

## OVERVIEW

In September Glocal Profix AMD Fund reported increase of 2.97% in net asset value over the previous month. The increase in share price brought semi-annual performance to 38.20%.

The interest rates remained relatively stable during the month. Overall, medium term issues comprised AMD 3.5 bln during September with average yield of 8.87% and average maturity of 4.58 years.

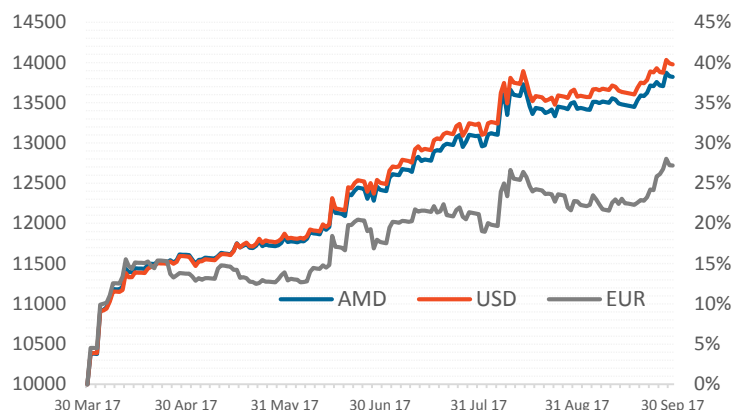
Glocal Asset Management continued to expand its partnership with local institutions. The management collaborates with 12 commercial banks.

## FUND FACTS

The Fund is registered with the Central Bank of Armenia and is open to qualified investors.

## PERFORMANCE

### Investment Performance Since Launch Per 10,000 AMD/USD/EUR



Net of management fees and operational costs and taxes.

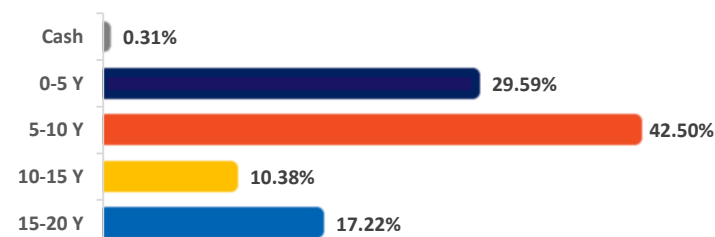
Y 2017	AMD	USD*	EUR*
April	16.10%	15.90%	13.77%
May	1.88%	2.44%	0.13%
June	4.97%	5.31%	3.30%
July	5.44%	5.90%	2.96%
August	2.53%	2.51%	1.30%
September	2.97%	2.97%	3.62%
<b>Since inception</b>	<b>38.20%</b>	<b>39.78%</b>	<b>27.18%</b>

\*The investment performance in AMD is translated to hypothetical performance in USD and EUR using daily rates provided by Central Bank of Armenia

During September, the Fund's return amounted to positive 2.97%. Average interest rates for medium and long-term government bonds remained stable with small increase of 16 basis points during September.

The Fund's average borrowing rate was 6.25% for AMD during the month and average lending rate was 10.65% (average yield on constituent securities). Portfolios average lending rate increased by about 9 basis point relative to previous month as a result of higher allocation to long term government bonds. The portfolio's financial leverage in the end of the month was equal to 3.95.

### Portfolio maturity breakdown as of September, 2017



Weighted by fair value

Government bonds with 5-10 years until maturity comprise 42.50% of portfolios total assets. Cash reserves amount to 0.31% of total portfolio.

**NAV 30 September 2017** **AMD 1,382.05**

Type of fund	Fixed income, non-public, open-ended
Date of 1st NAV	31 March 2017
Base currency	AMD
Holdings	Armenian Government Bonds
Strategic instrument	Repurchase agreements
Distribution policy	Reinvesting
Unit custodian	Armenbrok Investment Company
Assets under management	AMD 3,157m
Net assets	AMD 800m

## Statistical data

Yield to maturity	10.65
Modified duration	4.94
Convexity	38.55
Convexity adjusted DV01	AMD 157.93m
Daily analytical VaR [ $\alpha = 5\%$ ]	0.67%
Daily historical VaR [ $\alpha = 5\%$ ]	0.44%

## DISCLAIMER

**The data, views and forecasts in this document is for information purposes only and shall not be regarded as an offer, solicitation or recommendation for an investment.** PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS. All investments involve risks including the risk of possible loss of principal. The market value of a Fund's portfolio may decline as a result of a number of factors, including adverse economic and market conditions, prospects of securities in the portfolio, changing interest rates, and real or perceived adverse competitive industry conditions. The Fund invests in securities and other investments that may be illiquid, which hold the risk that the securities will not be able to be sold at the time desired by the Fund. The Armenian securities markets have substantially less trading volume than the securities markets of OECD countries. Additionally, the capitalization of the Armenian securities markets is highly concentrated. This combination of lower volume and greater concentration in the Armenian securities markets may create a risk of greater price volatility than in the securities markets of developed economies.

The views and forecasts contained herein are those of the GLOCAL team based on information that they believe to be reliable. These opinions may change over time.

The investment performance in AMD is translated to USD and EUR using historical daily rates provided by Central Bank of Armenia. The translation is carried to illustrate the hypothetical performance of the investment in latter foreign currencies. It does not incorporate expenses associated with bid/ask spread and assumes single exchange rate for any period.