



The main objective of the Fund is to provide unitholders in long-term preservation and increase the value of their investments mainly by the realization of interest income and, to a lesser extent - from dividends and capital gains at a low level of risk. In the short-term the goal is to achieve a return higher than that on alternative investments at low risk. The Fund invests mainly in debt securities (long and medium-term government securities, municipal bonds, corporate bonds, mortgage bonds, etc.).

FUND INFORMATION

Currency	BGN
Launch date	30/01/2006
Last confirmed NAV	221,114,290.70
Last confirmed NAV per unit	15.0892
Lowest - Highest NAV per unit for the last year	13.8463-14.8692
Standard deviation for the last year	1.51%

RETURN

Year to date /not annualized/	2.34%
For the last 12 months /not annualized/	5.79%
For the last 3 years /annualized/	0.40%
Since inception /annualized/	2.70%

LARGEST EXPOSURES /TOP 5/

	TYPE
REPUBLIC OF BULGARIA	DEBT
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REPUBLIC OF BULGARIA	DEBT
PORTUGAL	DEBT
HUNGARY	DEBT

TOTAL TOP 5 17.50%

SECTOR BREAKDOWN

	WEIGHT
Government bonds	75.18%
Cash & Cash Equivalents	7.70%
REIT	2.79%
Manufacturing	2.22%
Industrials	1.98%
Finance	1.75%
Information Technology	1.69%
Conglomerates	1.68%
Energy	1.03%
Pharmaceutical Industry	0.96%
Consumer Discretionary	0.62%
Food-processing industry	0.49%
Drug Manufacturers	0.46%
Transport	0.40%
Utilities	0.33%
Receivables	0.32%
Materials	0.20%
Consumer Staples	0.16%
Chemical Industry	0.04%

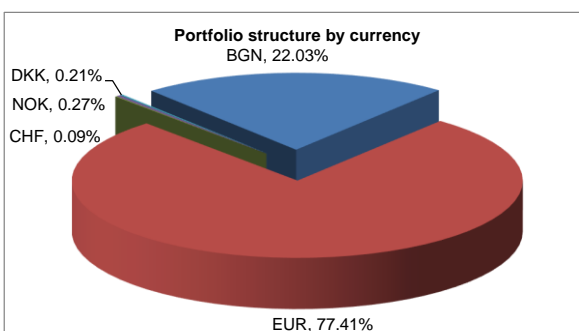
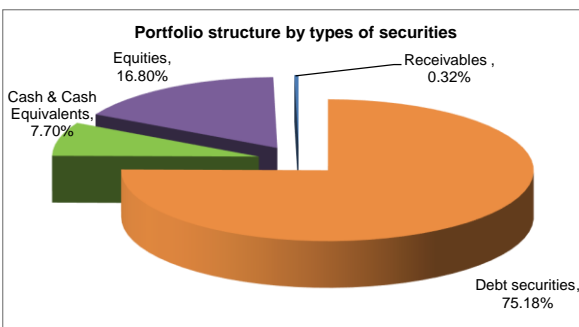
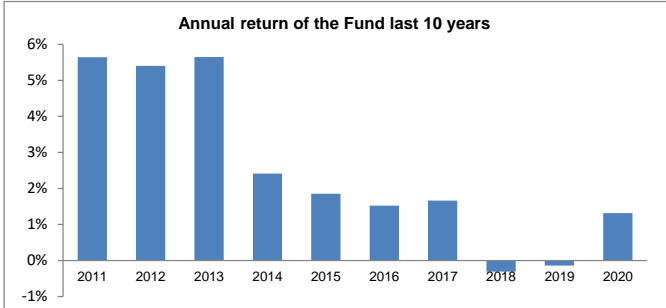
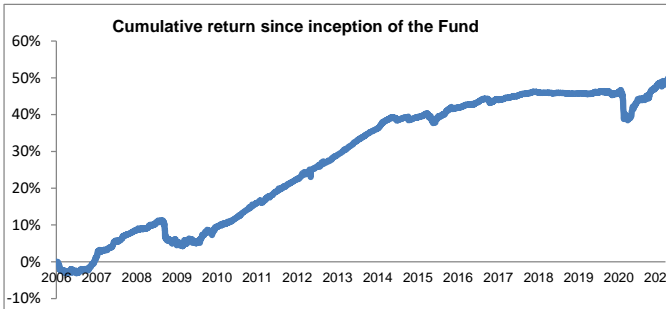
COMMENTARY

During the last month the markets were driven by fresh data about the inflation. After the data for CPI (Consumer Price Index) was released and showed that the inflation in USA increased to 3.8% on an annual basis, the Federal Reserve again had to confirm that the inflation will be temporary and in the long term it will drop to the 2% target rate.

The world main indexes were in the opposite directions during the month, where Dow Jones contracted by 0.80%, while S&P 500 increased by 2.22%, respectively.

Europe was in the green –the German benchmark DAX rose by 0.71%, while the British one - FTSE 100 rose by 0.21%. At the same time the major Bulgarian index SOFIX increased its value by 0.06%.

News of the month: According to NSI data in June 2021 r. the overall business climate indicator dropped by -4.0 percentage points compared to the previous month. The consumer price index for May 2021 compared to April 2021, measuring monthly inflation is 0.1%. The annual inflation for May 2021 compared to May 2020 is 2.5%. Seasonally adjusted GDP data according to express estimates show a decline of -1.8% during the first quarter of 2021 compared to the corresponding quarter of 2020.



- The Fund has (includes) investment focus Bulgaria
- The Fund has (includes) global investment focus



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