



STK Emergent
Monthly NAV report

July 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

	June 2017	July 2017
Unlisted shares	28,119,767	28,119,767
Tradeable shares portfolio	34,113,725	36,497,263
Shares	24,446,452	28,159,262
Cash	9,592,307	7,899,912
Collective undertakings titles	538,000	540,000
Other net assets	-463,034	-101,910
Other liabilities	148,999	151,755
Net assets	62,084,494	64,465,276
NAV per share	101.82	105.72

At the end of July, listed shares represented 43.7% of the total net assets.

The category *Other net assets* includes the difference between the dividends and other rights receivable and dividends to be distributed by the Fund from the previous years.

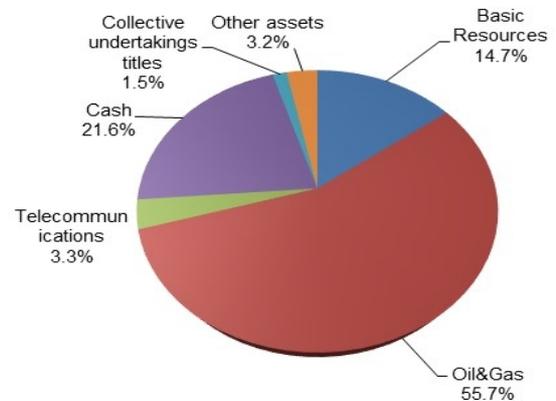
Fund holdings are recorded using the reference price of the shares traded on the last day of the month, or the book value for unlisted companies, adjusted for the fair value of these companies' assets.

Most of the tradeable portfolio is placed in the stocks of oil companies, about 55.7%, while 14.7% of the total traded portfolio is placed in the industrial metals sector and the cash component represents only 21.6% of the portfolio.

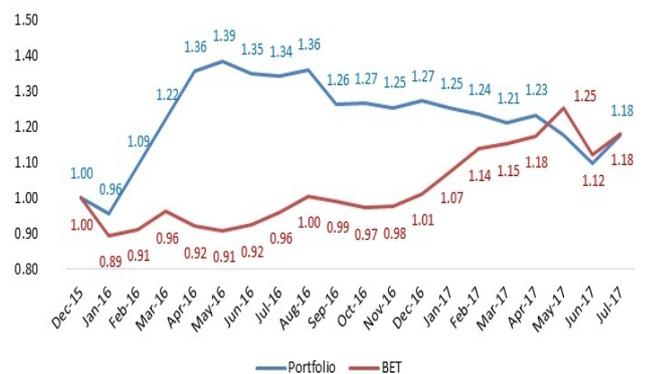
The oil&gas sector continues to be the most undervalued, having the greatest potential to outperform the stock exchange over the next period.

2. Stock portfolio

Tradeable portfolio holdings



Performance of tradeable portfolio and BET index



The crude oil equilibrium price based on the historical price performance according to global oil demand and supply is now at USD 70. Compared to the level of equilibrium, since 2000, there have been only 2 cases where the price was as low as in our days, moments followed by price increases. The current situation indicates with a high probability a growth potential of 40% compared to the end-July price.

At the end of July, the trading portfolio of the fund is valued at about RON 36.5 million, up by 7.00% compared to the value reported in the previous month, due to the increase by 8.3% of the crude oil price. At the same time, the BET index of the Bucharest Stock Exchange recorded an increase of 5.36% compared to the value at the end of June and the BET-FI index raised by 3.79%.

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

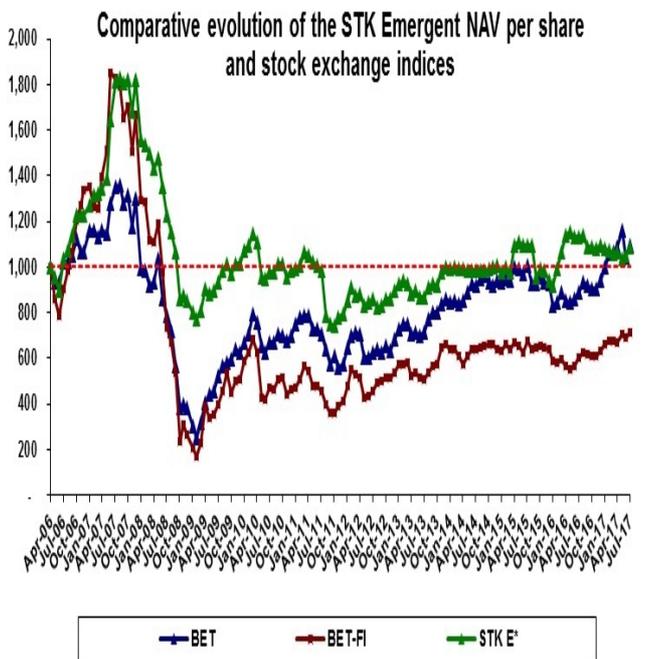
The net asset value per share increased by 3.83% during the last month

On July 31, 2017 the STK Emergent net asset value per share was RON 105.72, up by 3.83% compared to the net asset value per share at the end of the previous month.

The Bucharest Stock Exchange represented by the BET index raised by 5.4% in July. Among the components, the highest returns were achieved by SNN, SNP and TLV (11.4%, 11.3% and 8.0%).

The BET-FI index of the financial sector increased by 3.8% during the last month. Of the SIFs, the most positive was SIF2 (5.5%) and the last performer was SIF5 (0.5%).

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



STK E*- NAV per share adjusted for dividends

From launch to the end of July, the net asset value per share registered a positive variation of 8.94%, outperforming the BET-FI index which has shrunk by 27.32%, while BET index recorded a positive return of 10.92% during the same time.

4. Performance of the world stock exchanges in July

July was characterized mainly by increases in equity markets

In July, as in the previous month, Europe's developed stock markets underperformed the other stock exchanges, recording an average yield of only 0.5%. CAC 40 and DAX indices continued the corrections started last month, so that the stock exchanges from France and Germany dropped by 0.5% and 1.7%.

Most of the companies from S&P500 index published in July earnings above analysts' estimates, which generated an increase by 1.9% of S&P500 index.

The emerging stock exchanges outperformed the developed markets in July, recording an average yield of 3.2%. The investors who traded shares on stock exchanges in countries like Turkey, India and Poland enjoyed higher returns of about 7.1%, 5.2% and 3.2%. The lowest returns were obtained from investments in securities of companies listed on the stock exchanges in Hungary and Ukraine (1.6% and 0.6%).

Index	Country	2015*	2016**	2017YTD ***	July-17****
ATX	Austria	11.0%	9.2%	22.9%	3.6%
SOFIX	Bulgaria	-11.7%	27.2%	22.0%	1.7%
PX	Czech Republic	1.0%	-3.6%	9.5%	2.9%
SSEC	China	9.4%	-12.3%	5.5%	2.5%
CAC40	France	8.5%	4.9%	4.8%	-0.5%
FTSE	UK	-4.9%	14.4%	3.2%	0.8%
DAX	Germany	9.6%	6.9%	5.5%	-1.7%
BSE SENSEX	India	-5.0%	1.9%	22.1%	5.2%
WIG 20	Poland	-19.7%	4.8%	21.9%	3.2%
BET	Romania	-1.1%	1.2%	16.8%	5.4%
BET-FI	Romania	0.0%	-1.9%	13.5%	3.8%
SP 500	USA	-0.7%	9.5%	10.3%	1.9%
BUX	Hungary	43.8%	33.8%	11.8%	1.6%
MICEX	Russia	26.1%	26.8%	-14.0%	2.1%
PFTS	Ukraine	-37.8%	10.2%	8.6%	0.6%
ISE 100	Turkey	-16.3%	8.9%	37.6%	7.1%

*return between 12/31/2014-12/31/2015
** return between 12/31/2015-12/30/2016
***r return between 12/30/2016-07/31//2017
****last month return: 06/30/2017-07/31/2017