FFBH
ASSET MANAGEMENT

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MARCH 2010

FIB AVANGARD – MONTHLY REVIEW

General Info:

FIB Avangard is a high-yield mutual fund, incepted on Nov 11, 2007, whose investment objective is to achieve high long-term growth of Fund's assets, bearing medium to high levels of risk. The Fund currently is focused on equities traded on BSE Sofia but at certain time can have exposure to CEE capital markets.

Fees	
Entry fee (less than BGN 100,000)	0.50%
Entry fee (above BGN 100,000)	0.00%
Redemption fee	0.50%
Management fee (annual % of average AUM)	3.00%

Investment strategy

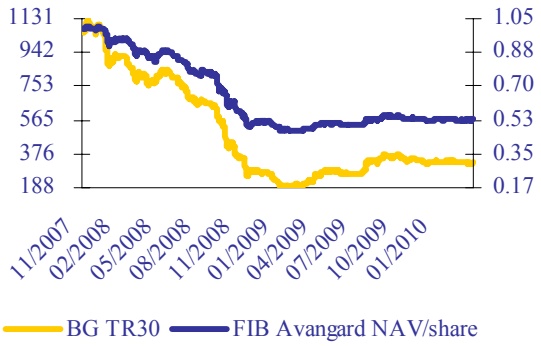
The Fund invests mainly in growth stocks of companies with high corporate governance standards. The investment decisions are based both on macroeconomic analyses and equity research.

- In March we continued to observe a significant drop in BSE turnover, which supported a passive approach to FIB Avangard's portfolio management.

- In March we continued to build our foreign equity position. During the period we decided to increase our oil&gas allocation, led by attractive peer valuations and stable oil price.

- Sectorwise, we decided that the retail sector in Russia is attractive, due to significant growth potential in domestic demand and gained exposure through telecom companies. Meanwhile, the mining companies in our portfolio reached our target price which led to decrease in our position.

FIB Avangard vs. BGTR 30

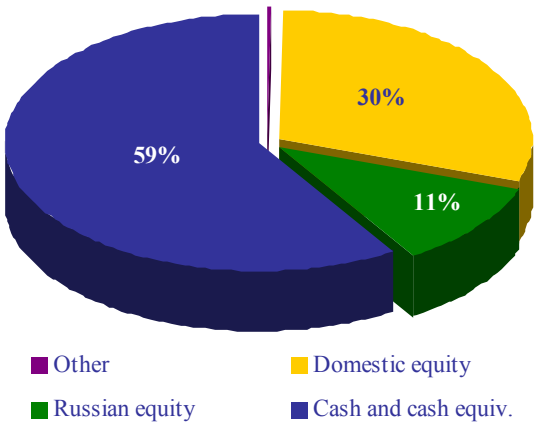


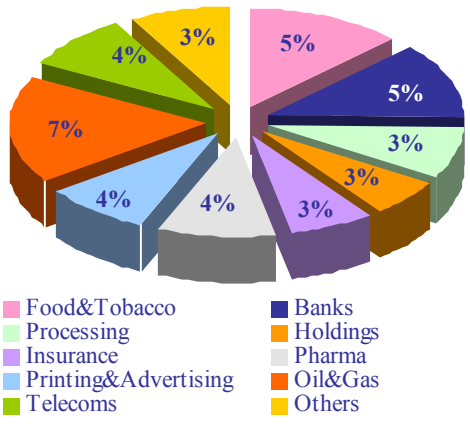
Source: BSE-Sofia, FFBH Asset Management

Data as per 31 March 2010	
NAV	BGN 1,089,263
NAV/share	BGN 0.5277
Return (%)	
Monthly (MoM)*	0.77%
Annual (YoY)*	9.92%
Year-to-date*	0.74%
Since Inception (annualized)	-23.74%
Statistics (%)	
Standard Deviation*	14.81%
Alpha (α) –BGTR30*	16.08%
Beta (β) – BGTR30*	0.37
R^2 – BGTR30*	74.59%
Sharpe Ratio (0%)*	n.m.

* *see notes on last page*

FIB Avangard' Asset Allocation and Equity Portfolio (March 2010)





Source: FFBH Asset Management

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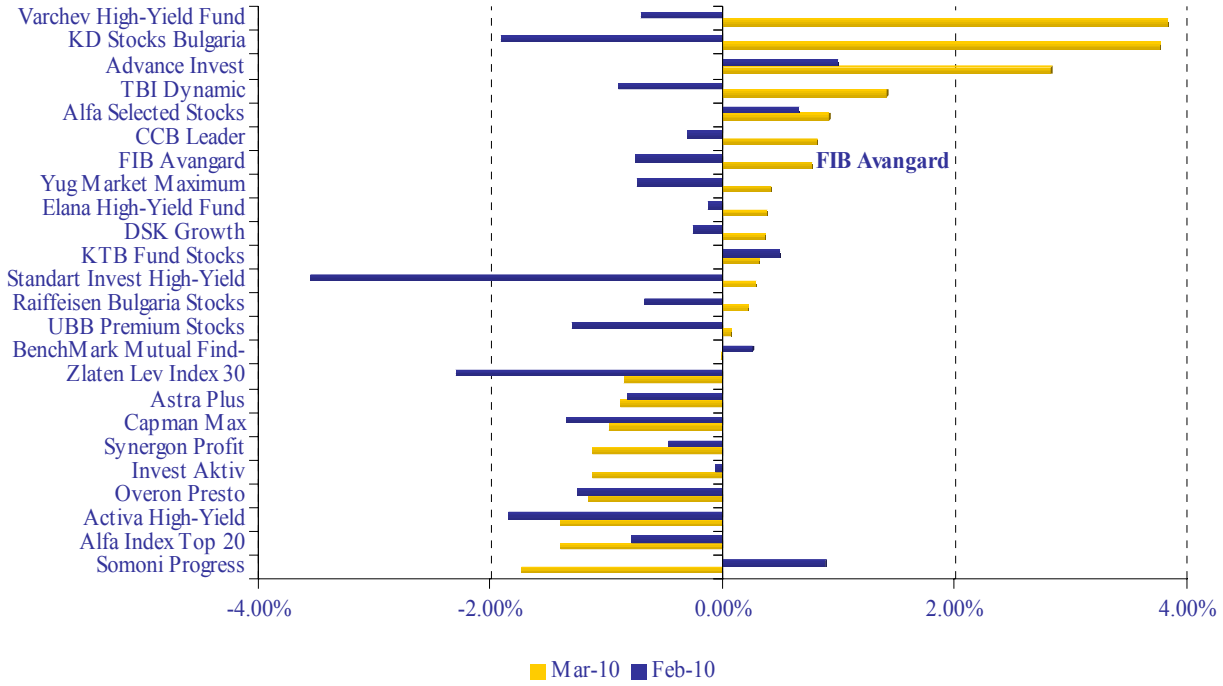
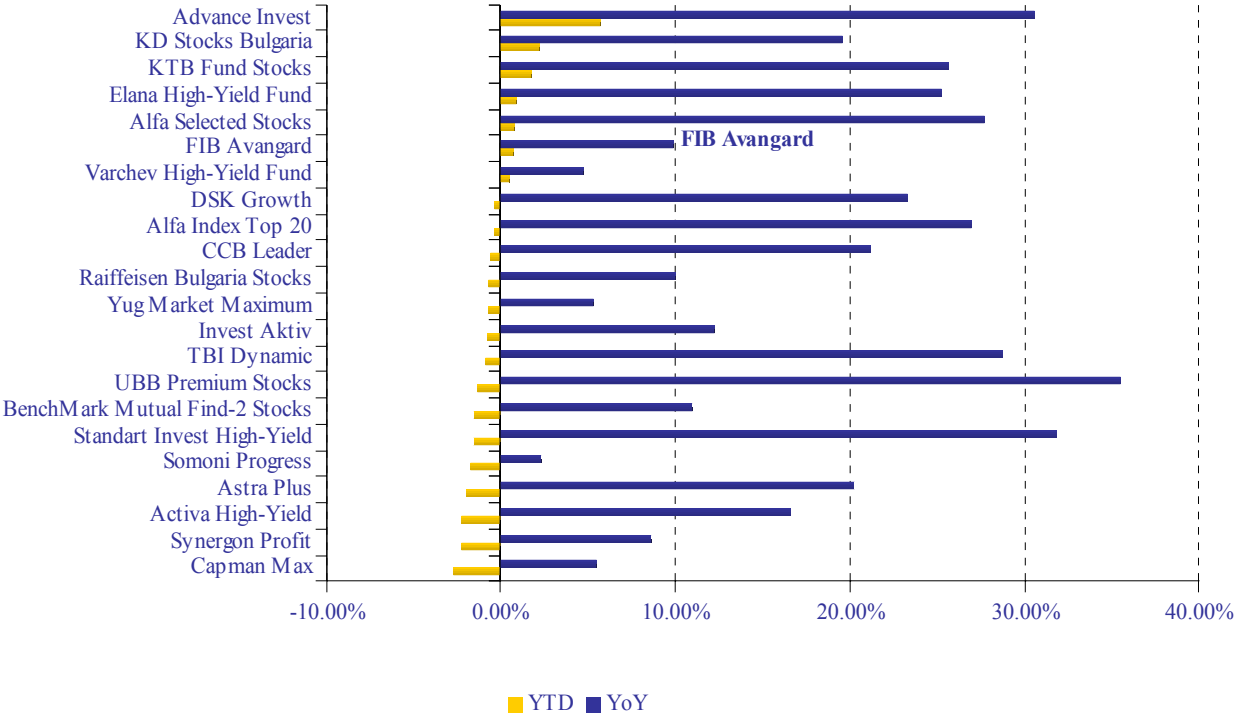
MoM return comparison – high-yield funds



Note: Selected funds invest primarily in stocks listed on BSE and are not sector funds Source: BAAMC

YoY and YtD return comparison – high-yield funds



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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.

Алфа (α) –BGTR30 is the difference between the annual return of NAV per share of FIB Avangard and the annual return of BGTR30 over the last three years or since inception, whichever is smaller.

Бета (β) – BGTR30 has been calculated using the weekly returns of NAV per share of FIB Avangard and BGTR30 over the last five years or since inception, whichever is smaller.

R^2 – BGTR30 has been calculated using the weekly returns of NAV per share of FIB Avangard and BGTR30 over the last five years or since inception, whichever is smaller.

Sharpe Ratio has been calculated using the weekly returns of NAV per share of FIB Avangard over the last five years or since the inception of the fund, whichever is smaller, and using 0% as risk-free return.

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 INVESMENT 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 SHARES IN FIB AVANGARD SHOULD MAKE A DECISION BASED ON THE INFORMATION PUBLISHEDD IN THE MOST RECENT PROSPECTUS OF FIB AVANGARD, DATED 25 AUGUST 2008. The prospectus and fund's by-laws are available in FFBH Asset Management office – 2 Enos Street, 5th floor, Sofia 1408, Bulgaria, ph. num: +359 (2) 810 6400, website: www.ffbham.bg and First Investment Bank branches, explicitly listed at www.ffbham.bg.