



# PARVEST EQUITY RUSSIA OPPORTUNITIES - (I)

## RISK AND REWARD INDICATOR

lower risk → higher risk  
 typically lower rewards → typically higher rewards

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|
|---|---|---|---|---|---|---|

The higher the risk, the longer the recommended investment horizon

## CODES

|           | Capi. code   |
|-----------|--------------|
| ISIN      | LU0265343219 |
| BLOOMBERG | PRUSIIC LX   |
| WKN       | AONCZR       |
| CUSIP     | L7574E636    |

## KEY FIGURES - USD

|                               |           |
|-------------------------------|-----------|
| NAV (Capi.)                   | 70.43     |
| 12M NAV max. Capi. (05/06/14) | 86,149.08 |
| 12M NAV min. Capi. (16/12/14) | 44.75     |
| Total net assets (mln)        | 122.84    |

## CHARACTERISTICS

|                                  |  |
|----------------------------------|--|
| Benchmark                        | MSCI Russia 10/40 (NR)                       |
| Nationality                      | Luxembourg                                   |
| Legal form                       | Sub-fund of SICAV with European passport     |
| Launch date                      | 20 February 2008                             |
| Base currency (of share class)   | U.S. Dollar                                  |
| Fund Manager                     | Dan FREDRIKSON                               |
| Management Company               | BNP PARIBAS INVESTMENT PARTNERS LUXEMBOURG   |
| Delegated Investment Manager     | ALFRED BERG KAPITALFORVALTNING AB            |
| External financial administrator | BNP PARIBAS INVESTMENT PARTNERS UK LTD       |
| Custodian                        | BNP PARIBAS SECURITIES SERVICES (Luxembourg) |
| Max. Entrance Fees               | 0%   |
| Exit fees                        | 0%   |
| Max. Switch Commission           | 2%   |
| TER                              | 1.11%  |
| Maximum Management fees (annual) | 0.75%  |
| Periodicity of NAV Calculation   | Daily  |
| Dealing deadline                 | Day D before 4pm (Luxembourg time)           |
| Settlement and delivery          | Account credited/debited D+3                 |
| Execution/Type of course         | Unknown NAV                                  |



## KEY POINTS

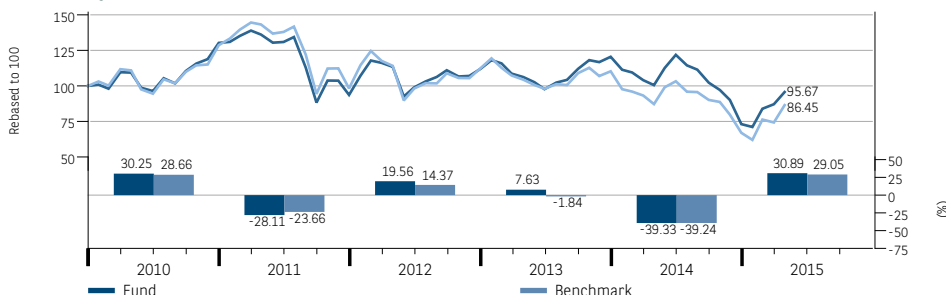
- An opportunity to invest in a top-10 world economy, in terms of GDP size, where the underlying drivers for growth are quite different from those in other emerging markets.
- A two track strategy following two track economy of Russia.
- An experienced investment team based in St Petersburg, Russia covering the entire market of investable stocks.

## INVESTMENT OBJECTIVE

The Fund seeks to increase the value of its assets over the medium term by investing in shares issued by Russian companies, and/or companies operating in this country. It is actively managed and as such may invest in securities that are not included in the index which is MSCI Russia 10/40 (NR).

## CUMULATIVE AND ANNUAL PERFORMANCE (USD) (Net)

Over 5 years



Past performance or achievement is not indicative of current or future performance. Source of Performance Calculation: BNP Paribas Securities Services.

## PERFORMANCES AS OF 30/04/2015 (USD) (Net)

| Cumulative (%)                 | Fund    | Benchmark |
|--------------------------------|---------|-----------|
| 1 month                        | 9.84    | 16.42     |
| 3 months                       | 34.61   | 39.44     |
| Year to date                   | 30.89   | 29.05     |
| April 2014 - April 2015        | - 4.84  | - 0.84    |
| April 2013 - April 2014        | - 5.33  | - 16.45   |
| April 2012 - April 2013        | - 6.35  | - 8.54    |
| April 2011 - April 2012        | - 16.68 | - 20.32   |
| April 2010 - April 2011        | 24.49   | 29.12     |
| Annualised (%) (base 365 days) |         |           |
| 1 year                         | - 4.84  | - 0.84    |
| 3 years                        | - 5.51  | - 8.84    |
| 5 years                        | - 2.63  | - 4.86    |
| Since First NAV (21/02/2008)   | - 4.78  | - 6.54    |

Past performance or achievement is not indicative of current or future performance. Source of Performance Calculation: BNP Paribas Securities Services.

The Institutions share class was launched on February 21, 2008. Performance figures before that date have been calculated on a hypothetical basis by taking the gross performance figures of the Classic share class and deducting the fees which would have been attributable to the Institutions share class had it been available before February 21, 2008. \*All data and performance are as of that date, unless otherwise stated.



## MANAGEMENT COMMENT as of 31/03/2015

During the first quarter of 2015 the Russian equity market rose mainly on the back of the ruble appreciation. The fund outperformed its benchmark in the first quarter with the largest source of positive contribution being the positioning in high dividend yielding exporters such as preferred shares of Surgutneftegas. We expect high volatility on the Russian equity market in the near term mainly due to unresolved issues in the oil market which needs more time for the supply and demand to find a new balance. Nevertheless, some support for the Russian equities could arise on the back of the double digit free cash flow yield of the Russian market and expected positive effect of ongoing Central Bank rates' cuts. In accordance with our cautious views, a significant position in stocks of exporters is preferable. In the current volatile environment stocks of exporters are less exposed to a contraction in local consumer spending and ruble risks. Such positioning allows for attractive dividend payouts, with dividend yields reaching double digits for some names. Additionally, an underweight in banks remains strongly advisable, as the combination of financial sanctions, and the economic downturn led to a challenging situation within the sector.

## RISK ANALYSIS

|                                     | Fund  | Bench. |
|-------------------------------------|-------|--------|
| Volatility (%)                      | 25.84 | 29.43  |
| Tracking error (%)                  | 10.08 | -      |
| Information ratio                   | 0.33  | -      |
| Sharpe ratio                        | -0.22 | -0.31  |
| Alpha (%)                           | 1.82  | -      |
| Beta                                | 0.83  | -      |
| R <sup>2</sup>                      | 0.89  | -      |
| Period: 3 years. Frequency: monthly |       |        |

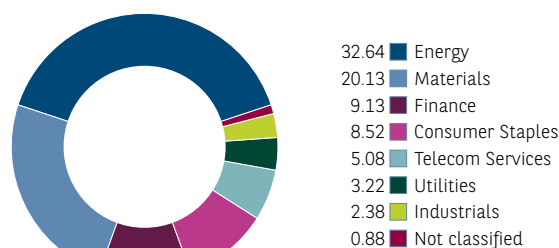
## PORTFOLIO'S MAIN HOLDINGS

| Asset name               | %    |
|--------------------------|------|
| SURGUTNEFTEGAZ           | 7.26 |
| LUKOIL OAO               | 5.73 |
| SBERBANK                 | 4.81 |
| NORILSK NICKEL MMC (USD) | 4.60 |
| TATNEFTPFUSD             | 3.95 |
| MAGNIT SHS               | 3.88 |
| ALROSA AO                | 3.24 |
| OGK-4 (RUB)              | 3.02 |
| SEVERSTAL                | 3.01 |
| MOBILE TELESYSTEMS OJSC  | 2.84 |

Number of holdings in the portfolio: 44

Source of data: BNP Paribas Securities Services

## BREAKDOWN BY SECTOR (%)



Total exposure: 81.97 %

Source of data: BNP Paribas Securities Services

## MAIN ACTIVE POSITIONS COMPARED TO BENCHMARK

| Stocks                      | Overweighted | Stocks                      | Underweighted |
|-----------------------------|--------------|-----------------------------|---------------|
| Surgutneftegaz              | 6.70%        | Magnit Ojsc - Spon Gdr Regs | -8.61%        |
| Tatneftpfusd                | 4.82%        | Gazprom (usd)               | -6.29%        |
| Magnit Shs                  | 4.74%        | Novatek Gdr (usd)           | -4.57%        |
| Ogk-4 (rub)                 | 3.68%        | Tatneft                     | -4.35%        |
| Mobile Telesystems Ojsc     | 3.47%        | Uralkaliy Gdr               | -4.28%        |
| Volga Gas Plc               | 3.42%        | Megafon-gdr-wi              | -4.25%        |
| Novatek Oao                 | 3.13%        | Rushydro (rub)              | -4.14%        |
| Novolipetsk Iron Gdr Spons. | 3.02%        | Vtb Bank                    | -4.04%        |
| Kcell Jsc - Reg S - W/i     | 2.73%        | Mobile Telesystems Adr      | -3.84%        |
| Luxoft Holding Inc          | 2.68%        | Rostelecom Spons.adr        | -3.82%        |

Source of data: BNP Paribas Securities Services

## SECTOR EXPOSURE

|                  | of the portfolio | compared with the index |
|------------------|------------------|-------------------------|
| Energy           | 39.75%           | -0.48                   |
| Materials        | 24.52%           | 7.49                    |
| Finance          | 11.12%           | -6.17                   |
| Consumer Staples | 10.37%           | 1.76                    |
| Telecom Services | 6.19%            | -6.52                   |
| Utilities        | 3.92%            | -0.21                   |
| Industrials      | 2.89%            | 2.89                    |
| Not classified   | 1.07%            | 1.07                    |

Source of data: BNP Paribas Securities Services