



For achieving the Fund's objectives, the Management company follows aggressive investment policy with active management of the investment portfolio. The Fund's financial resources are invested mainly in shares, approved for trade on Bulgarian and foreign regulated markets, that have high growth potential and show high volatility in their price, increase the risk and, respectively – the possibility for higher return. For structuring and maintaining a diversified investment portfolio and for investor's resources protection from unfavourable market tendencies, the Fund's assets are also invested in shares issued by foreign issuers, as well as in debt securities issued by governments, municipalities and Bulgarian and foreign corporate issuers.

FUND INFORMATION

| | |
|---|----------------|
| Currency | BGN |
| Launch date | 30/01/2006 |
| Last confirmed NAV | 10 677 652.69 |
| Last confirmed NAV per unit | 8.9673 |
| Lowest - Highest NAV per unit for the last year | 8.2066-10.8600 |
| Standard deviation for the last year | 15.08% |

RETURN

| | |
|---|---------|
| Year to date /not annualized/ | -10.93% |
| For the last 12 months /not annualized/ | -17.12% |
| For the last 3 years /annualized/ | -13.43% |
| Since inception /annualized/ | -0.75% |

LARGEST EXPOSURES /TOP 5/

| | TYPE |
|---------------------------------------|--------|
| ADVANCE TERRAFUND REIT-SOFIA | EQUITY |
| CEZ DISTRIBUTION BULGARIA AD-SOFIA | EQUITY |
| STARA PLANINA HOLD AD-SOFIA | EQUITY |
| BULGARIAN REAL ESTATE FUND REIT-SOFIA | EQUITY |
| SPEEDY AD-SOFIA | EQUITY |

TOTAL TOP 5 26.45%

SECTOR BREAKDOWN

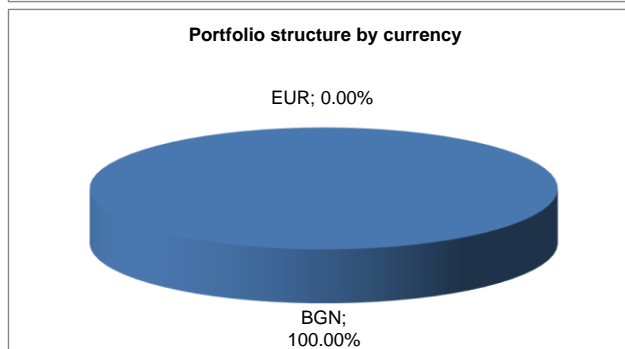
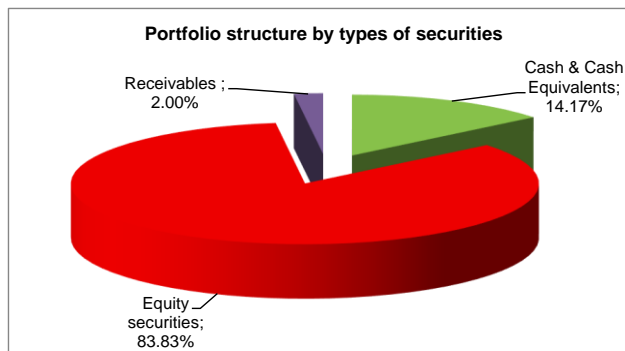
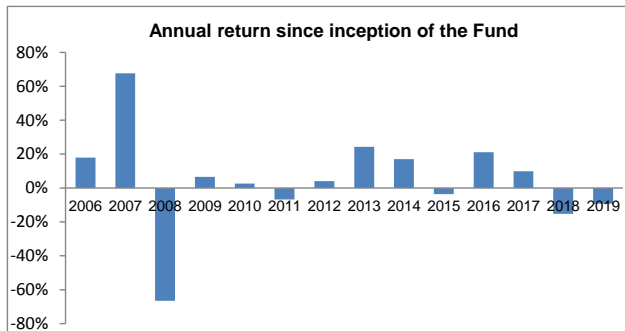
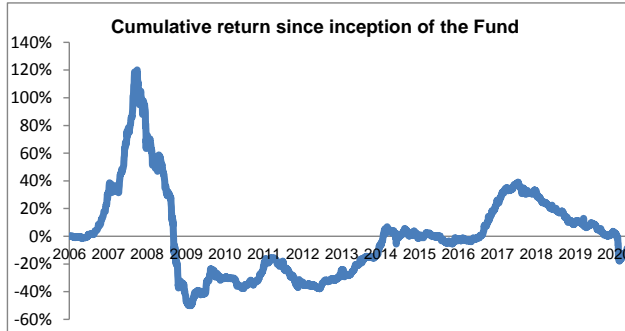
| | WEIGHT |
|--------------------------|--------|
| Manufacturing | 26.89% |
| Conglomerates | 22.12% |
| REIT | 16.65% |
| Cash & Cash Equivalents | 14.17% |
| Pharmaceutical Industry | 8.93% |
| Transport | 4.85% |
| Food-processing industry | 4.11% |
| Receivables | 2.00% |
| Chemical Industry | 0.28% |

COMMENTARY

The Nonfarm Payrolls data in the United States showed an increase in employment in July. Meanwhile, the ECB and the Federal Reserve kept the interest rates unchanged. Britain's GDP grew by 1.8% in June after collapsing by 20.4% in May. German GDP shrank by 10.1% with 9% decrease expected. On a monthly basis, the German DAX index recorded a minimal increase of 0.02%, and the British FTSE fell by 4.4% in July. The Dow Jones and S&P 500 rose 2.4% and 5.5%, respectively. Japan's Nikkei shrank by 2.6% and China's Hang Seng added 0.7%. Bulgarian SOFIX fell by 3.66%. Meanwhile, Gold prices rose 10.9 percent to \$ 1975 an ounce in July ahead of another all time high.

UBB Premium Equities grew by 1.09%.

News of the month: According to NSI data, the business climate increased by 11.4 percentage points compared to May. The consumer price index for May 2020 compared to April 2020 is 99.7%, ie there is a monthly deflation of -0.3%. The annual inflation for May 2020 compared to May 2019 is 1.3%. Gross domestic product (GDP) in the first quarter of 2020 decreased by 3.3% in the EU-27 compared to the Q4 2019 according to seasonally adjusted data. Over the same period, GDP in Bulgaria grew by 0.3%.



- The Fund has (includes) investment focus Bulgaria



- The Fund has corresponding degree of risk (dark green color characterizes most conservative funds, and red the highest risk funds)

The information contained in this document is current as of the date stated therein. Investors should note that previous performance is not necessarily related to future performance. The value of units may decrease. Earnings are not guaranteed and there is a risk for investors not to be able to return the initially deposited funds in their full value. Investments in mutual funds are not secured by a guarantee fund established by the State or by any other type of guarantee. The information provided in this document does not constitute advice or recommendation to invest in units of KBC Asset Management NV - Branch Mutual Funds and should not be interpreted as such. It is recommended investors get acquainted with free Prospectuses, Key Investor Information Documents and Rules of KBC Asset Management NV - Branch Mutual Funds and determine their risk tolerance associated with investing in financial instruments before making an investment decision. The investors can get acquainted with the Prospectuses, Key Investor Information Documents and Rules of KBC Asset Management NV - Branch Mutual Funds at the office of KBC Asset Management NV - Branch every working day from 8.30 to 17.00 at: Sofia, Vitosha Blvd. №89-B, 6 floor, Millenium Center, in UBB AD branches within their working hours, as well as on the web site: www.ubbam.bg