

## FFBH Vostok

July 2024

Data as per 31 July 2024

NAV	
NAV	BGN 558 798
NAV per share	BGN 0,4746

Return (%) / Statistics (%)	
Monthly (MoM)*	-5,61%
Annual (YoY)*	16,96%
Year-to-date 2024*	11,65%
Since Inception (annualized)	-5,08%
Standard Deviation*	20,80%

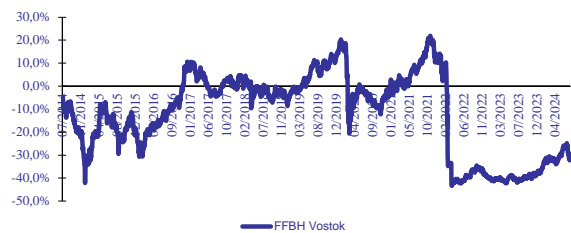
TOP 5 POSITIONS	
NVIDIA CORP	7,55%
ADVANCED MICRO DEVICES, INC.	5,59%
QUALCOMM INC	5,25%
ELI LILLY & CO	5,19%
ASML HOLDING N.V.	4,75%

\* see notes

### Investment objective overview

FFBH Vostok is a Technology oriented investment vehicle. The fund targets NASDAQ100/NDX/ components, as well as other global IT and Biotechnology non NDX members. The Fund's investment objective is to achieve high long-term growth, bearing medium to high level of risk. The Fund may have up to 90% in equities and up to 50% invested in bonds.

### FFBH Vostok Cummulative Return 10y



Source: FFBH Asset Management

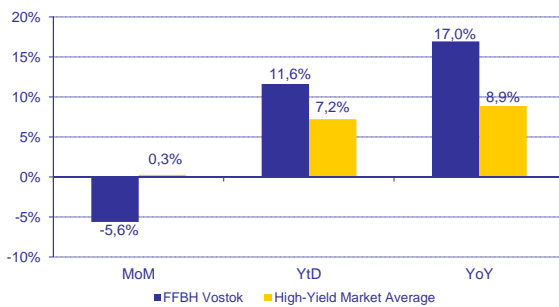
### Fact sheet and fee information

Type	Open-end equity fund
Classification	High-yield fund
Manager	FFBH Asset Management
Custodian	First Investment Bank
Subscriptions/ Redemptions	Every Business Day
Incorporation	Bulgaria

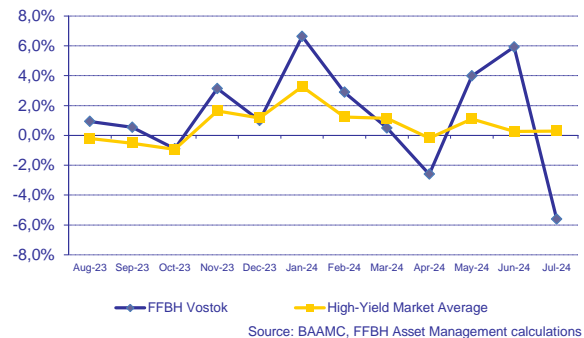
Subscription*	
Entry fee	0,00%
Redemption fee	0,00%
Management fee (annual % of average AUM)	2,00%

\* Minimum subscription is BGN 50

### MoM, YoY and YtD return to HY market average\*

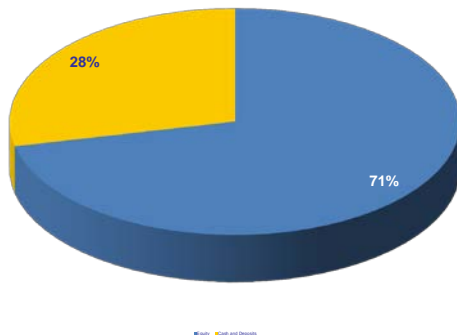


### MoM return to HY market average\*

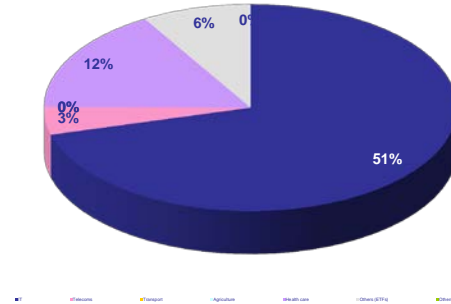


Source: BAAMC, FFBH Asset Management calculations

### Asset Allocation



### Equity Portfolio (% of total assets)



Source: FFBH Asset Management

## FIB Avangard

July 2024

Data as per 31 July 2024

NAV	
NAV	BGN 3 429 559
NAV per share	BGN 0,5632

Return (%) / Statistics (%)	
Monthly (MoM)*	-3,23%
Annual (YoY)*	15,52%
Year-to-date 2024*	12,05%
Since Inception (annualized)	-3,38%
Standard Deviation*	12,33%

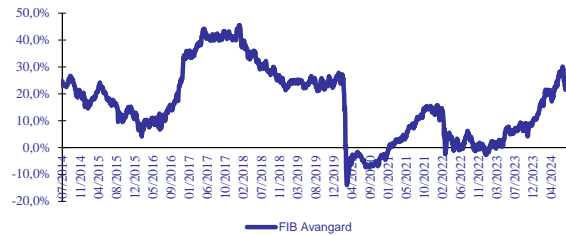
TOP 5 POSITIONS	
NVIDIA CORP	7,38%
ASML HOLDING N.V.	4,84%
ELI LILLY & CO	4,23%
QUALCOMM INC	3,80%
ADVANCED MICRO DEVICES, INC.	3,80%

\* see notes

### Investment strategy

FIB Avangard is an equity mutual fund, incepted on Nov 11, 2007. The investment objective of the Fund is to achieve high long-term growth, taking medium to high level of risk. Targeted markets are Europe and USA. FIB Avangard's 2024 investment strategy is focused on early cycle, interest rate sensitive sectors / overweight - technology, communication services and healthcare/.

### FIB Avangard Cummulative Return 10y



Source: FFBH Asset Management

### Fact sheet and fee information

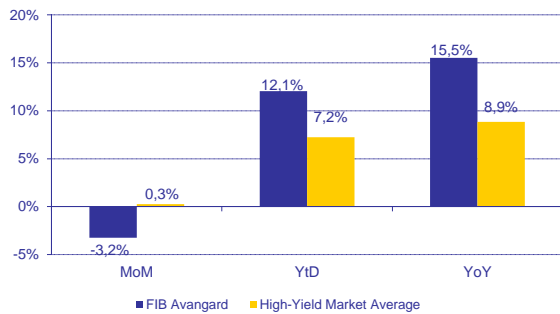
Type	Open-end equity fund
FSC Classification	High-yield fund
Manager	FFBH Asset Management
Custodian	First Investment Bank
Subscriptions/ Redemptions	Every Business Day
Incorporation	Bulgaria

Subscription*	
Entry fee	0,00%

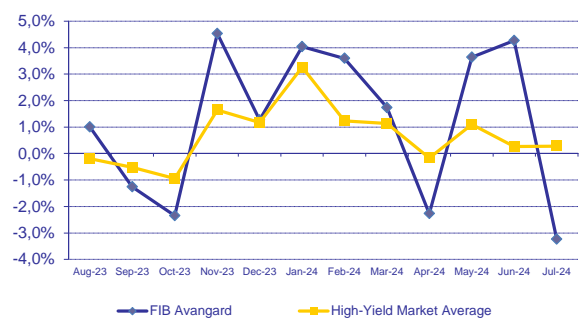
Redemption fee	0,00%
Management fee (annual % of average AUM)	2,00%

\* Minimum subscription is BGN 50

### MoM, YoY and YtD return to HY market average\*

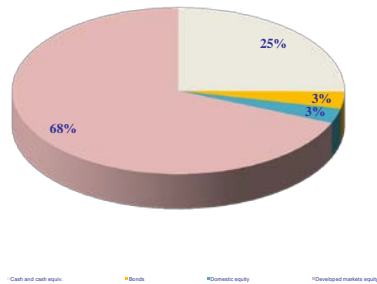


### MoM return to HY market average\*

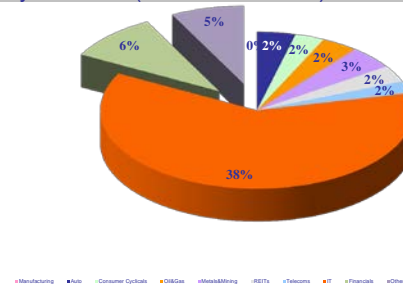


Source: BAAMC, FFBH Asset Management calculations

### Asset Allocation



### Equity Portfolio (% of total assets)



Source: FFBH Asset Management

## FIB Classic

July 2024

### Data as per 31 July 2024

NAV	
NAV	BGN 5 386 745
NAV per share	BGN 0,8895

Return (%) / Statistics (%)	
Monthly (MoM)*	-1,24%
Annual (YoY)	11,82%
Year-to-date 2024*	8,37%
Since Inception (annualized)	-0,70%
Standard Deviation*	7,63%

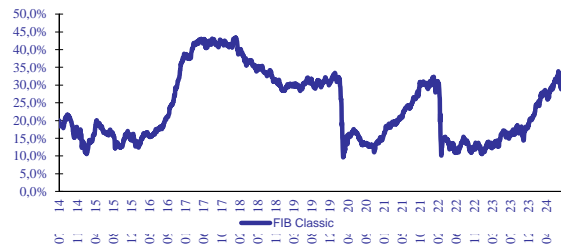
TOP 5 POSITIONS	
BGARIA 4 7/8 05/13/36	7,88%
ROMANI 6 5/8 09/27/29	4,12%
NVIDIA CORP	3,92%
BGARIA 4 1/8 09/23/29	3,86%
ELI LILLY & CO	3,77%

\* see notes

### Investment strategy

FIB Classic is a balanced mutual fund, incepted on Nov 11,2007. Its investment objective is to achieve medium to high long-term growth, taking medium level of risk. The Fund invests in equities and fixed income. Targeted markets are Europe and USA. The equity-bond proportion depends on the stage of the economic cycle, macro-conditions and the central banks' monetary policy. FIB Classic's 2024 investment strategy remains equity-focused /overweight stocks, underweight bonds/.

### FIB Classic Cummulative Return 10y



Source: FFBH Asset Management

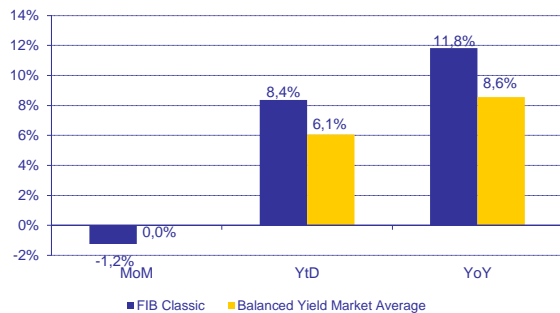
### Fact sheet and fee information

Type	Open-end equity fund
Classification	Balanced fund
Manager	FFBH Asset Management
Custodian	First Investment Bank
Subscriptions/ Redemptions	Every Business Day
Incorporation	Bulgaria

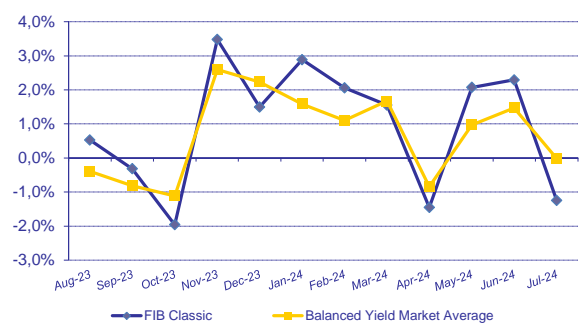
Subscription*	
Entry fee	0,00%
Redemption fee	0,00%
Management fee (annual % of average AUM)	1,50%

\* Minimum subscription is BGN 50

### MoM, YoY and YtD return to BY market average\*

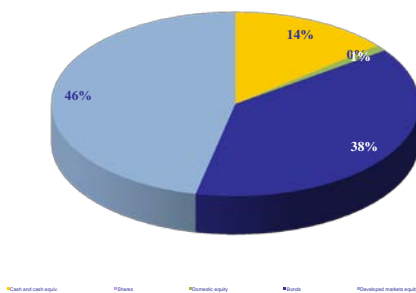


### MoM return to BY market average\*

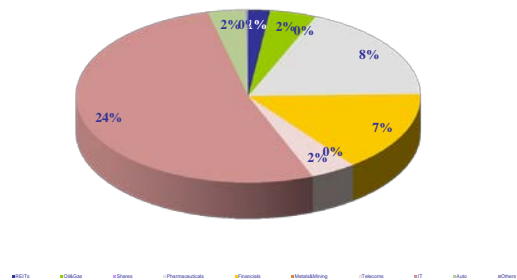


Source: BAAMC, FFBH Asset Management calculations

### Asset Allocation



### Equity Portfolio (% of total assets)



Source: FFBH Asset Management

## FIB Garant

July 2024

Data as per 31 July 2024

### NAV

NAV	BGN 5 084 888
NAV per share	BGN 1,1910

\* see notes

### Return (%) / Statistics (%)

Monthly (MoM)*	0,78%
Annual (YoY)*	4,37%
Year-to-date 2024*	2,95%
Since Inception (annualized)*	1,05%
Standard Deviation*	3,51%

### TOP 5 POSITIONS

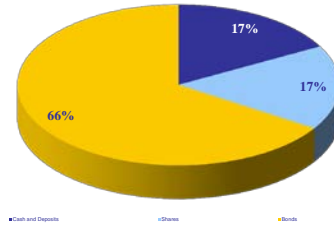
ROMANI 6 5/8 09/27/29	8,73%
BGARIA 4 7/8 05/13/36	8,35%
BGARIA 4 1/8 09/23/29	4,09%
ROLLS-ROYCE HOLDINGS PLC	3,96%
VOLKSWAGEN INTEL FIN NV	3,92%

### Yield on selected Bulgarian treasuries (%) / Interest rates (%)

Type	Coupon	Maturity (dd/mm/yyyy)	Currency	Yield
Eurobond	2,950%	03/09/2024	EUR	4,19%
Eurobond	2,625%	26/03/2027	EUR	3,24%
Eurobond	3,000%	21/03/2028	EUR	3,06%
Eurobond	4,125%	23/09/2029	EUR	3,43%
Eurobond	4,500%	27/01/2033	EUR	3,72%
Eurobond	1,375%	23/09/2050	EUR	3,72%
3 months			BGN	3,95%
12 months			BGN	3,85%

Source: Bloomberg

### Asset Allocation



Source: FFBH Asset Management

### Investment objective

FIB Garant is a conservative mutual fund, incepted on Nov 11,2007.

Its investment objective is to achieve medium long-term growth, taking low level of risk.

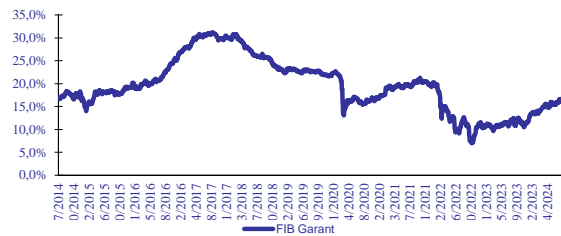
The Fund invests predominantly in fixed-income and money market securities.

It may also have, up to 20% equity exposure in value stocks, listed in targeted markets /USA and Europe/.

FIB Garant's 2024 investment strategy is focused on the early cycle, dividend value stocks and government bonds.

Corporate credit of stable, well diversified businesses is also considered an option.

### FIB Garant Cummulative Return 10y



Source: FFBH Asset Management

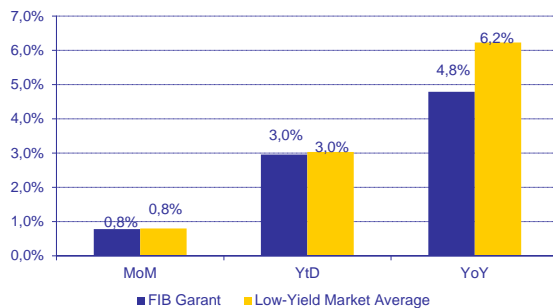
### Fact sheet and fee information

Type	Open-end equity fund
Classification	Balanced-conservative
Manager	FFBH Asset Management
Custodian	First Investment Bank
Subscriptions/ Redemptions	Every Business Day
Incorporation	Bulgaria

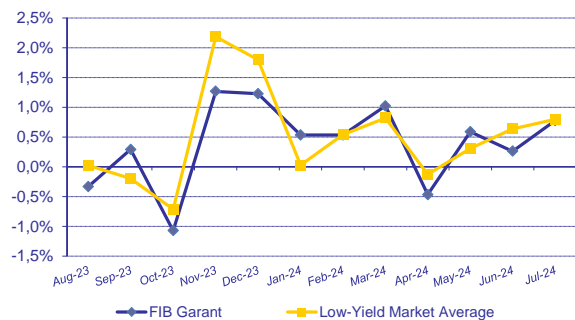
Subscription*	
Entry fee	0,00%
Redemption fee	0,00%
Management fee (annual % of average AUM)	1,00%

\* Minimum subscription is BGN 50

### MoM, YoY and YtD return to LY market average\*



### MoM return to LY market average\*



Source: BAAMC, FFBH Asset Management calculations

## #Marketing Communication

### Targeted Markets' Key Statistics – July 2024

Table 1

USA	Previous	Prev. Value	Current	Curr.Value	Change
SP 500	Jun-24	5,460.5	Jul-24	5,522.3	1.1%
Nasdaq 100	Jun-24	19,673.0	Jul-24	19,362.5	-1.6%
2Y US Treasury Yield	Jun-24	4.749	Jul-24	4.260	-0.49
10Y US Treasury Note Yield	Jun-24	4.392	Jul-24	4.033	-0.36
USD index (DX)	Jun-24	105.55	Jul-24	103.86	-1.6%
Consumer Sentiment	Jun-24	68.2	Jul-24	66.4	-1.8
GDP (QoQ)	Q1 (P)	1.4%	Q2 (P)	2.8%	1.4%
Core CPI (MoM)	May-24	0.2%	Jun-24	0.1%	-0.1%
Core PPI (MoM)	May-24	0.3%	Jun-24	0.4%	0.1%
Unemployment	May-24	4.0%	Jun-24	4.1%	0.1%
Core Retail Sales (MoM)	May-24	0.1%	Jun-24	0.4%	0.3%
S&P Global Manufacturing PMI	May-24	51.3	Jun-24	51.6	0.3
ISM Non Manufacturing	May-24	53.8	Jun-24	48.8	-5.0

Table 2

Eurozone	Previous	Prev. Value	Current	Curr.Value	Change
STOXX 600	Jun-24	511.4	Jul-24	518.2	1.3%
DAX	Jun-24	18,235.5	Jul-24	18,508.7	1.5%
2Y German Bund Yield	Jun-24	2.825	Jul-24	2.533	-0.29
10Y German Bund Yield	Jun-24	2.485	Jul-24	2.302	-0.18
EUR.USD	Jun-24	1.0713	Jul-24	1.0825	1.0%
ZEW Economic Sentiment	Jun-24	51.3	Jul-24	43.7	-7.6
GDP (QoQ)	Q1 (P)	0.3%	Q2 (P)	0.3%	0.0%
CPI (MoM)	Jun-24	0.2%	Jul-24	0.0%	-0.2%
PPI (MoM)	May-24	-0.2%	Jun-24	0.5%	0.7%
Unemployment	May-24	6.4%	Jun-24	6.5%	0.1%
Retail Sales (MoM)	May-24	-0.3%	Jun-24	0.1%	0.4%
HCOB Eurozone Manufacturing PMI	Jun-24	45.8	Jul-24	45.8	0.0
Industrial Production (MoM)	Apr-24	-0.1%	May-24	-0.6%	-0.5%

**July 2024: Sharp market rotation from high flying techs to lagging, interest rate sensitive sectors. Russell 2000 shines, outperforming other major indexes in US and Eurozone. FED kept interest rate unchanged, helping bond market rally to continue. ECB also stays steady.**

- Sharp market rotation from Magnificent seven to lagging sectors;
- Investors turn to risk. Market participation is broadening. Small caps outperform;
- The US Federal Reserve stays the course for a September rate cut;
- Biden ends his re-election campaign, with VP Harris in nomination contention.

July was a volatile month in the markets. Softer inflation and labour market data from the US heightened expectations of rate cuts, spurring a rotation into interest-rate sensitive asset classes. Value socks significantly outperforming growth, while small caps performed strongly.

The US Q2 earnings season had a strong start: the blended earnings growth rate was tracking close to 10% (y/y), after more than 60% of S&P 500 companies had reported.

Government bond yields fell across major markets as inflationary pressures eased. While the investors anticipate this sector rotation to continue, there is a risk that bond markets may have moved too quickly. The extent of policy easing implied by current bond market pricing seems unlikely without a recession.

The US Federal Reserve left its policy rate at 5.5%, despite number of calls for a rate cut in July meeting.

This act added to bond markets' concerns of a potential monetary policy mistake, which may spoil yearlong efforts for a "soft landing".

Commodities lost ground. Oil prices contributed number of the decline as the market weighed the impact of weaker demand from China against supply issues arising from tensions in the Middle East.

Table 3

Targeted Markets - Performance Statistics	1M	3M	6M	YTD	12M
S&P 500 (1)	1.1%	9.7%	13.9%	15.8%	20.3%
NASDAQ 100 (2)	-1.6%	11.0%	13.0%	15.1%	22.9%
STOXX 600 (3)	1.3%	2.6%	6.7%	8.2%	9.9%
S&P GSCI Index (4)	-4.7%	-5.9%	-0.7%	2.9%	-7.1%
S&P 500® Investment Grade Corporate Bond Index (5)	2.3%	4.7%	1.8%	1.8%	6.4%
S&P Eurozone Investment Grade Corporate Bond Index (6)	1.6%	2.5%	2.0%	2.2%	6.7%

### Equity Markets

#### US /Table 3, (1)&(2)/

US shares gained in July. The information technology and consumer discretionary sectors fell. **This year's laggards played catch up, with investors shifting towards small-cap equity stocks, which are more sensitive to interest rate cuts. This shift led to the largest one-month outperformance of the Russell 2000 versus the Nasdaq 100 in over 20 years.**

Earnings season /Q2/ is so-so. More than two thirds have beaten analysts' expectations, suggesting a **resilient US economy is contributing to a broadening of earnings.**

The Federal Reserve (Fed) held interest rates steady at 5.25%-5.50%, but indicated that a cut could come at the next meeting in September. The personal consumption expenditures index /PCE/, declined to 2.5% in June, down from 2.6% in May. GDP data showed the US economy grew at a 2.8% annualised rate in Q2.

Another turbulent month in the political arena saw Trump's popularity briefly surge following the assassination attempt in Pennsylvania. But the polling gap quickly reversed after Biden's withdrawal and endorsement of Vice President Harris.

#### Europe /Table 3, (3)/

European stocks notched up a small advance in July.

Data showed that eurozone GDP growth was 0.3% quarter-on-quarter in Q2 2024 /Germany saw a -0.1% fall in GDP/. Euro area annual inflation for July was estimated at 2.6%, up from 2.5% in June. At its July meeting, the European Central Bank (ECB) kept interest rates on hold, as expected. ECB Governor Christine Lagarde said a **decision on a possible cut in September was "wide open" and dependent on incoming data.**

**Preferred activity indicator by FFBH AM, HCOB Eurozone manufacturing index (PMI), remains unchanged in July at 45.8 /stagnation mood/.**

**In political front, the far-right wing fell to third place in the second-round of the French parliamentary election. No party secured an absolute majority, which resulted in a hung parliament. Unsurprisingly, the Labour party returned to power in the UK for the first time since 2010.**

#### Fixed Income /Table 3, (5)&(6)/

July was a positive month for global bond markets. **Government bond yields dropped across all major markets**, propelled by expected interest rate cuts as inflationary pressures eased. European corporate bond spreads tightened over the month, marking a notable outperformance over government bonds. US corporate bonds lagged, performing in line with Treasuries.

In the US, June's soft CPI print and a weakening labour market have heightened investor expectations for Fed rate cuts in 2024 and 2025. This optimism boosted US Treasuries, which gained 2.2% over the month. **The rally at the front end of the curve also caused the yield curve to steepen.**

**In the eurozone, government bonds in the periphery continue to outperform core bonds** as investors seek higher yields in anticipation of further European Central Bank interest rate cuts. Italian and Spanish sovereign bonds returned 2.8% and 2.3% over the month.

**Italy maintaining its status as the top-performing major sovereign bond market year to date.**

**In the credit market, investment grade (IG) bonds outperformed high yield bonds.**

US high yield bonds returned 2.0% and European high yield bonds returned 1.2% over the same period.

#### Commodities /Table 3, (4)/

**The S&P GSCI Index fell in July.** Industrial metals and agriculture were the weakest components of the index, while precious metals and livestock achieved modest price gains. **In industrial metals, all sub-components ended the month in negative territory**, with aluminium and zinc recording the sharpest price falls.

### August / ST outlook: Hesitant FED and falling bond yields point to a volatile Q3

The FOMC left interest rate unaltered on the last monetary policy meeting /JUL 31st/.

**Again, US central bankers ignored the top brass Wall Street managers calls.** Next FOMC meeting is scheduled for the September 18th. **What seems to be the problem?** The incoming macro-data are mixed. FED has a dual mandate. To keep the inflation in check /below 2%, according to FED internal assumptions/ and to maintain a healthy job market.

The chair J.Powell said the FED needs more data to act now. **The FED needs, more evidence, the balance between the two mandates is achieved, so to speak.**

**As far as we aware, the inflation is moving in the right direction for at least two quarters. Conversely, the job market and the cohort of industrial indicators are moving to the opposite.**

**So, the Wall Street believes the FED is walking on a very thin ice.**

**Main Street and commercial real estate business have no time to wait.** Considering shaky macro-data, and reluctant FED, **the bond market has spoken. Treasury yields jumped some 40bp. The yield curve is inverted. All of the above, spells a mild recession or a slowdown. The so called "soft landing" scenario is fading away.** Time will tell who's right.

## FFBH AM Mutual Funds Key Figures:

**Table 4 Portfolio Performance, Portfolio composition**

	YTD, %	Equity %	Fixed Income %	Cash, %
<i>FIB Avangard</i>	12.1%	71.4%	3.3%	25.1%
<i>FIB Classic</i>	8.4%	47.5%	38.2%	14.2%
<i>FIB Garant</i>	3.0%	17.0%	65.8%	17.1%
<i>FFBH Vostok</i>	11.6%	71.5%	-	28.4%

**Table 5 Regional Diversification**

	US, Canada %	Eurozone %	BG %	Other %
<i>FIB Avangard</i>	59.0%	23.9%	16.4%	0.4%
<i>FIB Classic</i>	39.3%	19.5%	24.6%	16.3%
<i>FIB Garant</i>	15.5%	24.2%	35.0%	25.2%
<i>FFBH Vostok</i>	82.7%	10.9%	6.3%	0.0%

**Table 6 Risk Diversification by Asset class /ex cash/**

	Equity /Value/	Equity /Growth/	Equity /Speculative/	Fixed Income Gov Non-Eurozone	Fixed Income Gov. BG/Eurozone	Other Fixed Income
<i>FIB Avangard</i>	30.1%	33.3%	8.0%	0.4%	-	2.9%
<i>FIB Classic</i>	24.0%	23.0%	0.4%	11.5%	11.7%	15.0%
<i>FIB Garant</i>	17.0%	-	-	20.1%	26.3%	19.4%
<i>FFBH Vostok</i>	9.6%	49.6%	12.3%	-	-	-

## NOTES

Monthly return /MoM/ is calculated as the ratio between the NAV/share as per the report date and the NAV per share on the last working day of the previous month.

Annual return /YoY/ is calculated as the ratio between the NAV/share as per the report date and the NAV per share on the last working day of the same month a year ago.

Year-to-date return /YtD/ is calculated as the ratio between the NAV/share as per the report date and the NAV per share on the last working day of the previous year.

Standard deviation is the annualized standard deviation of the weekly return over the last five years or since inception, whichever is smaller.

*FIB Avangard*: High-yield market average is calculated through equal weighting of the returns of all high-yield mutual funds, offered on the Bulgarian market by asset management companies - members of the Bulgarian Association of Asset Management Companies (BAAMC).

*FIB Classic*: Balanced yield market average is calculated through equal weighting of the returns of all balanced mutual funds, offered on the Bulgarian market by asset management companies - members of BAAMC.

*FIB Garant*: Low-yield market average is calculated through equal weighting of the returns of all conservative mutual funds, offered on the Bulgarian market by asset management companies - members of BAAMC. Money market funds are not included in the calculation.

*FFBH Vostok*: High-yield market average is calculated through equal weighting of the returns of all high-yield mutual funds, offered on the Bulgarian market by asset management companies - members of BAAMC.

Returns are calculated using the net asset values of the mutual funds reported on the web site of BAAMC on the first working day of the month, following the month of performance presentation.

The market average points are calculated using the MoM, YoY and YtD returns of each fund ( $R_i$ ,  $i=1$  to  $n$ ), based on formula:  $\sum (R_i)/n$ , where  $n$  is the number of mutual funds.

## DISCLAIMER

ALL DATA AND CONTENT PUBLISHED IN THIS RELEASE HAVE INFORMATION PURPOSE ONLY AND SHOULD NOT BE CONSIDERED AS COUNSEL, OFFER OR RECOMMENDATION FOR ACQUISITION OR DISPOSITION WITH ANY INVESTMENT OR CONCLUSION OF ANY OTHER DEAL.

THE INVESTMENTS IN MUTUAL FUNDS ARE ASSOCIATED WITH SIGNIFICANT RISK. THERE ARE NO RISK-FREE SECURITIES AND NOBODY CAN CLAIM THAT THE INVESTMENT PURPOSE OF ANY GIVEN MUTUAL FUND WILL BE ACHIEVED. THE NET ASSET VALUE PER SHARE AND ITS RETURN MAY DECREASE, THE RETURN IS NOT GUARANTEED AND THERE IS A RISK THAT THE POTENTIAL INVESTOR CAN NOT RECOVER THE INVESTED AMOUNT. THE INVESTMENTS IN MUTUAL FUNDS IN BULGARIA IS NOT GUARANTEED BY GUARANTEE FUND, CREATED BY THE STATE, OR ANY OTHER TYPE OF GUARANTEE.

PAST PERFORMANCE IS NOT NECESSARY INDICATIVE OF FUTURE RESULTS.

WE NOTE THAT ANYONE WHO WANTS TO SUBSCRIBE UNITS IN FIB AVANGARD, FIB CLASSIC, FIB GARANT AND/OR FFBH VOSTOK SHOULD MAKE A DECISION BASED ON THE INFORMATION PUBLISHED IN THE MOST RECENT RESPECTIVE PROSPECTUSES. THE PROSPECTUSES AND BY-LAWS ARE AVAILABLE IN FFBH ASSET MANAGEMENT OFFICE - 2 ENOS STREET, 5TH FLOOR, SOFIA, 1408, BULGARIA, TEL: +359 (2) 460 6400, WWW.FFBHAM.BG AND FIBANK BRANCHES, EXPLICITLY LISTED AT WWW.FFBHAM.BG.