

FFBH Vostok

February 2021

Data as per 26 February 2021

NAV	
NAV	BGN 726,812
NAV per share	BGN 0.6685

Return (%)	
Monthly (MoM)*	1.54%
Annual (YoY)*	-6.21%
Year-to-date 2021*	2.35%
Since Inception (annualized)	-3.64%

Statistics (%)	
Standard Deviation*	15.58%
Monthly Alpha – MSCI Russia*	-0.29%
Beta (β) – MSCI Russia*	0.53
R ² – MSCI Russia*	33.27%
Sharpe Ratio (0%)*	0.46

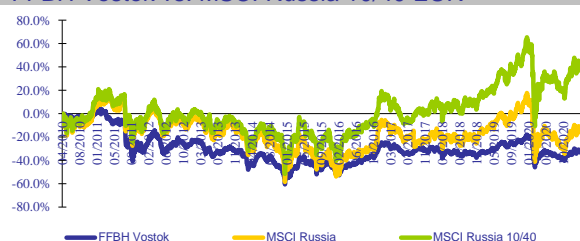
* see notes

Investment objective overview

FFBH Vostok is a high-yield, actively managed, open-end mutual fund with regional focus on Russia & CIS, incepted on Apr 16, 2010. 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 95% in equities and up to 50% invested in bonds.

We assume further recovery of the Russian economy in 2021, supported by several key rate cuts and relatively stable oil prices, and prefer higher allocation to equities and cyclical sectors. The portfolio remains comprised mainly of blue chip companies with leading and stable market positions.

FFBH Vostok vs. MSCI Russia 10/40 EUR

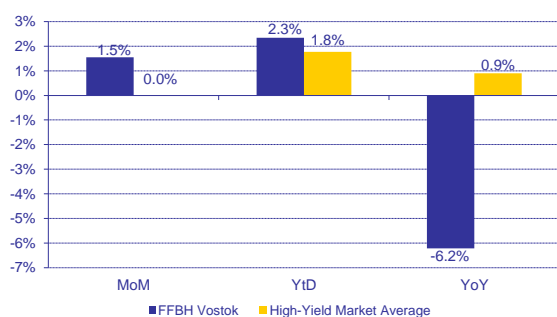


Source: Bloomberg, FFBH Asset Management

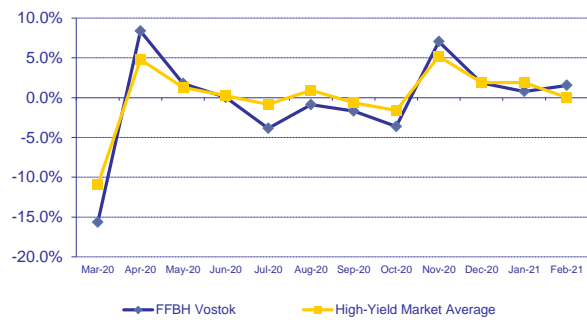
Fact sheet and fee information

Type	Open-end equity fund	Subscription*	up to BGN 100,000	more than BGN 100,000
Classification	High-yield fund	Entry fee	0.50%	0.00%
Manager	FFBH Asset Management	Holding Period	up to 24 months	over 24 months
Custodian	First Investment Bank	Redemption fee	0.50%	0.00%
Subscriptions/ Redemptions	Every Business Day	Management fee (annual % of average AUM)	2.50%	
Incorporation	Bulgaria	* Minimum subscription is BGN 50		

MoM, YoY and YtD return to HY market average*

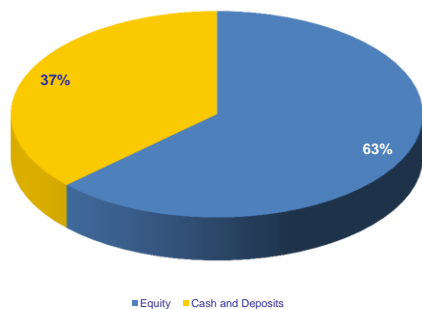


MoM return to HY market average*



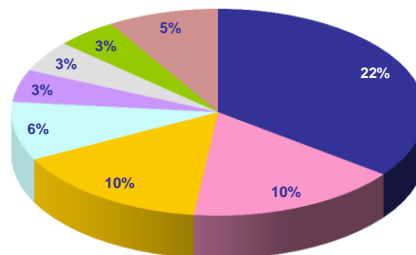
Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



■ Equity ■ Cash and Deposits

Equity Portfolio (% of total assets)



■ Oil&Gas ■ Financials ■ Metals&Mining ■ Retail ■ Construction ■ Agriculture ■ Others (ETFs) ■ Others

Source: FFBH Asset Management

FIB Avangard

February 2021

Data as per 26 February 2021

NAV		Return (%)		Statistics (%)	
NAV	BGN 1,082,807	Monthly (MoM)*	1.13%	Standard Deviation*	11.63%
NAV per share	BGN 0.4591	Annual (YoY)*	-11.55%	Monthly Alpha – MSCI ACWI*	-1.52%
		Year-to-date 2021*	5.08%	Beta (β) – MSCI ACWI*	0.46
		Since Inception (annualized)	-5.69%	R ² – MSCI ACWI*	44.20%
				Sharpe Ratio (0%)*	-0.03

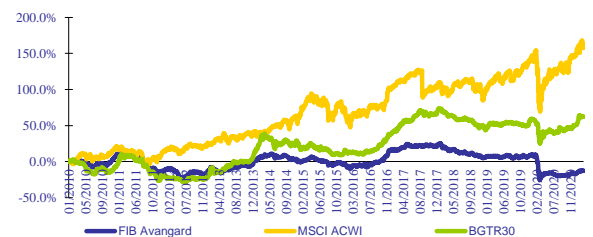
* see notes

Investment strategy

FIB Avangard is a high-yield, actively managed, mutual fund, inception on Nov 11, 2007, whose investment objective is to achieve high long-term growth, bearing medium to high level of risk. Its portfolio is allocated into global equity with regional focus on Bulgaria. Tactically, most of its funds might be invested in capital markets outside Bulgaria that are expected to be among top performing world regions.

FIB Avangard's investment strategy for 2021 includes allocation to export-oriented, financially stable and dividend-paying Bulgarian companies and allocation to developed markets blue chips based on favourable macroeconomic conditions and attractive valuations. We will increase exposure to companies with competitive positions in disruptive industries. The overall risk of the portfolio will be mitigated through sector and company diversification.

FIB Avangard vs. MSCI ACWI

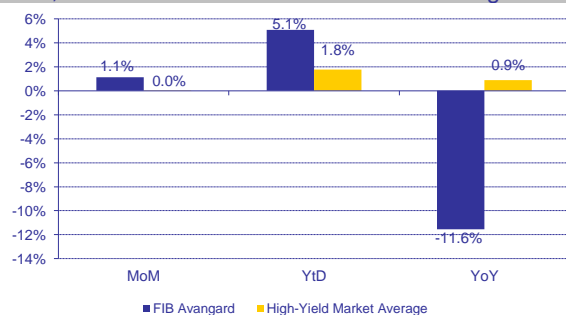


Source: Bloomberg, BSE-Sofia, FFBH Asset Management

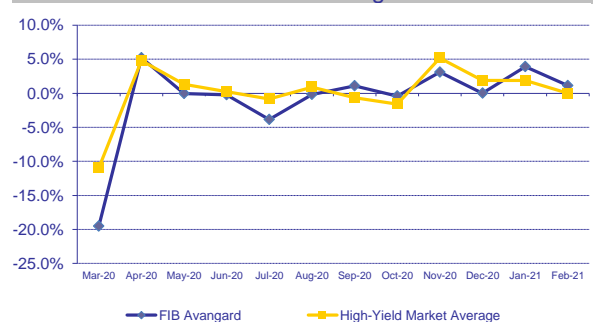
Fact sheet and fee information

Type	Open-end equity fund	Subscription*	up to BGN 100,000	more than BGN 100,000
FSC Classification	High-yield fund	Entry fee	0.50%	0.00%
Manager	FFBH Asset Management	Holding Period	up to 24 months	over 24 months
Custodian	First Investment Bank	Redemption fee	0.50%	0.00%
Subscriptions/ Redemptions	Every Business Day	Management fee (annual % of average AUM)	3.00%	
Incorporation	Bulgaria	* Minimum subscription is BGN 50		

MoM, YoY and YtD return to HY market average*

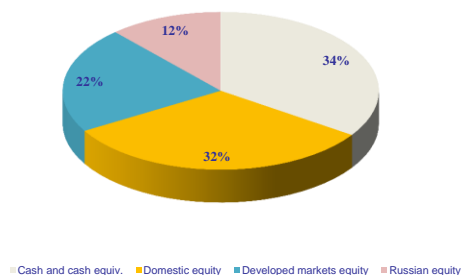


MoM return to HY market average*

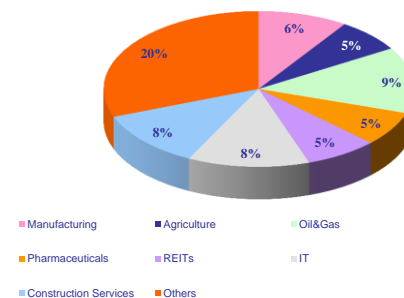


Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



Equity Portfolio (% of total assets)



Source: FFBH Asset Management

FIB Classic

February 2021

Data as per 26 February 2021

NAV		Return (%)		Statistics (%)	
NAV	BGN 1,193,497	Monthly (MoM)*	0.35%	Standard Deviation*	5.87%
NAV per share	BGN 0.8047	Annual (YoY)	-6.71%	Monthly Alpha – MSCI ACWI*	-2.30%
		Year-to-date 2021*	2.98%	Beta (β) – MSCI ACWI*	0.21
		Since Inception (annualized)	-1.62%	R ² – MSCI ACWI*	37.07%
				Sharpe Ratio (0%)*	0.17

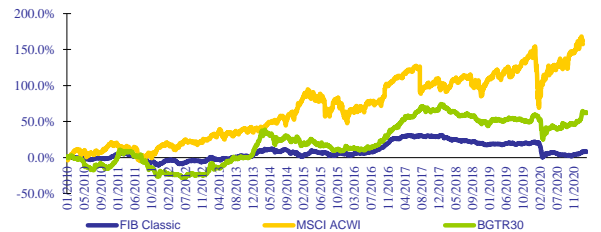
* see notes

Investment strategy

FIB Classic is a balanced mutual fund, inception on Nov 11, 2007, whose investment objective is to achieve medium to high long-term growth of its assets, bearing medium level of risk. The Fund invests in equities and bonds, as the equity-bond proportion depends on the stage of the economic cycle and macro conditions in covered regions and the expected central banks' monetary policy decisions.

FIB Classic's investment strategy for 2021 remains equity-focused, which includes holding equity allocation close to the fund's limits. Equities will be concentrated in Bulgaria and Western Europe with preference to dividend-paying value companies. Bond portfolio would comprise of domestic and foreign corporate bonds.

FIB Classic vs. MSCI ACWI



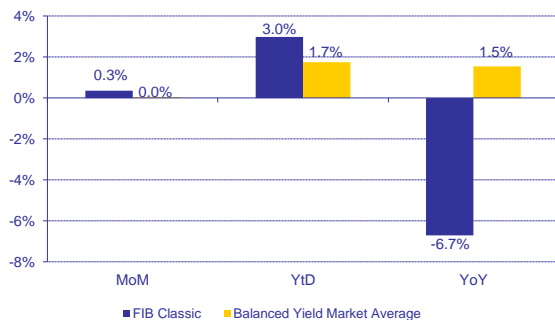
Source: Bloomberg, BSE-Sofia, FFBH Asset Management

Fact sheet and fee information

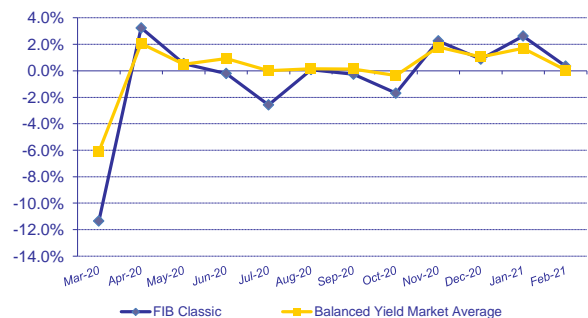
Type	Open-end equity fund	Subscription*	up to BGN 100,000	more than BGN 100,000
Classification	Balanced fund	Entry fee	0.35%	0.00%
Manager	FFBH Asset Management	Holding Period	up to 24 months	over 24 months
Custodian	First Investment Bank	Redemption fee	0.35%	0.00%
Subscriptions/ Redemptions	Every Business Day	Management fee (annual % of average AUM)		2.50%
Incorporation	Bulgaria			

* Minimum subscription is BGN 50

MoM, YoY and YtD return to BY market average*

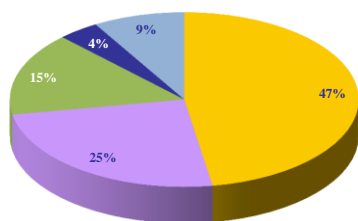


MoM return to BY market average*



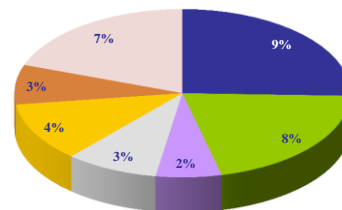
Source: BAAMC, FFBH Asset Management calculations

Asset Allocation



■ Cash and cash equiv. ■ Domestic equity ■ Corporate bonds ■ Developed markets equity ■ Russian equity

Equity Portfolio (% of total assets)



■ REITs ■ Oil&Gas ■ Communications Equipment ■ Financials ■ IT ■ Pharmaceuticals ■ Others

Source: FFBH Asset Management

FIB Garant

February 2021

Data as per 26 February 2021

NAV	
NAV	BGN 973,404
NAV per share	BGN 1.2157

Return (%)	
Monthly (MoM)*	0.24%
Annual (YoY)*	-1.18%
Year-to-date 2021*	1.53%
Since Inception (annualized)*	1.48%

Statistics (%)	
Standard Deviation*	2.60%
Sharpe Ratio (0%)*	0.03
Interest rates (%)	
3 months	-0.15%
12 months	0.03%

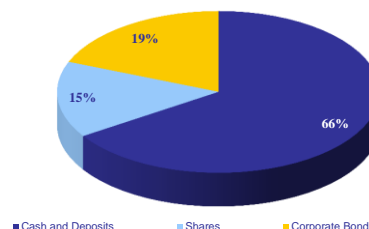
* see notes

Yield on selected Bulgarian treasuries (%)

Type	Coupon	Maturity (dd/mm/yyyy)	Currency	Yield
Eurobond	2.000%	26/03/2022	EUR	-0.42%
Eurobond	1.875%	21/03/2023	EUR	-0.26%
Eurobond	2.950%	03/09/2024	EUR	-0.19%
Eurobond	2.625%	26/03/2027	EUR	-0.02%
Eurobond	0.375%	23/09/2030	EUR	0.42%
Eurobond	1.375%	23/09/2050	EUR	1.43%

Source: Bloomberg

Asset Allocation



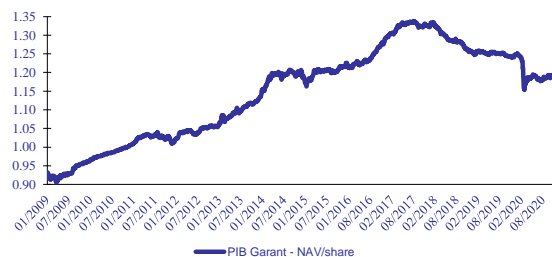
Source: FFBH Asset Management

Investment objective

FIB Garant is a conservative mutual fund, inception on Nov 11, 2007, whose investment objective is to achieve medium long-term growth of its assets, bearing low level of risk. The Fund invests mainly in fixed-income and money market instruments, but it may have up to 20% exposure to equity used to improve its risk-return profile.

FIB Garant's 2021 investment strategy includes significant allocation to Bulgarian equities on valuations and sentiment improvement on the BSE. At certain points investments in foreign large cap dividend-paying blue chips can be made but currency risk should be controlled. Low local deposit rates would also lead to an increase in the Fund's exposure to foreign corporate and sovereign bonds.

FIB Garant



Source: FFBH Asset Management

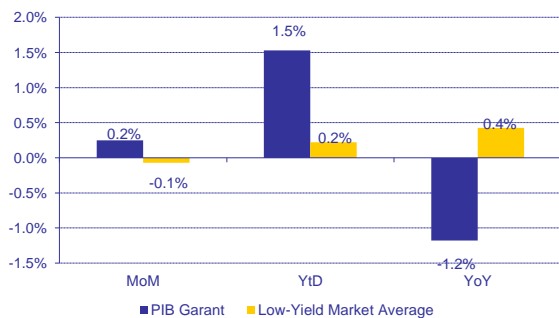
Fact sheet and fee information

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

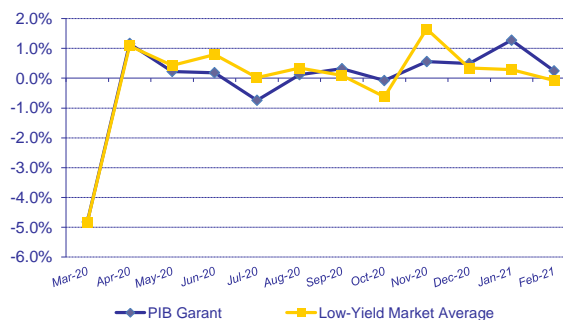
Subscription*	up to BGN 100,000	more than BGN 100,000
Entry fee	0.15%	0.00%
Holding Period	up to 24 months	over 24 months
Redemption fee	0.15%	0.00%
Management fee (annual % of average AUM)	1.50%	

* 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

PORTFOLIO MANAGER'S COMMENT February 2021

MARKET OVERVIEW:

In February 2021 the financial markets traded in relatively narrow range around their highs as a result of the development of several COVID19 vaccines and the continued vaccination of the population.

In the US the package for 1.9 trillion dollars stimulus for supporting the households and businesses, proposed by the President, received the backing of the Treasury Secretary, who emphasized that it could bring the economy back to full employment within a year.

In Europe the member-states loosened the restrictive measures due to the decreasing number of infections. The European Commission lowered its economic growth forecast for the Eurozone in 2021 to 3.8% due to the increasing number of new virus variants and the issues related to vaccine production, distribution and administering. The European Commission expects member-states to lift most restrictions by the second quarter of 2021. France and Germany are expected to be the main drivers of the economic recovery.

US: S&P 500 increased by 2.61% MoM and NASDAQ 100 decreased by 0.12% MoM in USD, with similar changes in EUR (increase of 3.81% MoM and increase of 1.04% MoM). The GDP rose by 4.1% in Q4 2020. The core inflation decreased to 1.4% YoY in January. The unemployment rate decreases to 6.3% in January.

The financial results for Q4 2020 published by the companies were better than expected especially for the financial and technology sectors as well as the sectors benefiting from the pandemic. The labor market recovered somewhat but initial jobless claims remained elevated and the job creation was minimal. At its semiannual testimony before the Congress the Chairman of the Federal Reserve reiterated that inflation and employment remain well below the monetary policy goals and economic prospects are uncertain.

The government bond market fell substantially due to the increased inflation expectations and the 10y Treasury yield increased to 1.40%. The US dollar appreciated against the major currencies and closed around 1.2075 against the euro.

EUROPE: MSCI Europe increased by 2.40% MoM. The GDP in the Eurozone fell by 0.6% in Q4 2020. The core inflation increased substantially to 1.4% YoY in January. The unemployment rate decreased to 8.3% in December.

The European economies continued to operate under restrictions due to the pandemic. The financial results for Q4 2020 published by the companies were better than expected especially for the financial and technology sectors as well as the sectors benefiting from the pandemic.

The demand for risk-free assets decreased substantially and the 10y German Bund yield rose, closing around -0.26%.

RUSSIA: MSCI Russia increased by 2.52% MoM in USD and increased by 3.72% in EUR. The GDP rose by 13.0% in Q3 2020. The inflation rate increased to 4.6% YoY in January. The unemployment rate fell to 5.8% in January. The Brent oil price rose to USD 64.42 per barrel (increase of 17.53% MoM).

The economy continued to recover due to the general increase of the commodities prices on the international markets. The Central Bank of the Russian Federation left its key rate unchanged at 4.25% at its meeting, reiterating the rising inflation and the recovery in the demand. The inflation forecast for 2021 was increased to 3.7%-4.2%.

The Russian currency appreciated and closed around 74.62 rubbles per dollar.

BULGARIA: SOFIX decreased by 0.76% and BGTR30 decreased by 1.09%. The GDP rose by 2.1% in Q4 2020. The inflation rate (HICP) fell to -0.4% YoY in January. The seasonally-adjusted unemployment fell to 4.8% in December.

The economy continued to operate under restrictions whereas the preventive measures led to positive results in the pandemic management. The capital market was unchanged after the solid gains from the previous month. On the Bulgarian Stock Exchange was introduced the first exchange-traded fund based on the price of gold. The Ministry of Finance issued government bonds amounting to 500 million BGN with 5 and 10 years maturity. The Fitch rating agency changed the country's outlook to positive citing the improved economic growth outlook for 2021.

OUTLOOK:

The global economy continues to recover from the pandemic related decline. The recovery depends on the path of the virus and the vaccination process. The financial markets are expecting strong corporate financial results and the beginning of a new cycle in the economic growth where the technology sector and the cyclical sectors remain preferred by the investors. The governments and central banks are firmly committed to maintaining the fiscal and monetary stimulus aiming at sustainable economic recovery.

PORTFOLIO ALLOCATIONS:

Mutual fund	Return MoM, %	Equity allocation, %	MoM change in allocation
FFBH Vostok	1.54%	62.98%	No significant changes
FIB Avangard	1.13%	65.52%	No significant changes
FIB Classic	0.35%	37.16%	No significant changes
FIB Garant	0.24%	15.26%	No significant changes

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: Monthly Alpha – MSCI ACWI is the difference between the monthly return of NAV per share of FIB Avangard and the monthly return of MSCI All Country World Index.

FIB Classic: Monthly Alpha – MSCI ACWI is the difference between the monthly return of NAV per share of FIB Classic and the monthly return of MSCI All Country World Index.

FFBH Vostok: Monthly Alpha – MSCI Russia is the difference between the monthly return of NAV per share of FFBH Vostok and the monthly return of MSCI Russia 10/40 Total Return EUR Index.

FIB Avangard: Beta (β) – MSCI ACWI has been calculated using the weekly returns of NAV per share of FIB Avangard and MSCI All Country World Index over the last five years.

FIB Classic: Beta (β) – MSCI ACWI has been calculated using the weekly returns of NAV per share of FIB Classic and MSCI All Country World Index over the last five years.

FFBH Vostok: Beta (β) – MSCI Russia has been calculated using the weekly returns of NAV per share of FFBH Vostok and MSCI Russia 10/40 Total Return EUR Index over the last five years.

FIB Avangard: R2 – MSCI ACWI has been calculated using the weekly returns of NAV per share of FIB Avangard and MSCI All Country World Index over the last five years.

FIB Classic: R2 – MSCI ACWI has been calculated using the weekly returns of NAV per share of FIB Classic and MSCI All Country World Index over the last five years.

FFBH Vostok: R2 – MSCI Russia has been calculated using the weekly returns of NAV per share of FFBH Vostok and MSCI Russia 10/40 Total Return EUR Index over the last five years.

Returns of all indices presented in the bulletin or used in the calculations above are converted in BGN.

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

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 in a standardized way, using the MoM, YoY and YtD returns of each fund (R_i , $i=1$ to n), based on formula: $\sum (1/n \cdot R_i)$, where n is the number of mutual funds.

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