



STK Emergent
Monthly NAV report

September 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

	August 2017	September 2017
Unlisted shares	28,119,767	28,119,767
Tradeable shares portfolio	35,236,697	38,042,569
Shares	27,060,649	30,874,879
Cash	7,757,007	6,735,615
Collective undertakings titles	580,000	580,000
Other net assets	-160,959	-147,925
Other liabilities	149,332	150,275
Net assets	63,207,132	66,012,061
NAV per share	103.66	108.26

At the end of September, listed shares represent 46.8% 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.

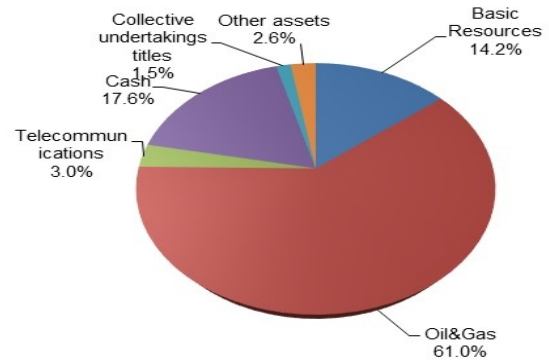
Fund holdings are recorded using the reference price of the shares traded on the last day of the month, or the book value for unlisted companies, adjusted for the fair value of these companies' assets.

More than half of the tradeable portfolio is placed in stocks of the oil companies, about 61.0%, while 14.2% of the total traded portfolio is placed in the industrial metals sector and the cash component represents only 17.6% of the portfolio.

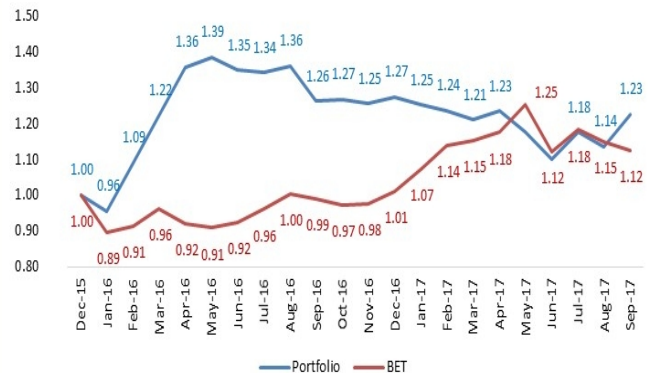
According to the quarterly data on global oil supply and demand, there is a supply gap of around 1 million barrels per day. Similar situations have occurred only 2 times since 2000, in Q1 2007 and Q3 2011, moments followed by oil price increases by 113% and 35%, respectively.

2. Stock portfolio

Tradeable portfolio holdings



Performance of tradeable portfolio and BET index



The 1.6% increase in world oil consumption in the last quarter is a factor that may generate a rise in oil prices over the next period, and according to its modelling function in relation to supply and demand results an equilibrium price of 77\$/barrel, an increase of 10% over the previous valuation, representing a 49% upside against the end-September price.

At the end of September, the trading portfolio of the fund is valued at about RON 38.04 million, up by 7.96% compared to the value reported in the previous month, due to the increase by 9.6% of the crude oil price, and because of the appreciation by 4.7% of the pound sterling against national currency, with most of the portfolio being traded in pounds. At the same time, the BET index of the Bucharest Stock Exchange recorded a decrease of 2.16% compared to the value at the end of August and the BET-FI index raised by 4.68%.

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

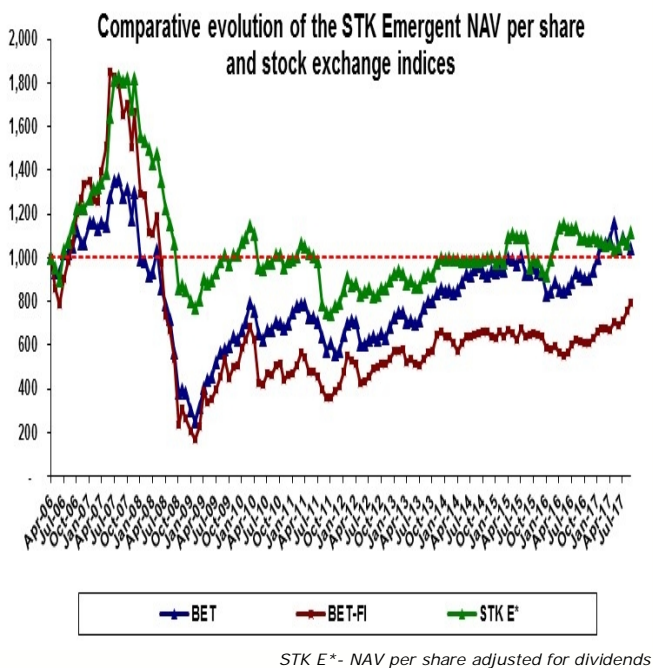
The net asset value per share increased by 4.44% last month

On September 29, 2017 the STK Emergent net asset value per share of RON 108.26 increased by 4.44% compared to the net asset value per share at the end of the previous month.

The Bucharest Stock Exchange represented by the BET index shrunk by 2.16% in September. Among the components, the lowest returns were achieved by BVB, BRD and SNP (-4.88%, -4.75% and -3.67%), while shares like COTE and TEL raised by 5.42% and 3.81%.

The BET-FI index of the financial sector increased by 4.68% during the last month. Of the SIFs, the most positive was SIF1 (11.33%) and the last performer was SIF3 (1.52%).

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



From launch to the end of September, the net asset value per share registered a positive variation of 11.56%, outperforming the indices of the Bucharest Stock Exchange (BET-FI index has shrunk by 19.35%, while BET index increased by 5.58%).

4. Performance of the world stock exchanges in September

September was characterized by opposite performance in equity markets

After 3 months of underperforming emerging markets, in September, the European developed stock exchanges reversed the trend, rising at an average monthly rate of 3.3%. The highest increase was recorded by DAX 30 index and CAC 40 index, 6.4% and 4.8%, respectively.

In September, the US Federal Reserve decided to maintain the monetary policy rate at 1.25%, in line with the analysts' expectations. At the same time, the S&P 500 index continued its growth trend, recording an increase of 1.9%.

The emerging markets declined on average by 1.0% in September. The most significant corrections were registered by the stock exchanges in Turkey (-6.5%), Poland (-2.5%) and Bulgaria (-2.5%). The only emerging markets that witnessed a positive course during September were Russia (2.7%), Ukraine (2.5%) and Czech Republic (2.2%).

Index	Country	2015*	2016**	2017YTD ***	Sep-17****
ATX	Austria	11.0%	9.2%	26.6%	2.6%
SOFIX	Bulgaria	-11.7%	27.2%	17.3%	-2.5%
PX	Czech Republic	1.0%	-3.6%	13.4%	2.2%
SSEC	China	9.4%	-12.3%	7.9%	-0.4%
CAC40	France	8.5%	4.9%	9.6%	4.8%
FTSE	UK	-4.9%	14.4%	3.2%	-0.8%
DAX	Germany	9.6%	6.9%	11.7%	6.4%
BSE SENSEX	India	-5.0%	1.9%	17.5%	-1.4%
WIG 20	Poland	-19.7%	4.8%	26.0%	-2.5%
BET	Romania	-1.1%	1.2%	11.2%	-2.2%
BET-FI	Romania	0.0%	-1.9%	25.9%	4.7%
SP 500	USA	-0.7%	9.5%	12.5%	1.9%
BUX	Hungary	43.8%	33.8%	16.5%	-2.1%
MICEX	Russia	26.1%	26.8%	-7.0%	2.7%
PFTS	Ukraine	-37.8%	10.2%	10.7%	2.5%
ISE 100	Turkey	-16.3%	8.9%	31.7%	-6.5%

*return between 12/31/2014-12/31/2015
** return between 12/31/2015-12/30/2016
***r return between 12/30/2016-09/29//2017
****last month return: 08/31/2017-09/29/2017