

## OVERVIEW

Glocal Profix USD fund performed 1.40% in December 2019. Consequently, annual return for FY2019 went up to 11.84% enabling the Fund to outperform its target return of 10% for the third year in a row.

According to Statistical Report for November, GDP of Armenia expanded by remarkable 10.1% y/y; CPI surged by 1.0%.

In November, main contributors to economic growth were Industry, Trade and Services with respective increases of 13.8%, 11.9% and 11.6% y/y. Construction volume went up by 4.8% y/y, while electricity production declined by 9.3% y/y. During the month, Exports expanded by impressive 25.7% y/y, bringing 11-months volume up to USD 2,401.7mln, while Imports increased by 9.6%. Trade deficit for 11 month widened by USD 109.3mln y/y, rounding to USD 2,428.3mln.

The Central Bank kept main refinancing rate unchanged at 5.5%; during December, Armenian dram depreciated against both USD and EUR – standing at 479.70 and 537.26, respectively.

The Fund's return since inception stood at 30.40%, rounding to 12.10% if annualized.

## FUND FACTS

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

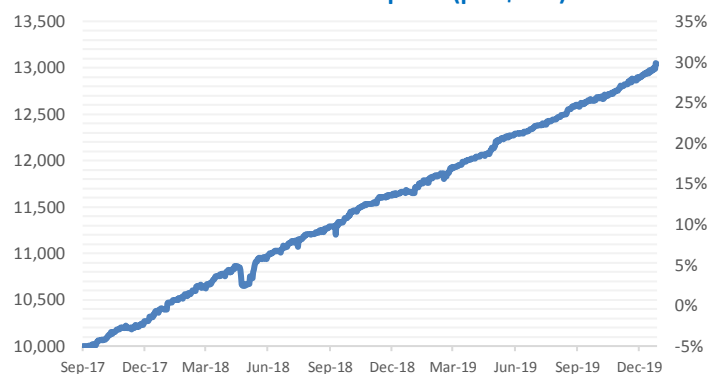
**NAV 31 December 2019 USD 13.04**

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 3.55m
Net assets	USD 1.18m
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

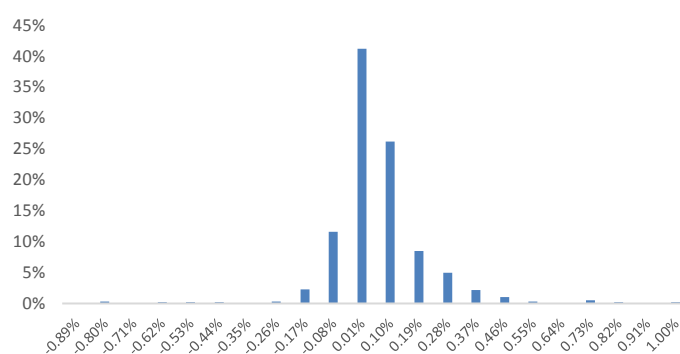
## PERFORMANCE

### 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 2019

Average Monthly Returns	0.92%
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%
Since Inception	30.40%
Inception Annualized	12.10%
<b>December 2019</b>	<b>1.40%</b>

### Risk Measures

Standard Deviation of Returns (monthly)	0.67%
Sharpe Ratio (annualized)	4.00
Largest Drawdown	-1.93%
% Gain Periods	81.49%
Value at Risk (parametric) – 95% (monthly)	-0.18%
Value at Risk (historical) – 95% (daily)	-0.10%
Conditional Value at Risk – 95% (daily)	-0.26%

#### Portfolio Allocation breakdown as of December 31, 2019

By Sector	
Banks	57.16%
Other Financial Institutions	42.76%
Cash	0.08%
By Currency	
USD	99.93%
AMD	0.07%

Weighted by fair value

USD denominated corporate bonds comprise 99.92% of total portfolio. The remaining 0.08% was represented by cash.

#### Statistical data

Average YTM	6.35 %
Average Coupon	6.36 %
Average Maturity	1.53 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.