

OVERVIEW

In December 2020 Glocal Profix USD Fund generated a positive return of 0.50% bringing total return for the year up to 7.82%. Still, the Fund didn't achieve its target of 10.0%. Since-inception return of the Fund made 40.60%, equivalent to 10.79% annualized.

The underperformance of the Armenian economy continued in November 2020, as well. In particular, the GDP declined by 10.3% y/y, pushing the 11-month reading down to -7.2% y/y. The decline primarily came from trade and services, which contracted by 22.0% and 18.6% y/y, respectively. Industrial output reduced by 6.1% y/y. However, positive growth rates were reported for construction and electricity production – 2.0% and 3.1% y/y, respectively. Average monthly nominal wages increased by 3.4% y/y. CPI moved up by 1.6% y/y.

On 15 December, the Board of the Central Bank of Armenia decided to increase the refinancing rate by 100bps to 5.25%. The decision was aimed at preserving the stability of the financial system of Armenia and preventing the further depreciation of the national currency. Moreover, the CBA announced its intentions to make interventions in the FX market. Particularly, a SWAP deal of USD 26.5mln was executed. As of the end of the month, the Armenian Dram depreciated against both USD and EUR, to AMD 522.59 and AMD 641.11, respectively.

FUND FACTS

The Fund is registered with the Central Bank of Armenia with participation allowed to qualified investors.

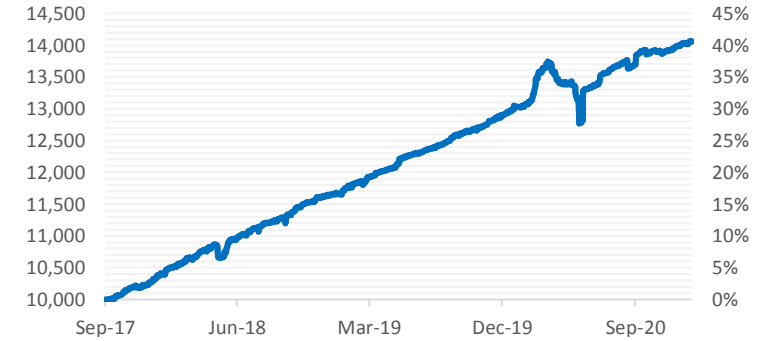
NAV 31 December 2020 USD 14.06

Type of fund	Fixed income, non-public, open-ended
Date of 1st NAV	1 September 2017
Base currency	USD
Holdings	Corporate Bonds
Refinancing instrument	Repurchase agreements
NAV Calculation	Daily
Expected target return	10% net to investors
Management fee	1.0% on NAV
Performance fee*	10% over a 10% hurdle return
Tax rate	0.01% of NAV
Initial investment, min.	USD 50,000
Subsequent investments, min.	USD 25,000
Distribution policy	Reinvesting
Unit custodian	Armenbrok Investment Company
Assets under management	USD 4.03m
Net assets	USD 1.57m
Auditors	Deloitte

*Performance fee is calculated and charged once on redemption date. Any return over 10% annual compounded hurdle rate is subject to incentive fee deductions

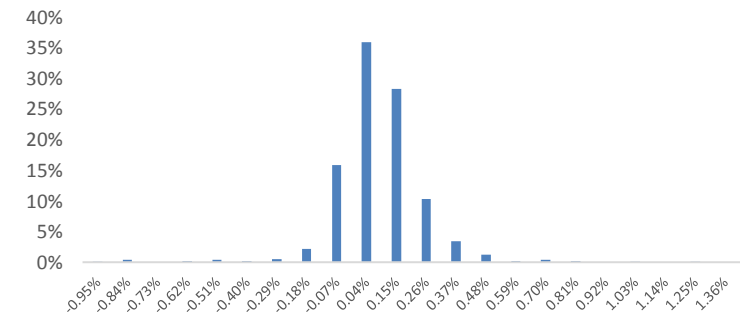
PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Net of management fees and operational costs and taxes.

Relative Frequency Distribution of Daily Returns



Returns to 31 December 2020

Average Monthly Returns	0.83%
Q4 2017	3.38%
Q1 2018	3.65%
Q2 2018	2.60%
Q3 2018	2.89%
Q4 2018	2.46%
Q1 2019	3.00%
Q2 2019	2.75%
Q3 2019	2.51%
Q4 2019	3.08%
Q1 2020	2.91%
Q2 2020	0.97%
Q3 2020	2.44%
Q4 2020	1.30%
Since Inception	40.60%
Inception Annualized	10.79%
December 2020	0.50%

Risk Measures

Standard Deviation of Returns (monthly)	1.02%
Sharpe Ratio (annualized)	2.57
Largest Drawdown	-7.06%
% Gain Periods	79.82%
Value at Risk (parametric) – 95% (monthly)	-0.85%
Value at Risk (historical) – 95% (daily)	-0.15%
Conditional Value at Risk – 95% (daily)	-0.38%

Portfolio Allocation breakdown as of 31 December 2020

By Sector	
Banks	56.43%
Other Financial Institutions	25.13%
Real Sector	18.19%
Cash	0.25%
By Currency	
USD	89.91%
AMD	10.09%

Weighted by fair value

The Fund's total portfolio comprised 89.89% of USD-denominated corporate bonds. The remaining part accounts for AMD-denominated bonds and cash: 9.86% and 0.25%, respectively.

Financial leverage declined to 2.57x, from 2.72x a month ago.

Statistical data

Average YTM	6.40 %
Average Coupon	6.36 %
Average Maturity	1.58 Years

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.