

OVERVIEW

Glocal Profix AMD Fund generated a positive return of 0.34% in July 2022 bringing the year-to-date return to -4.35%. The since-inception return of the Fund thus increased to 204.84% or 23.21% if annualized.

An impressive growth was reported for the Armenian economy in June 2022. In particular, the national GDP went up by a remarkable 18.5% y/y, pushing the reading for H1 up to 11.8% y/y. In June, services increased by 35.5% y/y; industrial output expanded by 19.0% y/y. Trade turnover surged by 18.2% y/y, while construction rose by 16.7% y/y.

In H1 2022, external trade grew by an impressive 44.0% y/y, with exports up by 36.3% y/y to USD 1,881.5mln and imports up by 48.7% y/y to USD 3,271.0mln. As a consequence, the foreign trade deficit widened by USD 570.18mln to USD 1,389.5mln.

The CPI went up by 10.3% y/y in June. As a continued response to the persisting inflation pressure, on 2 August, the Board of the Central Bank of Armenia decided to increase the refinancing rate by a further 0.25pps to 9.50%. In July, the CBA purchased USD 18.5mln at an average exchange rate of AMD 405.95. As of the end of July, the Armenian Dram depreciated against USD and appreciated against EUR, standing at AMD 407.71 and AMD 417.45, respectively.

As to Government bonds market, in July, the Ministry of Finance of Armenia allocated bonds with a total volume of AMD 42.2bln and bought back bonds with a total volume of AMD 3bln. During the month, the yield of 10-year AMD-denominated Government bonds increased by 0.05pps m/m to 11.40%.

FUND FACTS

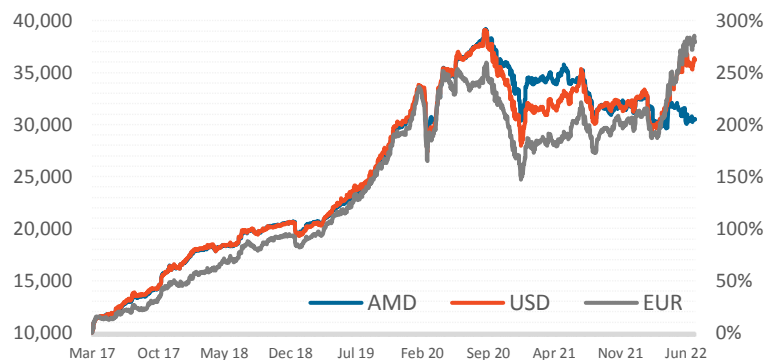
The Fund is registered with the Central Bank of Armenia with participation allowed to qualified investors.

NAV 31 July 2022	AMD 3,048.41
Type of fund	Fixed income, non-public, open-ended
Date of 1st NAV	31 March 2017
Base currency	AMD
Holdings	Armenian Government Bonds
Refinancing instrument	Repurchase agreements
Distribution policy	Reinvesting
Target annual return	26% net to investors
Management fee	2.75% on NAV
Performance fee*	20% over a 20% hurdle return
Assets under management	AMD 13,869.31m
Net assets	AMD 2,814.46m
Auditors	Deloitte

* Performance fee is calculated and charged once on redemption date. Any return over 20% annual compounded hurdle rate is subject to performance fee deductions.

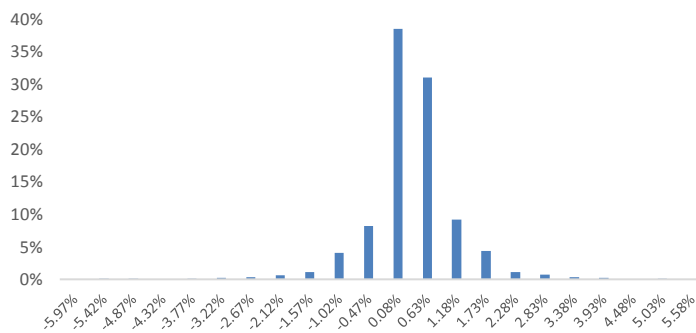
PERFORMANCE

Cumulative Performance Since Inception (per 10K)



Net of management fees, operational costs, and taxes. The investment performance in AMD is translated to hypothetical performance in USD and EUR using daily rates provided by Central Bank of Armenia.

Relative Frequency Distribution of Daily Returns



Returns to 31 July 2022	AMD	USD*	EUR*
Average Monthly Returns	1.69%	1.94%	2.02%
Q2 2017	24.16%	25.04%	17.68%
Q3 2017	11.31%	11.79%	8.07%
Q4 2017	17.43%	16.05%	14.29%
Q1 2018	11.19%	12.13%	9.01%
Q2 2018	1.69%	1.23%	5.86%
Q3 2018	7.77%	7.67%	9.46%
Q4 2018	4.12%	3.57%	4.69%
Q1 2019	0.46%	-0.09%	2.00%
Q2 2019	9.09%	11.23%	9.52%
Q3 2019	11.17%	11.44%	16.17%
Q4 2019	19.79%	18.86%	15.90%
Q1 2020	0.94%	-4.02%	-2.02%
Q2 2020	19.78%	25.27%	22.67%
Q3 2020	4.17%	2.88%	-1.54%
Q4 2020	-11.67%	-17.45%	-21.23%
Q1 2021	2.47%	0.82%	5.46%
Q2 2021	-0.26%	6.85%	5.37%
Q3 2021	-7.27%	-5.03%	-2.60%
Q4 2021	0.57%	1.43%	4.06%
Q1 2022	-4.94%	-6.07%	-4.34%
Q2 2022	0.28%	19.66%	27.67%
Since Inception	204.84%	261.79%	279.38%
Inception Annualised	23.21%	27.23%	28.37%
July 2022	0.34%	0.21%	1.80%

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

Statistical data

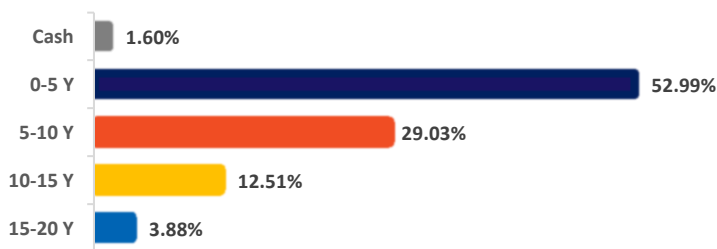
Average YTM	10.76%
Average Coupon	9.53%
Modified Duration of Bond Portfolio	4.41

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.69%	3.86%	4.27%
Sharpe Ratio (annualized)	0.69	0.89	0.86
% Gain Periods	54.28%	55.00%	51.76%
Value at Risk (parametric) – 95% (monthly)	-4.38%	-4.40%	-5.01%
Value at Risk (historical) – 95% (daily)	-1.14%	-1.14%	-1.26%
Conditional Value at Risk – 95% (daily)	-1.91%	-1.99%	-2.02%
Largest Drawdown	-24.42%	-28.40%	-31.31%

As of 31 July 2022, the weighted average yield to maturity went up by 0.07pps m/m to 10.76% per annum. Disregarding the factor of cash, the figure is 10.94%. The weighted average AMD borrowing rate of the Fund remained unchanged at 10.12%. The weighted average USD borrowing rate stood at 2.50%.

Financial leverage slightly increased—to 4.9x from 4.8x in previous month.

Portfolio maturity breakdown as of 31 July 2022



The Fund's total portfolio comprised 52.99% of assets with maturity of 0-5 years. Another 29.03% was allocated in Government bonds with maturity of 5-10 years. In this group, Eurobonds issued by the Government of Armenia were included, as well.

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.