

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

30 September 2023

Fund Manager's Comment

Stock indices in Bulgaria and Romania were resilient to the global risk-off sentiment last month. The Bulgarian SOFIX was unchanged, while the Romanian BET was the best performing index in the CEE region, up 8.2%. Trading activity in Sofia soared markedly, up 271% MoM (+198% YoY). The average daily liquidity on the Bucharest Stock Exchange was also 43% MoM higher.

Among the index-heavy SOFIX constituents, SFA (+26%) had the largest positive contribution. The healthcare company raised BGN 156mn of capital by exercising ca. 84% of the warrants issued in late 2021. Meanwhile, there was an announcement of interim dividend proposal of BGN 0.9 per share (incl. newly issued stocks), implying a DY of over 12%. On the other hand, previous market leader Shelly Group (SLYG, -7.1%) was among the worst performing stocks and had the largest negative contribution to the index performance.

The strong return of the Romanian BET index was driven by elevated market liquidity after the record dividend paid last month from Fondul Proprietatea. Among the index-heavy sectors, O&G stocks were in the lead (+14.1%), followed by utilities (+6.9%) and financials (+5.9%). Banks managed to shake-off the news of bank asset tax being hiked to 2%, despite the ca. 9% estimated negative impact on net income in 2025-2026.

The fund's NAV per share was up 1.9%, outpacing the benchmark. Sector wise, healthcare and energy contributed the most to the positive monthly return, followed by utilities. IT and industrials were the largest drag.

Fund Facts

Fund type	open-end
Fund Manager	Georgi Georgiev
Fund size	BGN 13.24 M
NAV/share	BGN 2.0252
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

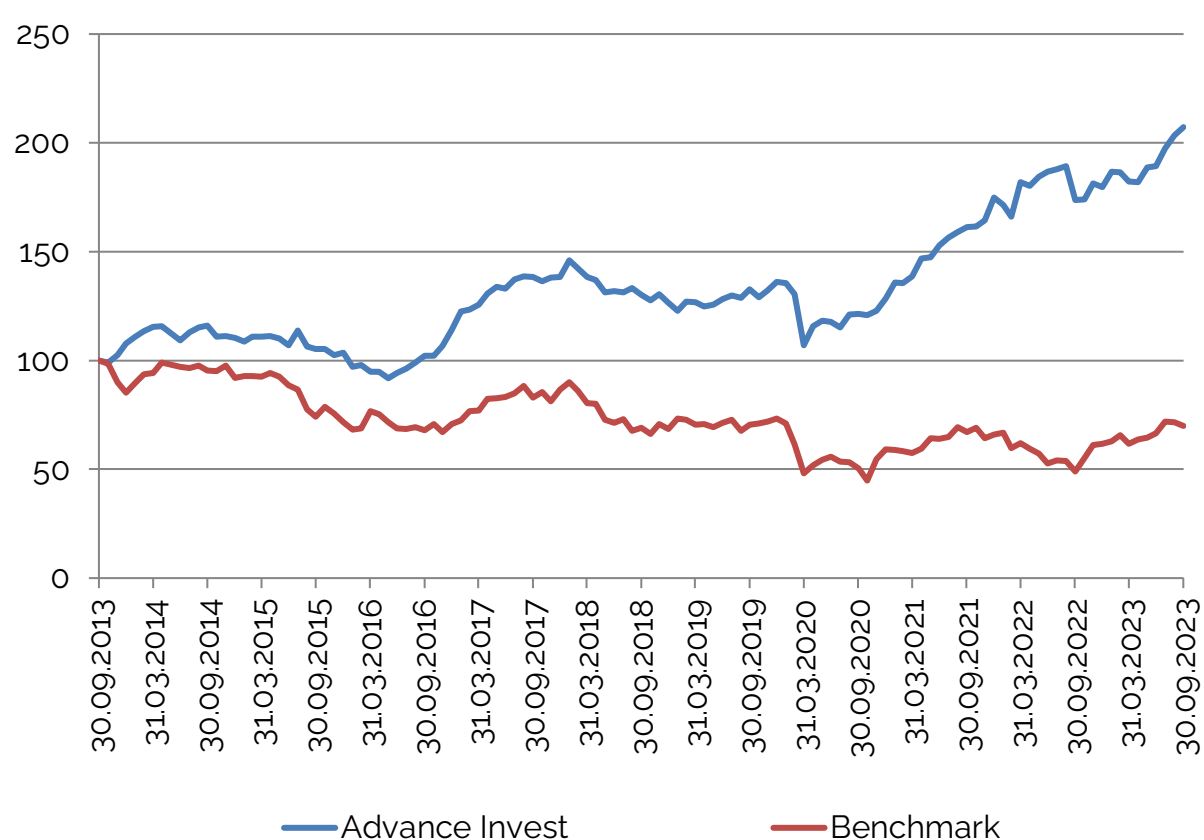
Fund Identifiers

ISIN	BG9000014134
Reuters Lipper	68417296
Код в Bloomberg	ADVIMFD BU

Fund Results

	Fund	Benchmark
1 month	1.87%	-2.72%
1 year	19.36%	42.26%
Year to Date	15.24%	12.96%
Since Launch (annualized)	3.70%	1.25%

Fund performance vs Benchmark

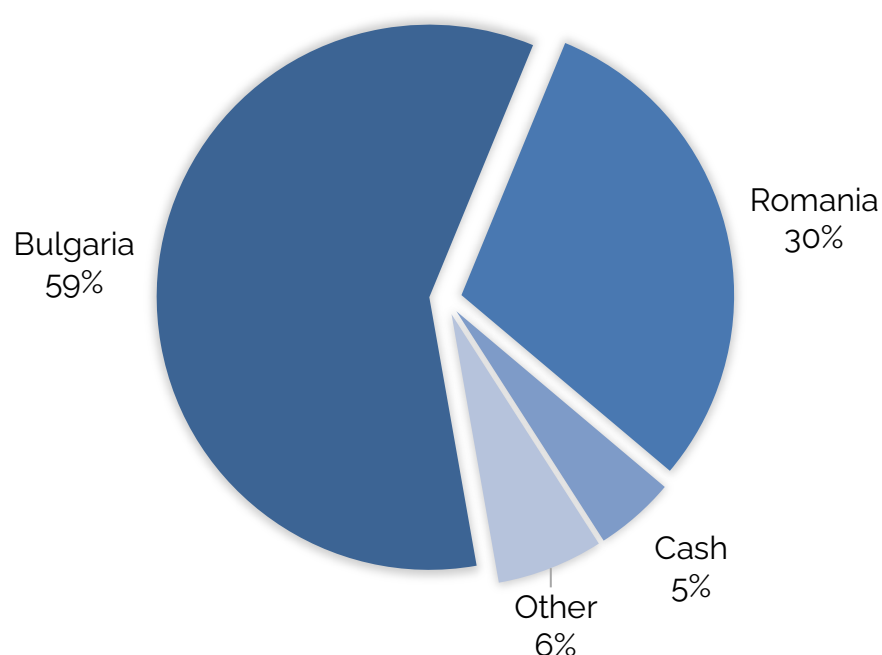


Annual Performance

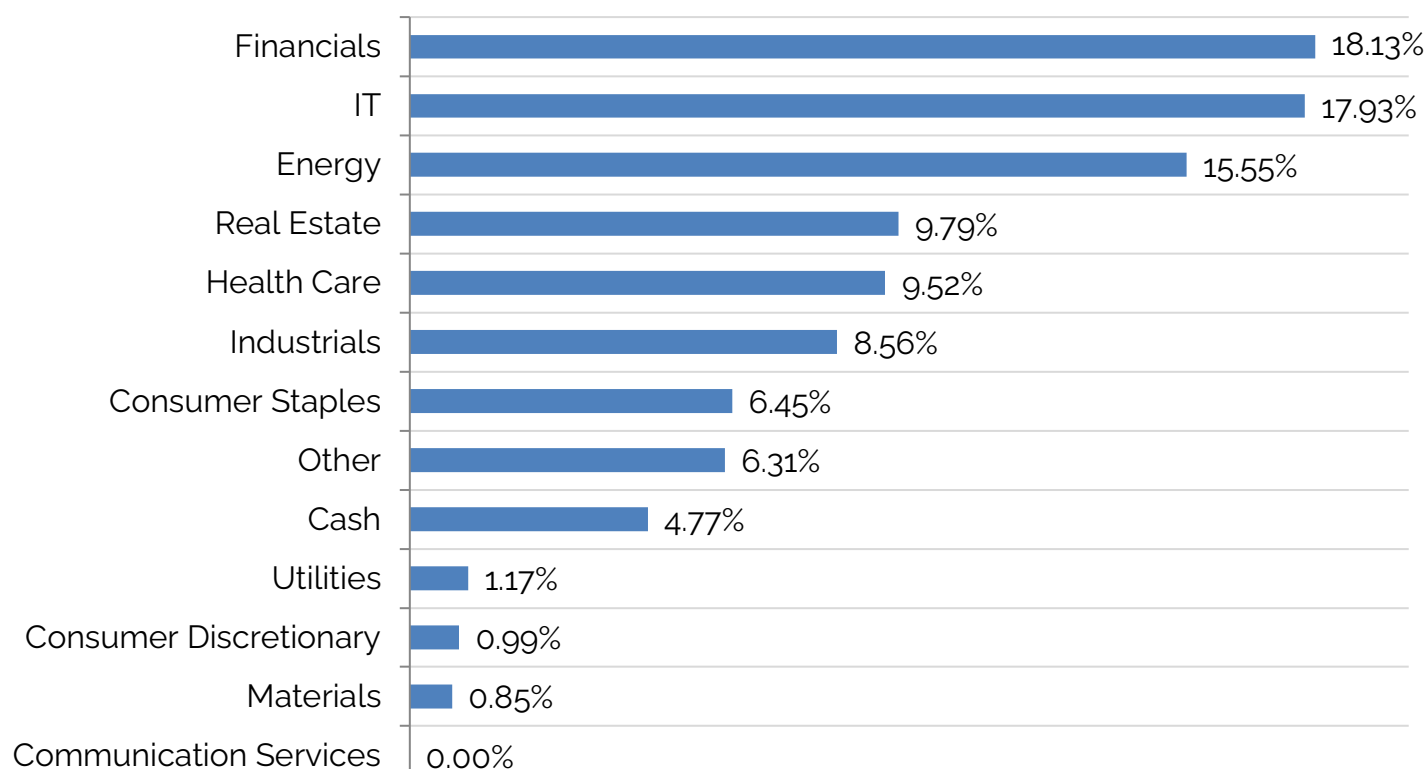
Year	Fund	Benchmark
2022	2.84%	-6.49%
2021	36.06%	11.71%
2020	-5.56%	-19.20%
2019	7.62%	6.91%
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%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

Shelly Group, Bulgaria, IT	Sopharma, Bulgaria, Health Care	OMV PETROM, Romania, Energy	Sirma Group Holding JSC, Bulgaria, IT	Agria Group Holding Jsc (Bulgaria), Consumer Staples
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