



STK Emergent Monthly NAV report

June 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

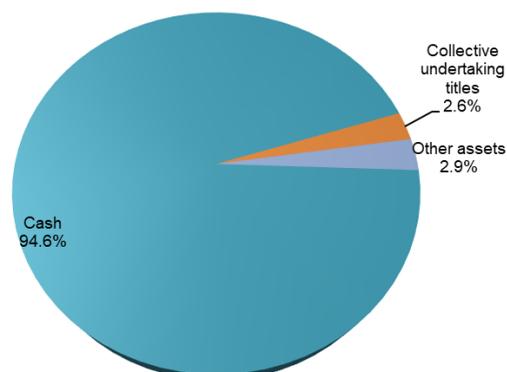
Number of fund units in circulation: 609,753

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

Depository: BRD- GSG

2. Stock portfolio

Tradeable portfolio holdings



1. Fund assets

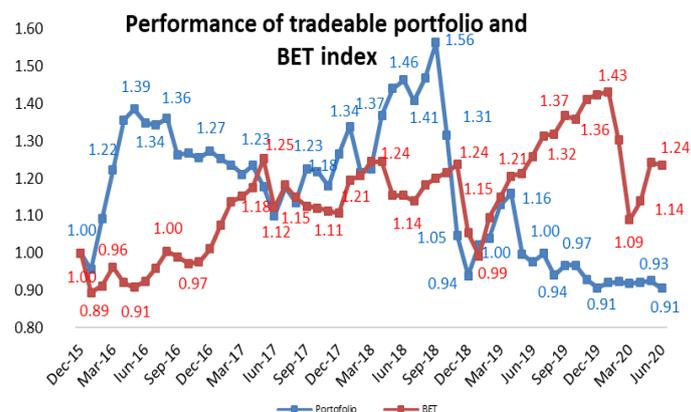
RON	May 2020	June 2020
Unlisted shares	29,916,388	29,916,388
Tradeable shares portfolio	28,536,679	28,108,460
Shares	1,152,726	814,365
Cash	26,926,227	26,761,320
Collective undertakings titles	663,881	727,929
Other net assets	-206,155	-195,155
Other liabilities	125,721	133,521
Net assets	58,327,346	57,891,327
NAV per share	95.66	94.94

Tradeable shares portfolio represents 48.6% of the total net assets at the end of June.

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 June, the tradeable shares portfolio was composed of 94.6% cash, the rest being collective undertakings, 2.6%, and other shares, 2.9%. *Other net assets* category includes the dividends payable by the Fund from previous years and dividends to be received (in case of June).

The World Health Organization reported on July 1 the acceleration of coronavirus disease, with 60% of all cases worldwide being reported in June. In Europe, the next steps were taken to ease restrictions, with the economic re-opening narrative dominating fears of a second wave of the pandemic during the month.



Opinions supporting a L-shaped and recently a W-shaped economic recovery ground over initial predominant reactions to a V-shaped recovery, with stock markets still facing substantial downside risks. Given the high volatility of assets and the uncertainty about their duration, we chose to maintain higher liquidity while waiting for a more favorable context.

At the end of June, the Fund's trading portfolio is valued at about RON 28.11 million, down by 1.50% compared to the value reported at the end of May, reflecting the changes in the prices of the remaining 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

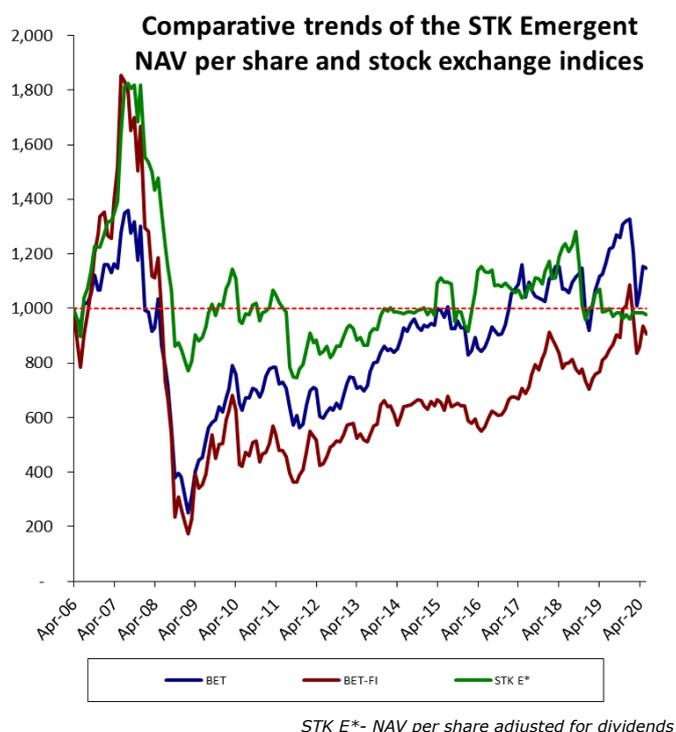
The net asset value per share varied by -0.75% last month

On June 30, 2020, the STK Emergent net asset value per share stands at RON 94.94, slightly down by 0.75%, compared to the net asset value per share at the end of May.

The BET index of the Bucharest Stock Exchange was down 0.45% in June, reaching 8,659.55 points at the end of the month; the highest increases were registered by ALR shares +7.6%, FP shares +7.6% (dividend-adjusted return), and M shares +6.1%, while the largest decreases were posted by SNN shares, -9.5% (dividend-adjusted return), COTE shares -8.0%, and SNP shares -5.8%.

The BET-FI index of the financial sector registered a decrease of 2.83% in June, the five Financial Investment Companies posting declines between 0.3% and 9.9%.

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



From launch to the end of June, the net asset value per share registered a negative variation of 2.17%, the BET index increased by 16.05%, and the BET-FI index decline by 7.65% over the same time frame.

4. Performance of the world stock exchanges

June was characterized by increases in financial markets

The developed financial markets rose in June by an average of 2.91%, the mature capital market indexes recording the following returns: the German DAX index 6.2%, the French CAC40 index 5.1%, the Polish WIG20 index 2.1%, the American index S&P500 1.8%, the British FTSE100 index 1.5%, and the Austrian ATX index 0.6%.

After a brutal sell-off earlier this year, share prices had risen globally over the past three months, helped by massive stimulus from countries around the world and hopes the worst of the pandemic was over. The need for further stimulus is likely, although EU leaders failed to agree on a €750 billion recovery fund in June, with further talks set for July.

Emerging and frontier stock exchanges increased by an average of 3.13% in June, with stocks exchanges in Turkey, India and China posting the largest increases of 10.4%, 7.7% and 4.6%, while stock exchanges in Romania and Hungary registered slightly negative returns of 0.5% and 0.2% respectively.

Index	Country	2018*	2019**	YTD 2020***	Jun - 20****
ATX	Austria	-19.7%	16.1%	-29.5%	0.6%
SOFIX	Bulgaria	-12.3%	-4.4%	-20.2%	0.1%
PX	Czech Republic	-8.5%	13.1%	-17.7%	2.5%
SSEC	China	-24.6%	22.3%	-2.1%	4.6%
CAC40	France	-11.0%	26.4%	-17.4%	5.1%
FTSE	UK	-12.5%	12.1%	-18.2%	1.5%
DAX	Germany	-18.3%	25.5%	-7.1%	6.2%
BSE SENSEX	India	5.9%	14.4%	-15.4%	7.7%
WIG 20	Poland	-7.5%	-5.6%	-18.2%	2.1%
BET	Romania	-4.8%	35.1%	-13.2%	-0.5%
BET-FI	Romania	-12.6%	37.3%	-9.9%	-2.8%
SP 500	USA	-6.2%	28.9%	-4.0%	1.8%
BUX	Hungary	-0.6%	17.7%	-22.3%	-0.2%
MOEX	Russia	11.8%	29.1%	-9.9%	0.3%
ISE 100	Turkey	-20.9%	-8.9%	-2.0%	10.4%

*return between 12/29/2017-12/31/2018
** return between 12/31/2018-12/31/2019
*** return between 12/31/2019-06/30/2020
****last month return: 05/29/2020-06/30/2020