



## STK Emergent Monthly NAV report

### August 2020

**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 realised profit

**Number of fund units in circulation:** 609,753

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

**Depository:** BRD- GSG

### 1. Fund assets

RON	July 2020	August 2020
Unlisted shares	29,916,388	29,916,388
Tradeable shares portfolio	28,099,923	28,051,050
Shares	408,765	5,225,050
Cash	27,191,230	22,338,175
Collective undertaking titles	706,083	693,980
Other net assets	-206,155	-206,155
Other liabilities	133,458	133,371
<b>Net assets</b>	<b>57,882,852</b>	<b>57,834,067</b>
<b>NAV per share</b>	<b>94.93</b>	<b>94.85</b>

Tradeable shares portfolio represents 48.5% of the total net assets at the end of August.

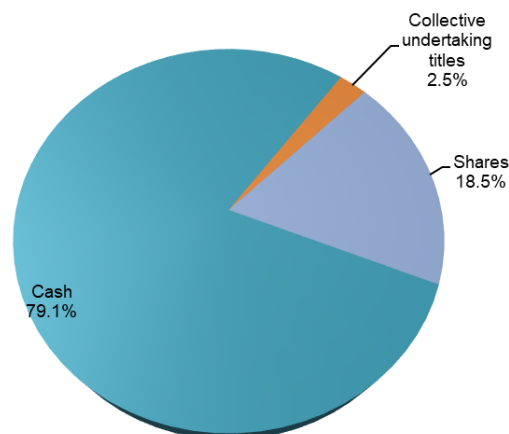
Fund holdings are recorded using the reference price of the shares traded on the last day of the month, and for the unlisted companies a fair value is used from a valuation report made by an ANEVAR certified external valuator.

At the end of August the tradeable shares portfolio was composed of 79.1% cash, 18.5% shares and 2.5% collective undertakings. *Other net assets* category includes the dividends payable by the Fund from previous years.

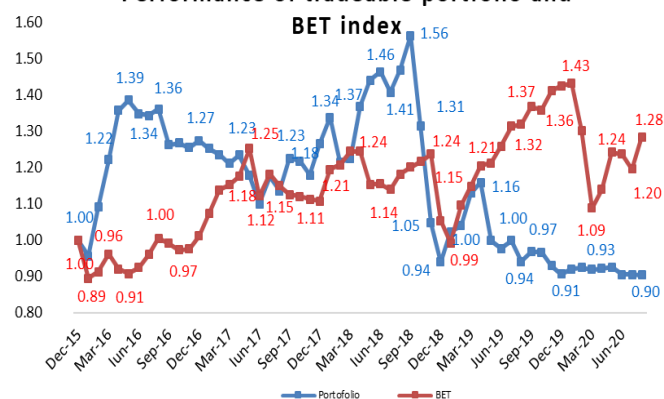
The number of cases of coronavirus infection increased to 25.6 million globally at the end of August, with new cases ticking up during the month also in European countries such as Spain and France. At the end of the month financial markets recorded growths, on average, due to optimistic news about the phases of COVID-19 vaccines and the positive manufacturing data from the euro zone, United States and China, which indicated that a recovery in the sector was under way.

### 2. Stock portfolio

Tradeable portfolio holdings



Performance of tradeable portfolio and



Given the high volatility of assets and the uncertainty about its duration, in August we also opted to maintain higher liquidity while waiting for a more favorable context.

At the end of August, the Fund's trading portfolio is valued at about RON 28.05 million, *slightly down by 0.17%* compared to the value reported at the end of July, reflecting the changes in the prices of the companies in the portfolio.

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

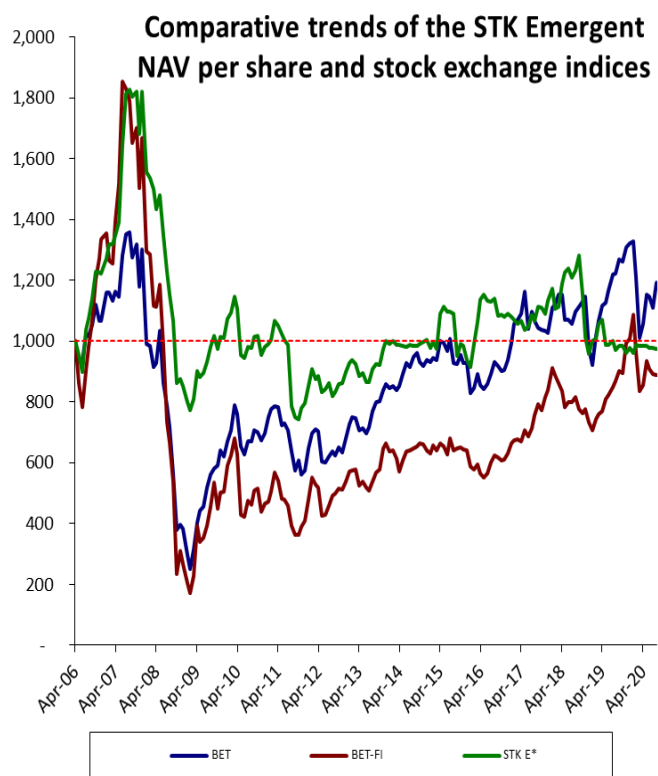
#### The net asset value per share varied by **-0.08%** last month

On August 31, 2020, the STK Emergent net asset value per share stands at RON 94.85, approximately at the same level of the previous month.

The BET index of the Bucharest Stock Exchange increased by 7.39% in August, reaching 8,997.28 points at the end of the month; the highest increases were registered by SNP shares +15.8%, TLV shares +14.3% and EL shares +14.0%, and FP shares and COTE shares decreased slightly during the month, by -0.8%, and -0.5%, respectively.

The BET-FI index of the financial sector registered a decrease of 0.6% in August, the five Financial Investment Companies and FP posting returns of between -7.3% and +4.0%.

Comparative chart of STK Emergent and the Bucharest Stock Exchange Indices between start-up and August 2020:



STK E\*- NAV per share adjusted for dividends

From launch to the end of August, the net asset value per share registered a *negative variation of 2.26%*, the BET index increased by 20.58%, and the BET-FI index declined by 9.70% over the same time frame.

### 4. Performance of the world stock exchanges

#### August was characterized by increases in financial markets

The developed financial markets rose in August by an average of 3.82%, the mature capital market indexes recording the following returns: the American index S&P500 7.0% (generated by increases in shares in the tech sector), the German index DAX 5.1% the Austrian index ATX 4.4%, the French index CAC40 3.4%, the Polish index WIG20 1.8%, the British index FTSE100 1.1%.

On August 27, the US Federal Reserve announced that it would be willing to allow inflation to rise above 2% to support the labor market and the economy in general.

In August, the UK officially entered recession, for the first time since the financial crisis in 2008 after the Office for National Statistics confirmed that the UK economy shrank by 20.4% in the second quarter, after dropping by 2.2% in the first.

Emerging and frontier stock exchanges registered an average increase of 1.57% in August, the stock exchanges in Romania, India, China and the Czech Republic registered the highest increases, of 7.4%, 2.7%, 2.6% and 2.4%, while the stock exchanges in Turkey and Bulgaria registered decreases of 4.3% and 0.5% respectively.

Index	Country	2018*	2019**	YTD 2020***	Aug - 20****
ATX	Austria	-19.7%	16.1%	-30.4%	4.4%
SOFIX	Bulgaria	-12.3%	-4.4%	-23.6%	-0.5%
PX	Czech Republic	-8.5%	13.1%	-19.0%	2.4%
SSEC	China	-24.6%	22.3%	11.3%	2.6%
CAC40	France	-11.0%	26.4%	-17.2%	3.4%
FTSE	UK	-12.5%	12.1%	-20.9%	1.1%
DAX	Germany	-18.3%	25.5%	-2.3%	5.1%
BSE SENSEX	India	5.9%	14.4%	-6.4%	2.7%
WIG 20	Poland	-7.5%	-5.6%	-16.3%	1.8%
BET	Romania	-4.8%	35.1%	-9.8%	7.39%
BET-FI	Romania	-12.6%	37.3%	-11.9%	-0.6%
SP 500	USA	-6.2%	28.9%	8.3%	7.0%
BUX	Hungary	-0.6%	17.7%	-24.4%	0.5%
MOEX	Russia	11.8%	29.1%	-2.6%	1.9%
ISE 100	Turkey	-20.9%	25.4%	-5.7%	-4.3%

\*return between 12/29/2017-12/31/2018  
\*\* return between 12/31/2018-12/31/2019  
\*\*\* return between 12/31/2019-08/31/2020  
\*\*\*\*last month return: 07/31/2020-08/31/2020