



STK Emergent Monthly NAV report

November 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	October 2020	November 2020
Unlisted shares	29,916,388	29,916,388
Tradeable shares portfolio	27,258,704	27,233,313
Shares	241,514	4,995,655
Cash	26,522,906	21,954,681
Collective undertaking titles	695,439	647,829
Other net assets	-201,155	-364,853
Other liabilities	128,142	130,055
Net assets	57,046,950	57,019,646
NAV per share	93.56	93.51

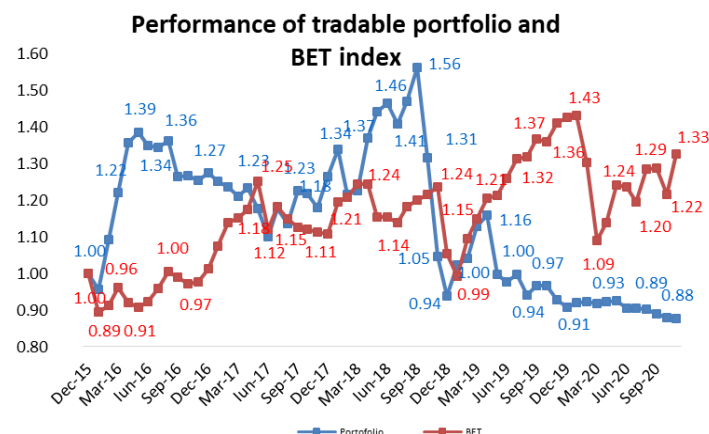
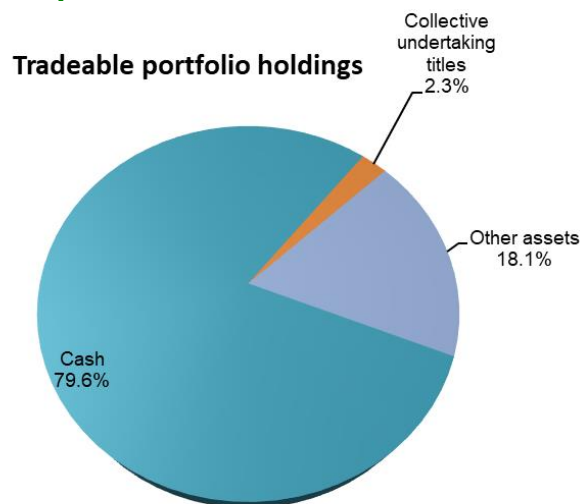
Tradeable shares portfolio represents 48.4% of the total net assets at the end of November.

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 November, the tradeable shares portfolio was composed of 79.6% cash, 18.1% shares and 2.3% collective undertakings. *Other net assets* category includes the dividends payable by the Fund from previous years.

Sector rotations continue in both the US and Europe: inflows into more cyclical and more negatively affected value sectors in this business cycle, with more moderate growth rates and relatively cheaper than the market - banks + 21% in the US and + 30% in the EU in the last 30 days, oil & gas + 43% in the US and + 34% in the EU vs. flatter variations on pharma / medical services (between + 1% and 2%) or technology (between + 5% and + 9%).

2. Stock portfolio



Starting from the observable phenomenon of asset turnover, we decided to buy shares in the oil field that have a significant growth potential, in the idea of returning prices to pre-pandemic levels. We also kept in liquidity most of the tradable portfolio, to have a limited and controlled exposure to the general market risk which is still quite high.

At the end of November, the Fund's net assets are valued at about RON 57.02 million, *slightly down by 0.05%* compared to the value reported at the end of October, 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

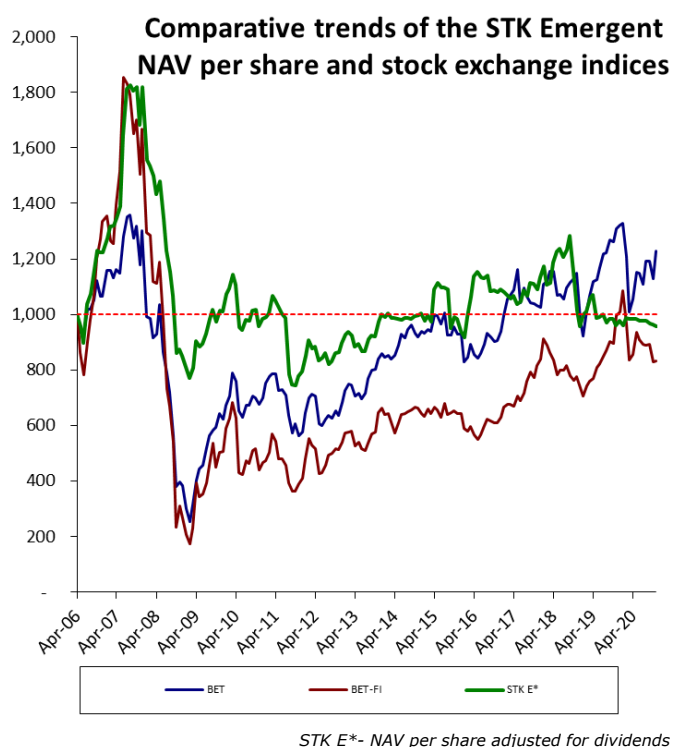
The net asset value per share varied by -0.05% last month

On November 27, 2020, the STK Emergent net asset value per share stands at RON 93.51, slightly down compared to the level of the previous month.

The BET index of the Bucharest Stock Exchange reached the level of 9,286.11 points at the end of the month, varying by 9.12% in November; the highest increases were registered by the shares of M + 24.4%, BRD + 17.0%, SFG +15.4% and SNP + 13.6%, while the shares of BVB and DIGI registered during the month decreases of -2.6% and respectively -3.6%.

The BET-FI index of the financial sector registered in November an increase of +0.54%, the five Financial Investment Companies and FP posting returns of between -9.5% and +4.1%.

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



From launch to the end of November, the net asset value per share registered a *negative variation of 3.64%*, the BET index increased by 24.45%, and the BET-FI index declined by 15.30% over the same time frame.

4. Performance of the world stock exchanges

November was characterized by increases in financial markets

The developed financial markets grew in November by an average of 17.20%, the mature capital market indexes recording the following returns: the Austrian ATX index - 24.3%, the Polish WIG20 index, 20.7%, the American S&P500 index 10.8%, the French CAC40 index 20.1%, the British FTSE100 index 12.4%, the German DAX index 15.0%

Donald Trump's approval of the transition, that is, normality and the peaceful transfer of power, has induced new growth in the capital markets. The Dow Jones Industrial Average index exceeded, on Tuesday, 22.11.2020, for the first time in history, the level of 30,000 points.

Compared to the decrease in March, when it had entered below 20,000 points, it is an increase of over 50%.

Emerging and frontier stock exchanges rose by an average of 11.30% in November, the stock exchanges in Hungary and Russia registered substantial increases, of 20.1% and 15.5%, while the stock exchange in Bulgaria registered a negative return of -1.1%.

Index	Country	2018*	2019**	YTD 2020***	Nov - 20****
ATX	Austria	-19.7%	16.1%	-19.9%	24.3%
SOFIX	Bulgaria	-12.3%	-4.4%	-25.5%	-1.1%
PX	Czech Republic	-8.5%	13.1%	-13.4%	14.7%
SSEC	China	-24.6%	22.3%	11.2%	5.2%
CAC40	France	-11.0%	26.4%	-7.7%	20.1%
FTSE	UK	-12.5%	12.1%	-16.9%	12.4%
DAX	Germany	-18.3%	25.5%	0.3%	15.0%
BSE SENSEX	India	5.9%	14.4%	7.0%	11.4%
WIG 20	Poland	-7.5%	-5.6%	-14.9%	20.7%
BET	Romania	-4.8%	35.1%	-6.9%	9.1%
BET-FI	Romania	-12.6%	37.3%	-17.4%	0.5%
SP 500	USA	-6.2%	28.9%	12.1%	10.8%
BUX	Hungary	-0.6%	17.7%	-15.8%	20.1%
MOEX	Russia	11.8%	29.1%	2.0%	15.5%
ISE 100	Turkey	-20.9%	25.4%	12.2%	15.4%

*return between 12/29/2017-12/31/2018
** return between 12/31/2018-12/31/2019
*** return between 12/31/2019-11/27/2020
****last month return: 10/30/2020-11/27/2020