

## OVERVIEW

Glocal Profix AMD fund performed 4.94% in February 2020. Macroeconomic review for January reported an impressive start of the year for Armenian economy with an 8.9% increase of national GDP over the same period last year.

The growth predominantly came from industry, services and trade, which went up by 13.4%, 13.4% and 10.3% y/y, respectively. Construction volume moved up by 7.7% y/y, while electricity production expanded by 18.7% y/y. In January, total volume of exported goods amounted to USD 173.8mln – a remarkable increase of 20.4% y/y. Upsurge of imports was modest – 2.2% y/y – rounding to USD 305.2mln.

In February CPI contracted by 0.5% y/y.

The Central Bank of Armenia purchased another USD 20mln at average exchange rate of AMD 478.62, thus bringing YTD volume of total purchases up to USD 57.8mln.

Main refinancing rate was kept unchanged at 5.5%. During February, Armenian dram remained stable against USD and depreciated against EUR – standing at 478.60 and 528.57, respectively. Yield of 10-year AMD-denominated Government bonds contracted by 0.36pps equaling to 7.72%.

The Fund performed 232.00% since inception, rounding to 50.81% if annualized.

## FUND FACTS

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

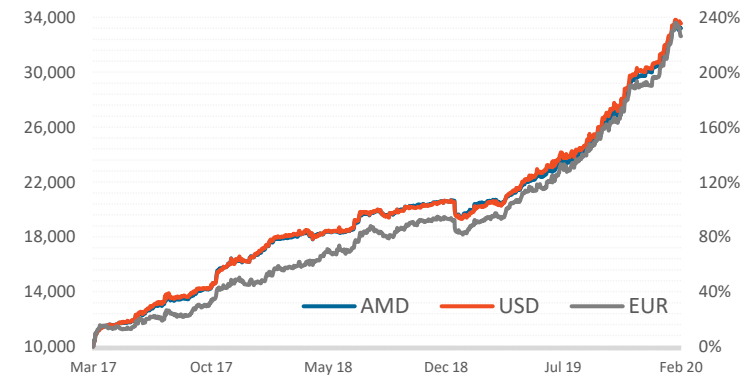
**NAV 29 February 2020 AMD 3,319.97**

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 11,825.65m
Net assets	AMD 3,551.16m
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.

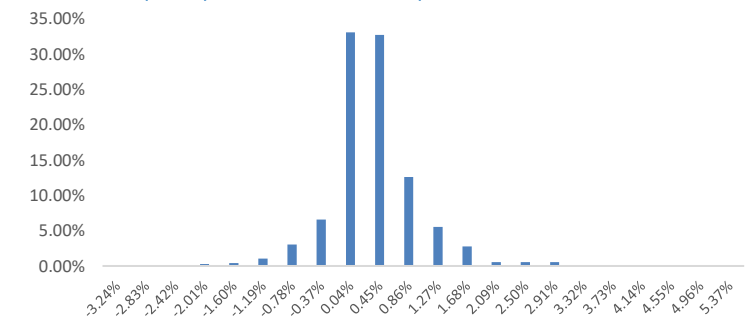
## PERFORMANCE

### 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 29 Feb 2020	AMD	USD*	EUR*
Average Monthly Returns	3.31%	3.34%	3.26%
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%
Since Inception	232.00%	235.65%	226.32%
Inception Annualised	50.81%	51.38%	49.92%
<b>February 2020</b>	<b>4.94%</b>	<b>4.94%</b>	<b>4.79%</b>

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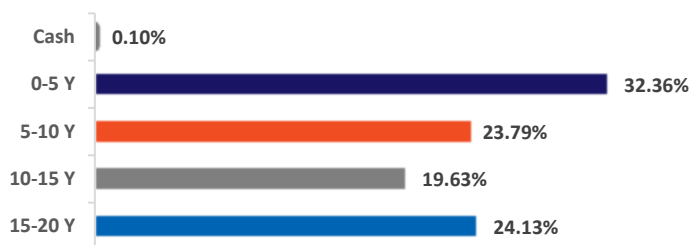
### Statistical data

Average YTM	9.60%
Average Coupon	10.71%
Modified Duration of Bond Portfolio	6.17

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	2.97%	2.98%	3.49%
Sharpe Ratio (annualized)	3.11	3.13	2.59
% Gain Periods	59.13%	59.40%	55.06%
Value at Risk (parametric) – 95% (monthly)	-1.57%	-1.57%	-2.48%
Value at Risk (historical) – 95% (daily)	-0.72%	-0.73%	-0.96%
Conditional Value at Risk – 95% (daily)	-1.26%	-1.28%	-1.25%
Largest Drawdown	-6.34%	-6.60%	-6.73%

As of February 2020, the weighted average yield to maturity of the portfolio rounded to 9.60% per annum. Fund's weighted average AMD borrowing rate equalled to 6.01%, while average USD borrowing rate stood at 3.00%. Financial leverage went up to 3.33, from 2.98 a month ago.

#### Portfolio maturity breakdown as of February 29, 2020



Government bonds with maturity of 0-5 years comprised 32.36% of total portfolio. Another 24.13% was represented by bonds with maturity of 15-20 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.