

**"UBB Balanced Fund"**  
Fund in equities and bonds



Bulletin date: 31/10/2020

The investment strategy of the Fund includes investing in liquid fixed- income and equity securities (mainly Bulgarian but foreign as well). The total expected return is formed by: capital gains as a result of securities transactions from the company's portfolio, dividends on equity securities and coupon payments on fixed-income debt securities, deposit interest, etc. For achieving the primary objective of UBB Balanced Fund, management company KBC Asset Management NV - Branch applies suitable risk management methods. The management company forms and actively manages a securities portfolio that balances the risk born by the different types of financial instruments, included in the portfolio.

**FUND INFORMATION**

Currency	BGN
Launch date	31/01/2005
Last confirmed NAV	9 547 854.26
Last confirmed NAV per unit	15.3980
Lowest - Highest NAV per unit for the last year	14.7215-16.3119
Standard deviation for the last year	6.80%

**RETURN**

Year to date /not annualized/	-4.46%
For the last 12 months /not annualized/	-4.75%
For the last 3 years /annualized/	-6.06%
Since inception /annualized/	2.39%

**LARGEST EXPOSURES /TOP 5/**

	TYPE
REPUBLIC OF BULGARIA	DEBT
POLAND	DEBT
REPUBLIC OF BULGARIA	DEBT
SPAIN	DEBT
ROMANIA	DEBT

**TOTAL TOP 5** 31.47%

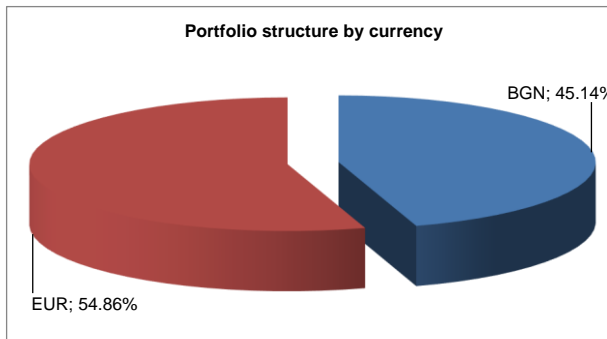
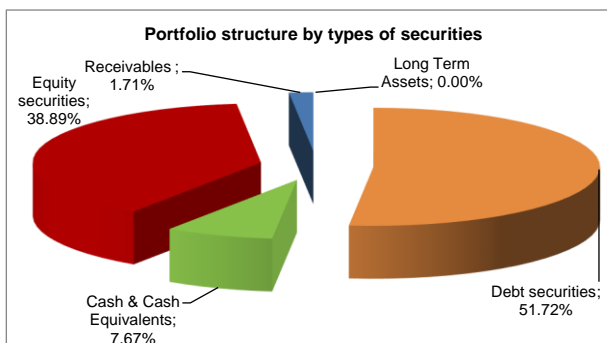
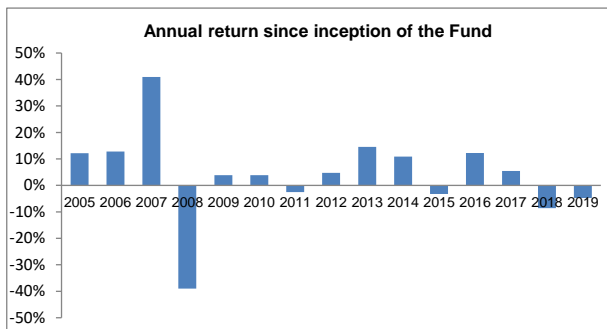
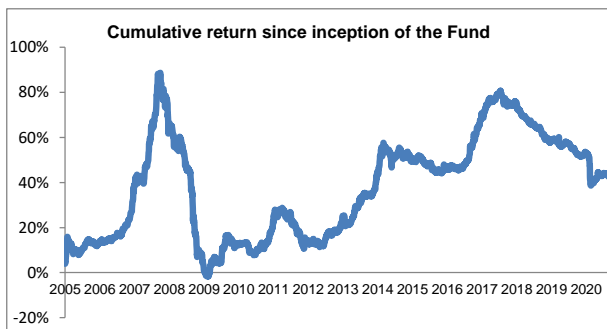
**SECTOR BREAKDOWN**

	WEIGHT
Government bonds	51.72%
Manufacturing	10.16%
REIT	9.81%
Conglomerates	8.83%
Cash & Cash Equivalents	7.67%
Pharmaceutical Industry	4.29%
Food-processing industry	2.05%
Transport	2.05%
Receivables	1.71%
Finance	1.28%
Chemical Industry	0.31%
Information Technology	0.11%

**COMMENTARY**

Stock markets closed October with bear influence following the upcoming US election and the increased Covid-19 infections around the world. Over the past month, gold recorded a slight decline of 0.4%, while light Crude oil WTI fell by more than 11%, reaching levels from April. The US stock indexes Dow Jones and S&P 500 fell by 4.61% and 3.72% in October. In Europe, the situation was similar - the German benchmark DAX shrank by 9.44% and the British FTSE - by 4.92%. Since the beginning of the year, the two indices have recorded significant losses - of 13.67% and 26.66%. Nikkei lost 0.90% and Hang Seng added 2.76%. Here SOFIX added 0.09%. UBB Balanced Fund rose by 1.48%.

News of the month: According to NSI data, the business climate index rose by 0.5 points in October. The consumer price index for October 2020 compared to September 2020, measuring monthly inflation, is -0.6%. The annual inflation for October 2020 compared to October 2019 is 0.9%. GDP in the second quarter of 2020 decreased by 11.4% in the EU compared to the previous quarter according to seasonally adjusted data. For the same period the GDP in Bulgaria decreased by 10.0%.



- The Fund has (includes) investment focus Bulgaria



- The Fund has corresponding degree of risk (dark green color characterizes most conservative funds, and red the highest risk funds)

The information contained in this document is current as of the date stated therein. Investors should note that previous performance is not necessarily related to future performance. The value of units may decrease. Earnings are not guaranteed and there is a risk for investors not to be able to return the initially deposited funds in their full value. Investments in mutual funds are not secured by a guarantee fund established by the State or by any other type of guarantee. The information provided in this document does not constitute advice or recommendation to invest in units of KBC Asset Management NV - Branch Mutual Funds and should not be interpreted as such. It is recommended investors get acquainted with free Prospectuses, Key Investor Information Documents and Rules of KBC Asset Management NV - Branch Mutual Funds and determine their risk tolerance associated with investing in financial instruments before making an investment decision. The investors can get acquainted with the Prospectuses, Key Investor Information Documents and Rules of KBC Asset Management NV - Branch Mutual Funds at the office of KBC Asset Management NV - Branch every working day from 8.30 to 17.00 at: Sofia, Vitosha Blvd. №89-B, 6 floor, Millenium Center, in UBB AD branches within their working hours, as well as on the web site: [www.ubbam.bg](http://www.ubbam.bg)