

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.



Fund Manager's Comment

After a series of declines in Q4 2018, in the first month of 2019 we witnessed a strong growth in the global stock markets. Trade wars tensions and higher interest rates affected the global economy, although there are still no signs of a significant slowdown. This has prompted the US Federal Reserve to change the pace of normalizing interest rates and freeze the process of quantitative tightening. The European Central Bankers also found cause for concern and again "winked" at the risk-loving capital. Central and East European markets have seen significant growth, and the regional benchmark MSCI EFM Europe + CIS has grown by over 10% within the month.

The Bulgarian market marked a med-term bottom, the SOFIX index bouncing from 560 to 586 points. The impact of annual financial results on investor sentiment at the end of the month was controversial. The strongest positive response was by First Investment Bank, which showed a significant profit growth. Sopharma, whose results showed a slight drop in revenue and a significant decrease in net profit, was on the other extreme.

After the dramatic collapse of the Romanian stock market in December, the year started with a further decline of 6% at the end of January. The fact that the markets in Central and Eastern Europe were on the plus side, while the Romanian market continues to decline, shows that the decline in Bucharest is mainly determined by internal factors. The most important factor is Ordinance 114 of 28 December, which introduces taxes on bank assets and on the turnover of energy and telecom companies. The largest drop was seen in the banking sector, which seems most affected by the tax changes. The Romanian lei depreciated against the euro by 1.5% compared to the level at 2018-end.

Because of the negative development in Romania, in January Advance Invest's NAV recorded a 2.7% decrease, while the MSCI EFM Europe + CIS ex RU index posted an increase of 7.2%. The fund continues to outperform its benchmark on a long-term basis

Fund Facts

Fund type	open-end
Fund Manager	Tihomir Kaundzhiev
Fund size	BGN 7.64 M
NAV/share	BGN 1.2014
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	-2.69%	7.16%
1 year	-15.87%	-18.47%
Year to Date	-2.69%	7.16%
Since Launch (annualized)	1.25%	1.99%

Fund performance vs Benchmark

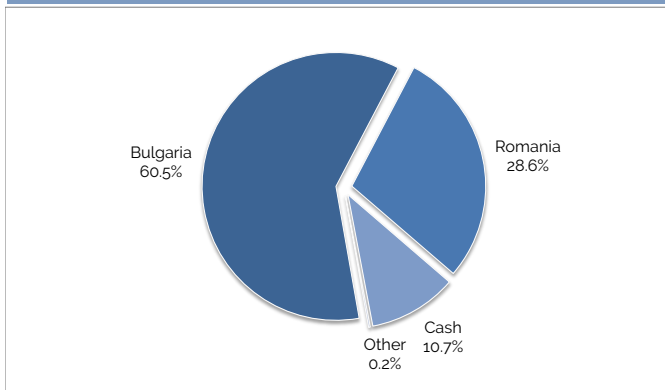


Annual Performance

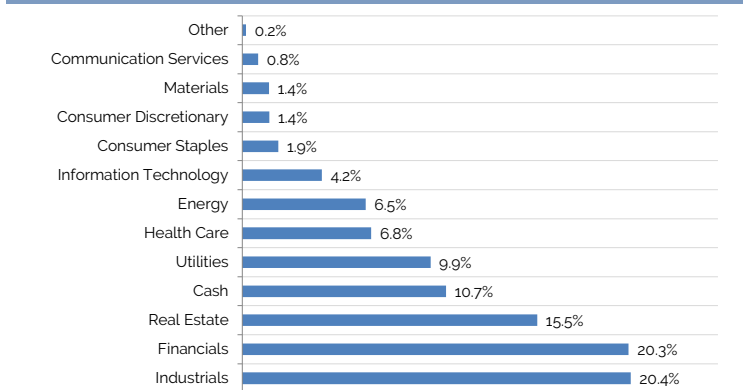
Year	Fund	Benchmark
2018	-8.79%	-20.91%
2017	21.56%	22.39%
2016	10.02%	-1.29%
2015	-6.26%	-22.13%
2014	5.61%	2.24%
2013	18.95%	-16.81%
2012	-5.02%	34.08%
2011	-17.02%	-29.75%
2010	-11.73%	16.29%
2009	2.20%	51.49%
2008	-66.57%	-56.45%
2007	55.37%	20.71%
2006	31.20%	9.97%
2005	32.60%	51.04%
2004	38.00%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

Portfolio Breakdown

Market Breakdown



Sector Breakdown



5 Largest holdings

CHIMIMPORT AD (Bulgaria), Industrials	CEZ AD (Bulgaria), Utilities	SOPHARMA AD (Bulgaria), Health Care	MONBAT AD (Bulgaria), Industrials	ACTIV PROPERTIES (Bulgaria), Real Estate
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