

OVERVIEW

Glocal Profix AMD Fund continued to perform quite well in June generating an even higher return than in the previous month: 3.74%. As a consequence, the Fund's year-to-date figure moved up to 20.91%, while since-inception return climbed to 263.38%, or 48.65% annualized.

Even though the lingering negative impact of COVID-19 pandemic brought the Armenian GDP down by 12.8% y/y, and industry, trade and services fell by 3.9%, 18.4% and 19.4% y/y, the industry still keeps a positive 5-month indicator: 2.4% y/y. The CPI rose by 1.2% y/y, and average monthly nominal wages, by 6.8% y/y.

A sharp decline of the global economy combined with the uncertainties concerning the further course of the pandemic and the speed of economic recovery are expected to continue their external deflation pressure on Armenia. The Central Bank of Armenia forecasts an even deeper economic downturn for the second quarter due to demand and supply factors. Slow recovery of demand, low inflation pattern, and the high level of uncertainty were the factors behind the decision of the CBA Board to cut the refinancing rate further by 0.5pps, to 4.5% on 16 June, thus highlighting the need to continue stimulating policy in medium term.

As to the national currency, during June, Armenian Dram appreciated against USD and depreciated against EUR, ending the month at 482.36 and 540.44, respectively.

In June, the Ministry of Finance allocated 3-year Government bonds with a total volume of AMD 10.0bln and weighted average yield of 6.66%. The yield of 10-year AMD-denominated Government bonds has reduced by 0.18pps to 7.70%.

FUND FACTS

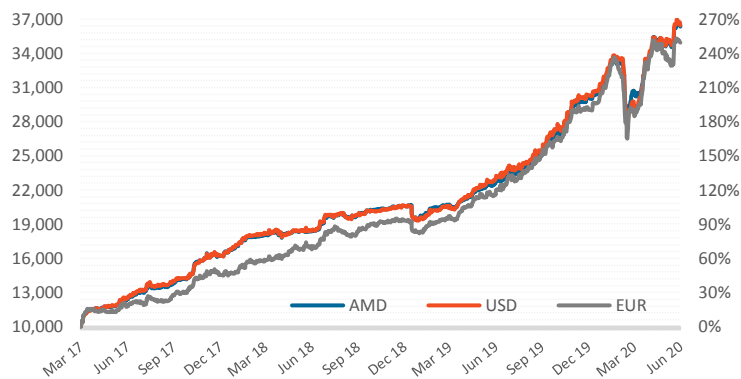
The Fund is registered with the Central Bank of Armenia with participation allowed to qualified investors.

NAV 30 June 2020	AMD 3,633.79
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 12,460.85m
Net assets	AMD 3,798.59m
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.

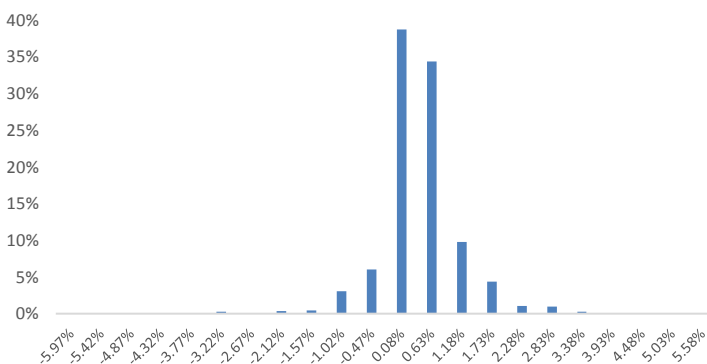
PERFORMANCE

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 30 June 2020	AMD	USD*	EUR*
Average Monthly Returns	3.20%	3.20%	3.10%
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%
Since Inception	263.38%	264.52%	249.32%
Inception Annualised	48.65%	48.79%	46.86%
June 2020	3.74%	4.07%	2.44%

*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

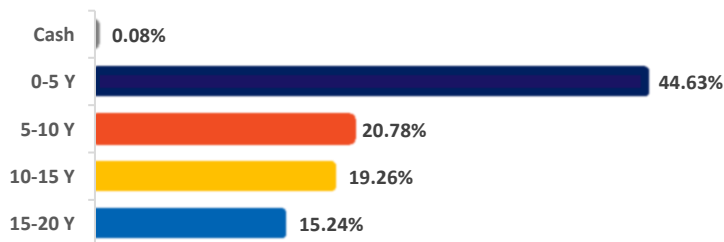
Average YTM	9.35%
Average Coupon	10.06%
Modified Duration of Bond Portfolio	5.61

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.42%	3.51%	3.98%
Sharpe Ratio (annualized)	2.58	2.52	2.13
% Gain Periods	58.61%	58.96%	54.48%
Value at Risk (parametric) – 95% (monthly)	-2.43%	-2.57%	-3.46%
Value at Risk (historical) – 95% (daily)	-0.96%	-0.94%	-1.09%
Conditional Value at Risk – 95% (daily)	-1.60%	-1.66%	-1.60%
Largest Drawdown	-17.05%	-19.12%	-21.23%

As of 30 June 2020, the weighted average yield to maturity of the portfolio went up to 9.35% per annum. The Fund's weighted average AMD borrowing rate stood at 5.14%.

Financial leverage decreased to 3.28x, from 3.66x a month ago.

Portfolio maturity breakdown as of 30 June 2020



The Fund's total portfolio comprised 44.63% of assets with maturity of 0-5 years. Another 20.78% 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.