

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



Bulletin Date: 31.12.2020

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	9 786 776.71
Last confirmed NAV per unit	15.6706
Lowest - Highest NAV per unit for the last year	14.7215-16.3119
Standard deviation for the last year	6.87%

**RETURN**

Year to date /not annualized/	-2.77%
For the last 12 months /not annualized/	-2.77%
For the last 3 years /annualized/	-5.40%
Since inception /annualized/	2.47%

**LARGEST EXPOSURES /TOP 5/**

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

**TOTAL TOP 5** 27.15%

**SECTOR BREAKDOWN**

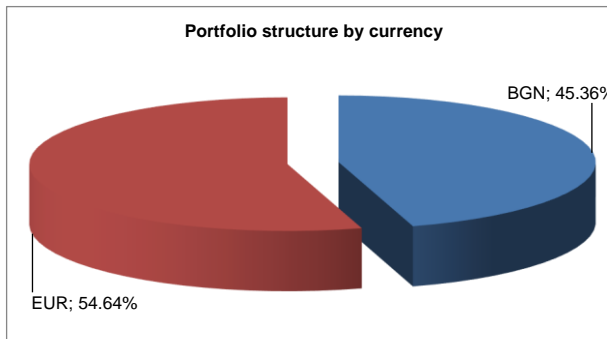
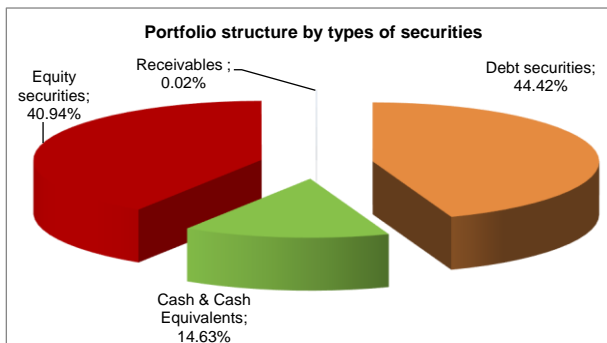
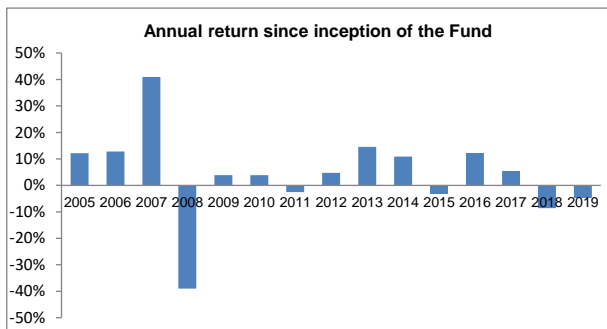
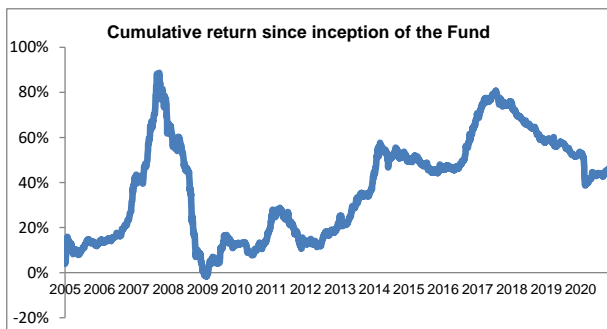
	WEIGHT
Government bonds	44.42%
Cash & Cash Equivalents	14.63%
REIT	10.92%
Manufacturing	10.77%
Conglomerates	8.99%
Pharmaceutical Industry	4.23%
Transport	2.16%
Food-processing industry	1.69%
Finance	1.25%
Information Technology	0.61%
Chemical Industry	0.30%
Receivables	0.02%

**COMMENTARY**

2020 was volatile year and has been marked by the US presidential election, the pandemic and the economic crisis that has followed the lockdowns and the closure of the world's economies. In 2020, gold and silver grew by 25% and 50% respectively, while light crude WTI fell by 25% compared to the end of 2019. US stock indices Dow Jones and S&P 500 rose by 3.5% and 12% respectively in 2020. In Europe the German benchmark DAX rose by 0.5% and the British FTSE sank 18%. The Nikkei 225 climbed 11.7%, as opposed to Hang Seng, which erased 7.4%. In Bulgaria, SOFIX shrank by 25.5%. Only BG REIT ended the year positively with a growth of 3.4 percent.

In December UBB Balanced Fund grew by 1.44%.

News of the month: According to NSI data, the business climate decreased by 1.7 percentage points compared to its level in November. The consumer price index for November 2020 compared to October 2020, measuring monthly inflation, is 0.1%. The annual inflation for November 2020 compared to November 2019 is 0.4%. GDP in the third quarter of 2020 increased by 11.6% in the EU-27 compared to the previous quarter according to seasonally adjusted data. Over the same period, GDP in Bulgaria grew by 4.3%.



- 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)