGN (1EUR = BGN 1.95583)
Subscription fee	up to 1.50%
Management fee	2.5 % NAV p.a.
Redemption fee	none
Minimum investment	none

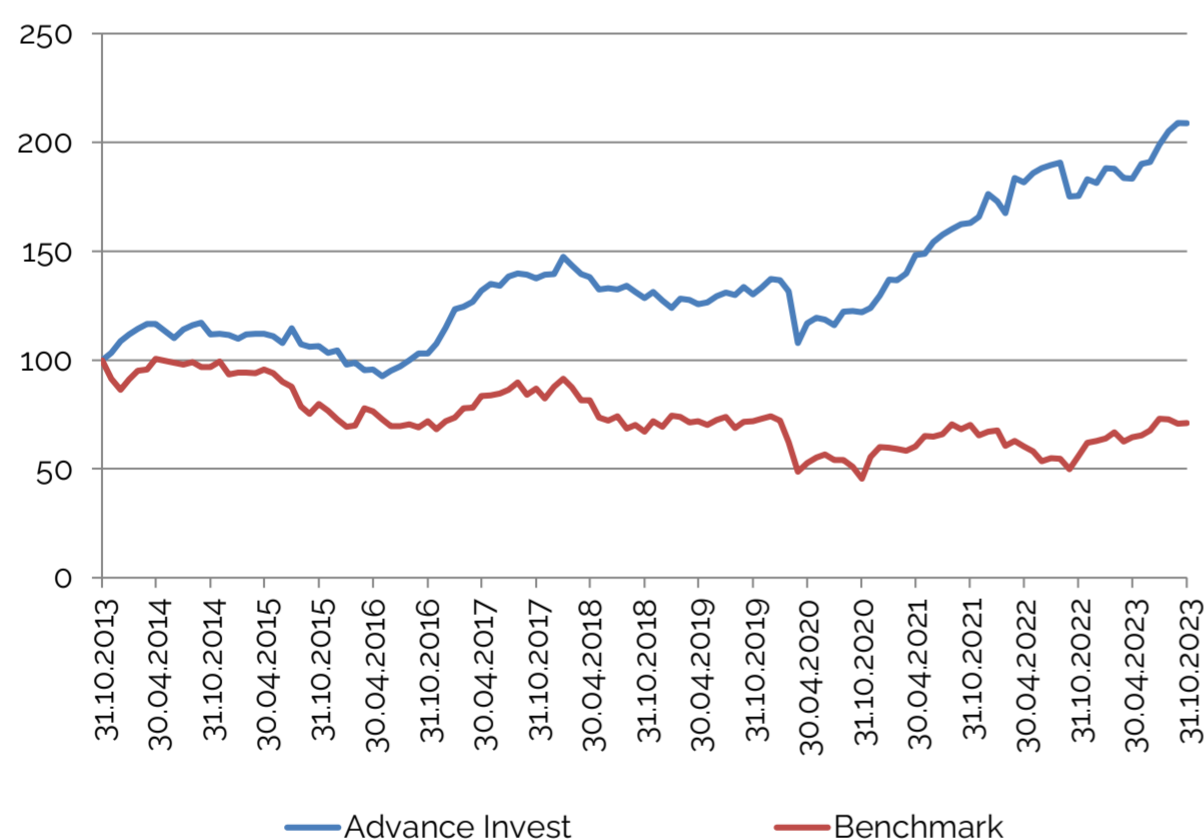
Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

Fund Results

	Fund	Benchmark
1 month	-0.02%	0.48%
1 year	19.11%	26.90%
Year to Date	15.22%	13.50%
Since Launch (annualized)	3.69%	1.27%

Fund performance vs Benchmark

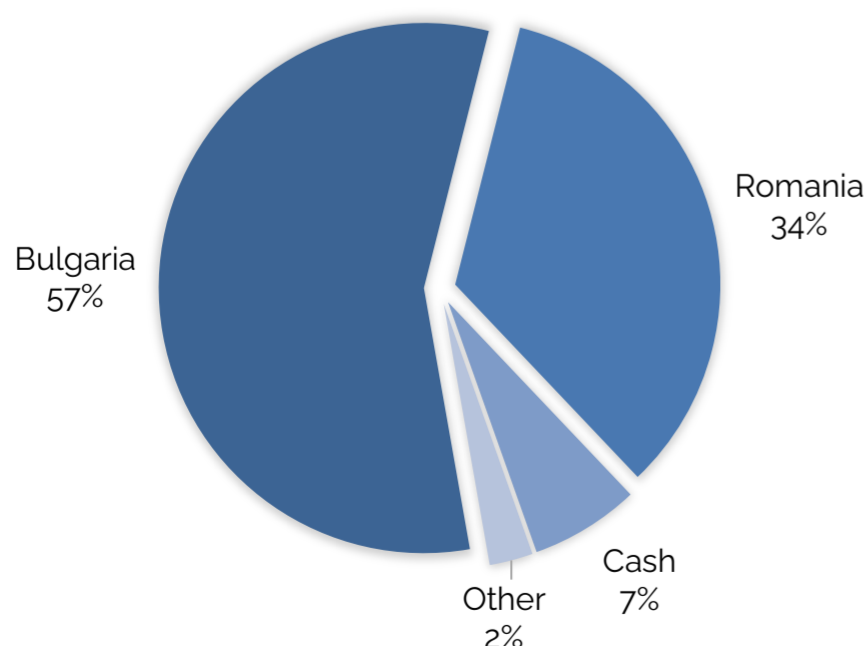


Annual Performance

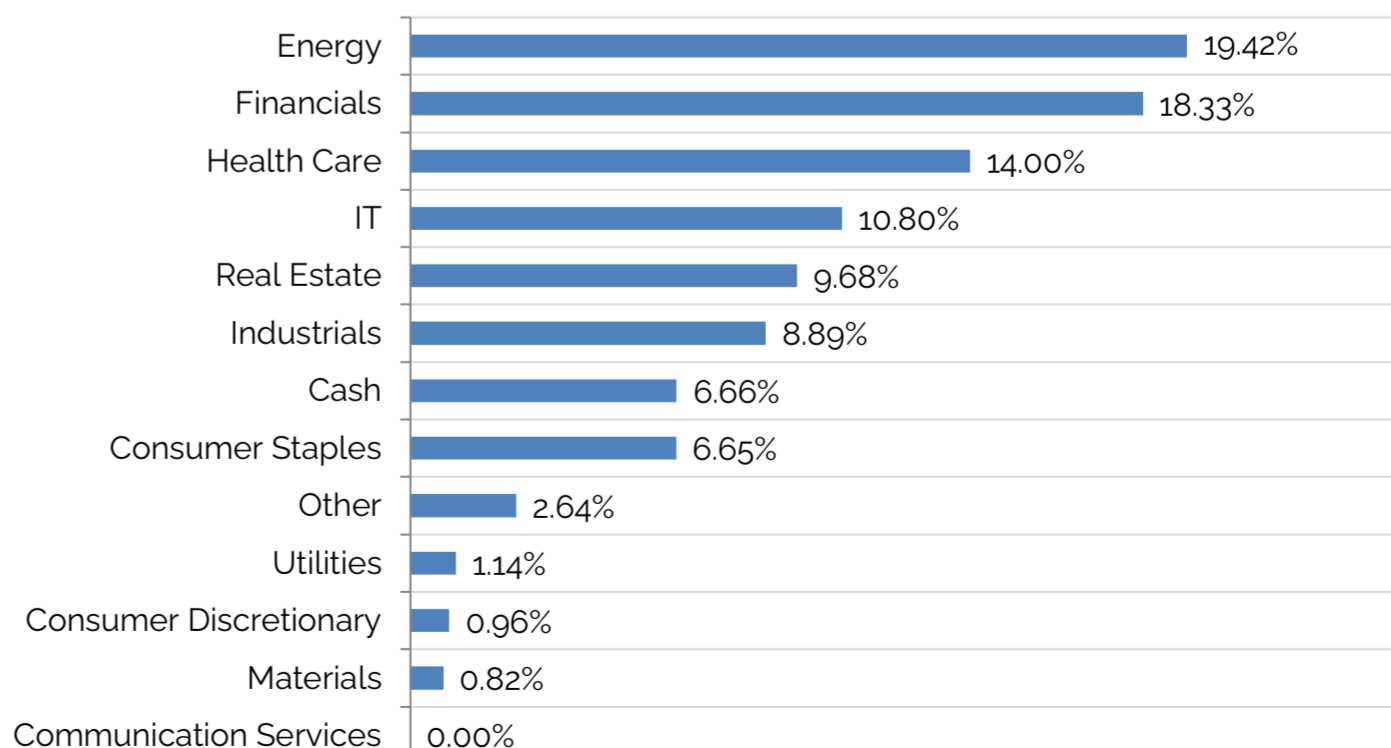
Year	Fund	Benchmark
2022	2.84%	-6.49%
2021	36.06%	11.71%
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
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

Sopharma, Bulgaria, Health Care	Shelly Group, Bulgaria, IT	OMV PETROM, Romania, Energy	Advance Terrafund REIT (Bulgaria), Real Estate	Agria Group Holding Jsc (Bulgaria), Consumer Staples
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