

OVERVIEW

In July, Glocal Profix USD Fund generated a positive return of 0.89%. As a consequence, year-to-date figure climbed to 4.83% while the Fund's return since inception grew to 36.70% or 11.35% annualized.

Due to the negative impact of COVID-19 pandemic, the Armenian economy contracted for the fourth month in a row in June. GDP shrank by 7.5% y/y bringing the figure for H1 down to 4.7% y/y. Industry, trade and services were down by 2.4%, 12.4% and 15.9% y/y, respectively. Industry and agriculture still remain the only sectors with positive H1 growth rates – 1.5% and 1.7% y/y, respectively. The CPI went up by 1.7% y/y, while average monthly nominal wages increased by 1.5% y/y.

Overall, since the restrictions were lifted, the economy is demonstrating clear signs of recovery, with slowing economic decline (nearly halved in June) and gradually increasing economic activity. This forms a basis for optimistic expectations for the second half of the year.

Despite increased tension and clashes on Armenia-Azerbaijan border between 12 and 16 July, macroeconomic stability of the country was sustained. The Central Bank kept the refinancing rate unchanged at 4.50%. The Armenian Dram remained the most stable currency in the region. During the month, it slightly depreciated against both USD and EUR, standing at 485.33 and 575.45, respectively.

FUND FACTS

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

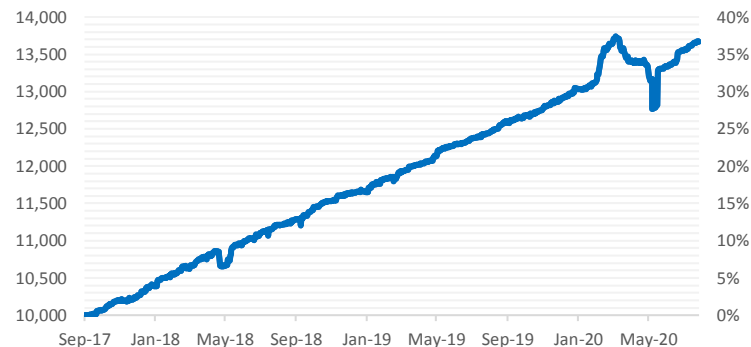
NAV 31 July 2020 USD 13.67

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 4.64m
Net assets	USD 1.55m
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

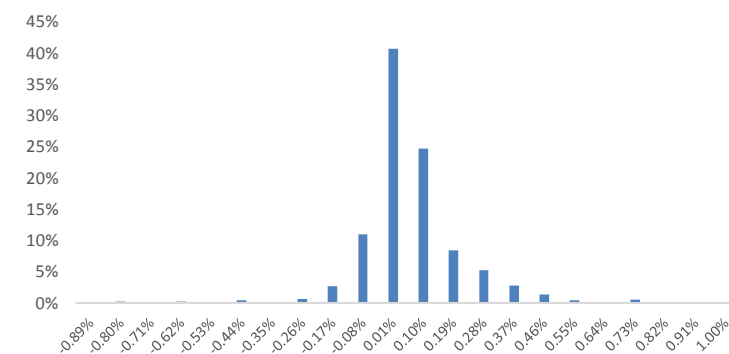
PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Net of management fees and operational costs and taxes.

Relative Frequency Distribution of Daily Returns



Returns to 31 July 2020

Average Monthly Returns	0.87%
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%
Q1 2020	2.91%
Q2 2020	0.97%
Since Inception	36.70%
Inception Annualized	11.35%
July 2020	0.89%

Risk Measures

Standard Deviation of Returns (monthly)	1.05%
Sharpe Ratio (annualized)	2.68
Largest Drawdown	-7.06%
% Gain Periods	79.68%
Value at Risk (parametric) – 95% (monthly)	-0.86%
Value at Risk (historical) – 95% (daily)	-0.15%
Conditional Value at Risk – 95% (daily)	-0.38%

Portfolio Allocation breakdown as of 31 July 2020

By Sector	
Banks	57.94%
Other Financial Institutions	25.50%
Real Sector	16.19%
Cash	0.37%
By Currency	
USD	92.60%
AMD	7.40%

Weighted by fair value

The Fund's total portfolio comprised 92.60% of USD-denominated corporate bonds with the remaining part allocated to AMD-denominated bonds and cash with respective shares of 7.03% and 0.37%.

Financial leverage went up to 3.00x from 2.97x a month ago.

Statistical data

Average YTM	6.25 %
Average Coupon	6.27 %
Average Maturity	1.52 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.