

OVERVIEW

Glocal Profix AMD Fund continued experiencing the impact of fluctuations in the yields of long-term Government bonds caused by external factors, which translated into a negative return of 6.50% in October 2020 and pushed the year-to-date figure down to 17.76%. Consequently, the Fund's return since inception went down to 253.94% or 42.18% annualized.

In September, the GDP of Armenia decreased by 7.5% y/y, moving the reading for 9 months down to negative 6.6%. The decline mostly came from trade and services which contracted by 10.8% and 18.3%, respectively. The good news is that in September, for the first time since the beginning of pandemic, positive growth was reported for industry and exports – 1.8% and 4.6% y/y, respectively. Average monthly nominal wages went up, as well, by 3.9% y/y. CPI increased by 1.4% y/y.

The Central Bank of Armenia kept the refinancing rate unchanged at 4.25%. In October, aimed at preserving the stability of Armenian Dram, the CBA executed three SWAP deals in the foreign exchange market with total volume of USD 121.5mln. As of the end of the month, AMD depreciated against both USD and EUR, standing at 493.60 and 576.08, respectively.

In October, the Ministry of Finance allocated Government bonds with a total volume of AMD 71.9bln and bought back bonds for AMD 3bln. During the month, the yield of 10-year AMD-denominated Government bonds moved up by 0.50pps to 8.18%.

FUND FACTS

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

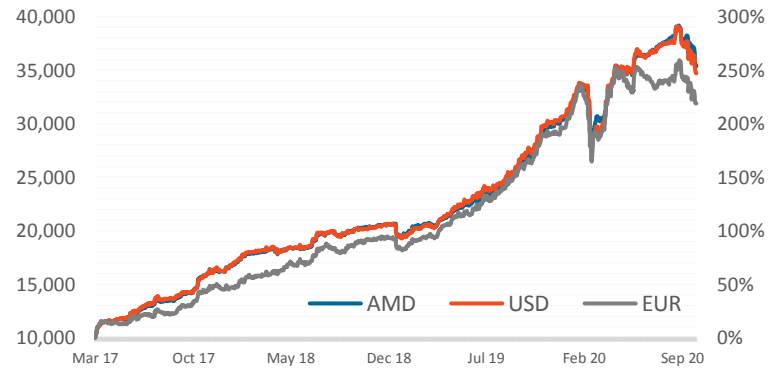
NAV 31 October 2020 AMD 3,539.41

| | |
|-------------------------|--------------------------------------|
| 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 14,315.10m |
| Net assets | AMD 3,179.93m |
| 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.

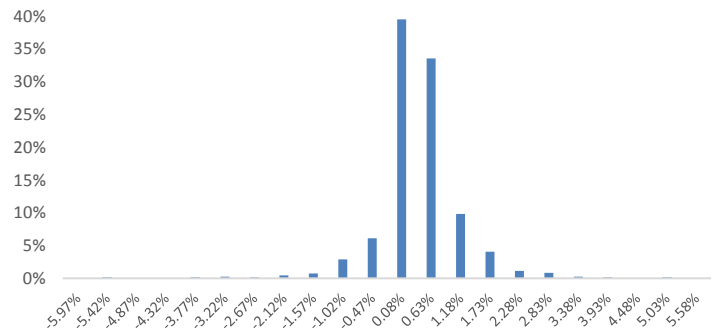
PERFORMANCE

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 October 2020 | AMD | USD* | EUR* |
|----------------------------|---------------|---------------|---------------|
| Average Monthly Returns | 2.84% | 2.79% | 2.60% |
| 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% |
| Since Inception | 253.94% | 246.96% | 219.20% |
| Inception Annualised | 42.18% | 41.39% | 38.15% |
| October 2020 | -6.50% | -7.48% | -7.19% |

*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

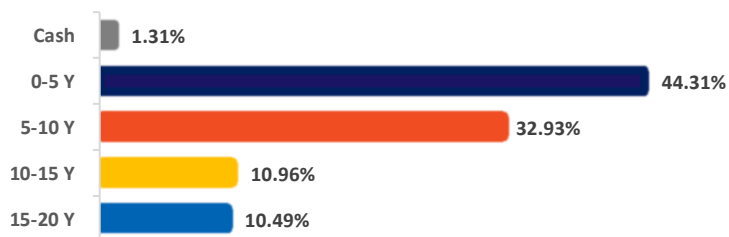
| | |
|-------------------------------------|-------|
| Average YTM | 8.68% |
| Average Coupon | 9.27% |
| Modified Duration of Bond Portfolio | 5.33 |

| Risk Measures | AMD | USD | EUR |
|--|---------|---------|---------|
| Standard Deviation of Returns (monthly) | 3.44% | 3.54% | 4.01% |
| Sharpe Ratio (annualized) | 2.19 | 2.09 | 1.68 |
| % Gain Periods | 58.23% | 58.23% | 57.78% |
| Value at Risk (parametric) – 95% (monthly) | -2.82% | -3.03% | -3.99% |
| Value at Risk (historical) – 95% (daily) | -0.97% | -0.98% | -1.18% |
| Conditional Value at Risk – 95% (daily) | -1.68% | -1.74% | -1.66% |
| Largest Drawdown | -17.05% | -19.12% | -21.23% |

As of 31 October 2020, the weighted average yield to maturity of the portfolio reduced to 8.68% per annum. The Fund's weighted average AMD borrowing rate remained nearly unchanged at 4.87%.

During the month, financial leverage increased to 4.50x from 4.22x a month ago.

Portfolio maturity breakdown as of 31 October 2020



The Fund's total portfolio comprised 44.31% of assets with maturity of 0-5 years. Another 32.93% was allocated to Government bonds with maturity of 5-10 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.

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.