



STK Emergent Monthly NAV report

March 2017

Fund profile: closed-end fund listed on the Bucharest Stock Exchange

Fund objectives: invested capital increase, a 25% return per year on the managed assets and a return higher than the BET market index (1.3 x return of the BET index), distributing dividends to investors of the profit made

Number of units fund in circulation: 609,753

CNVM notice: CSC08FIIR/120004 from 02/07/2008

Depository: BRD- GSG

1. Fund assets

	February 2017	March 2017
Unlisted shares	25,096,542	25,096,542
Tradeable shares portfolio	44,630,448	43,714,557
Shares	21,773,469	18,741,579
Cash	22,506,586	24,615,366
Collective undertakings titles	508,998	516,217
Other net assets	-158,604	-158,604
Other liabilities	169,302	165,348
Net assets	69,557,688	68,645,751
NAV per share	114.08	112.58

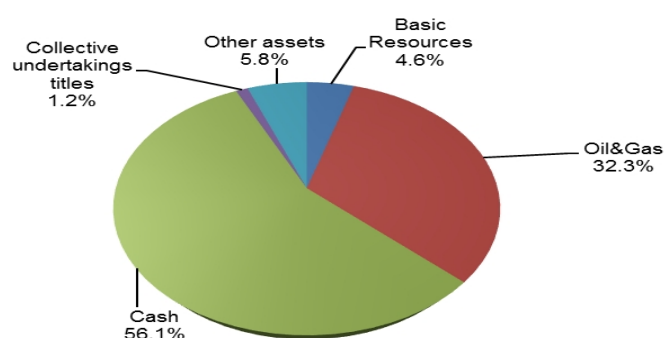
The trading portfolio of the fund comprising listed shares, cash, collective undertakings titles and other net assets, holds a share of 63.7% of the total net assets. At the end of March, listed shares represent 27.3% of the total net assets, while 36.6% of it is placed in unlisted shares.

Fund holdings are recorded using the reference price of the shares traded on the last day of the month, or the book value for unlisted companies.

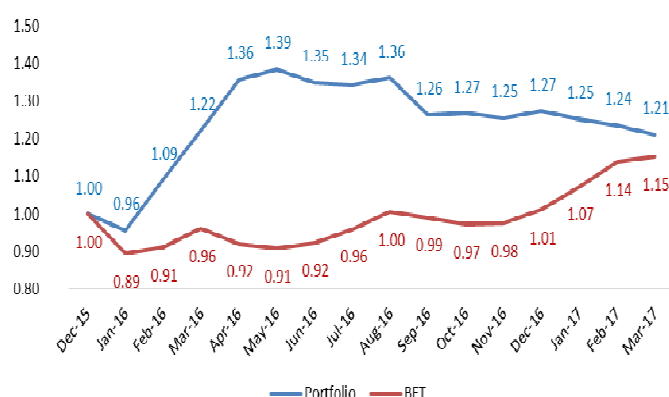
At the end of March, the trading portfolio of the fund is valued at about RON 43.7 million, down by 2.05% from the value reported in the previous month. At the same time, the BET index of the Bucharest Stock Exchange recorded an increase of 1.2% compared to the value at the end of February and the BET-FI index was approximately at the same level as in the previous month.

2. Stock portfolio

Tradeable portfolio holdings



Performance of tradeable portfolio and BET index



In March, we decided to mark the profit on banking, as we identified the risk of corrections in the near term. Also, we continued to increase our exposure to the oil&gas sector, because according to our estimations, the underperformance of the sector in the last three months is likely to lead to further increases in the price of oil producers' stocks, the ratio of expected return and the risk taken being favorable. Thus, at the end of March, the oil&gas sector accounts for about 32.3% of the trading portfolio of the Fund.

Past fund performance is no guarantee of future results!

Read the documents of incorporation before investing in this fund!



3. Changes in the NAV per share

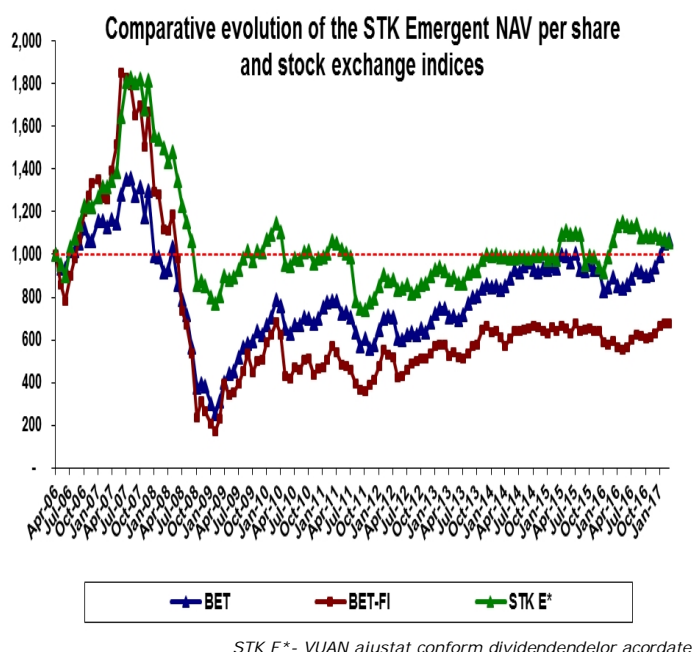
The net asset value per share decreased by 1.31% the last month

On March 31, 2017 the STK Emergent net asset value per share of RON 112.58 decreased by 1.31% compared to the net asset value per share at the end of the previous month.

Since March 20, 2017, the BET index of the Bucharest Stock Exchange comprises two new symbols, COTE and M, increasing its number of components from 10 to 12. March ended with a hike of 1.2% of the BET index, the highest yield being achieved by COTE (15.7%), under the influence of the inclusion in the BET index, and the payout ratio of 91.5% of the profit. At the end of the list were located TEL and TLV with a shrinkage of 1.49% and 1.48%.

BET-FI index of the financial sector stagnated in the last month. Of the SIFs, the highest growth was registered by SIF2 (4.11%), followed by SIF5 (2.76%), while SIF4 decreased by 1.11%.

Comparative chart of STK Emergent and the Bucharest Stock Exchange Indices between start-up and March 2017:



From launch to the end of March, the net asset value per share registered a *positive variation of 5.81%*, outperforming the BET-FI index which has shrunk by 31.18%, while BET index recorded a positive return of 8.14% during the same time.

4. Performance of the world stock exchanges in March

March was characterized mainly by increases in equity markets

The developed capital markets from Europe continued to rise in March, the biggest increase was recorded by the stock exchange from France, +5.4%, followed by the capital market from Germany, +4.0%. The London Stock Exchange was negatively influenced by declining prices of industrial metals and oil&gas companies, so that it generated the lowest return, +0.8%.

The US Federal Reserve decision from the mid March to raise the interest rate from 0.75% to 1.00%, and the failure of President Trump to implement a new health reform instead of using Obamacare, led to stagnation of the New York Stock Exchange.

Like in the previous month, the emerging financial markets have recorded a modest increase compared to the developed stock exchanges, the average return in March was 0.72%. The highest return was generated by companies listed on stock exchanges from Bulgaria, India and the Czech Republic (3.7%, 3.1%, 2.9%), while the stock markets from Russia and Hungary brought losses of 2.0% and 1.3% to investors.

Index	Country	2015*	2016**	2017YTD***	Mar - 17****
ATX	Austria	11.0%	9.2%	8.0%	3.0%
SOFIX	Bulgaria	-11.7%	27.2%	8.1%	3.7%
PX	Czech Republic	1.0%	-3.6%	6.5%	2.9%
SSEC	China	9.4%	-12.3%	3.8%	-0.6%
CAC40	France	8.5%	4.9%	5.4%	5.4%
FTSE	UK	-4.9%	14.4%	2.5%	0.8%
DAX	Germany	9.6%	6.9%	7.2%	4.0%
BSE SENSEX	India	-5.0%	1.9%	11.2%	3.1%
WIG 20	Poland	-19.7%	4.8%	11.7%	-0.7%
BET	Romania	-1.1%	1.2%	13.9%	1.2%
BET-FI	Romania	0.0%	-1.9%	7.5%	0.2%
SP 500	USA	-0.7%	9.5%	5.5%	0.0%
BUX	Hungary	43.8%	33.8%	-1.2%	-1.3%
MICEX	Russia	26.1%	26.8%	-10.6%	-2.0%
PFTS	Ukraine	-37.8%	10.2%	2.8%	-0.8%
ISE 100	Turkey	-16.3%	8.9%	13.8%	1.7%

*return between 12/31/2014-12/31/2015

** return between 12/31/2015-12/30/2016

***r return between 12/30/2016-03/31/2017

****last month return: 02/28/2017-03/31/2017