

OVERVIEW

In October 2023, the Glocal Profix AMD Fund generated a negative return of 3.79%, pushing the year-to-date figure down to 41.96%. The since-inception reading stood at 305.23% or 23.65% annualized.

The Armenian economy remained on the growth track in September 2023, as well, with a 5.3% y/y increase of the GDP. The 9M figure stood at 9.7% y/y. Trade turnover and construction works were the main drivers of the economic activity: +21.8% y/y and +15.7% y/y. Services increased by 4.6% y/y. Conversely, a decline of 4.3% y/y was reported for the industrial output.

During the same period, the volume of the external trade turnover surged by 7.2% y/y to USD 1,600.8mln, with exports up by 9.6% y/y to USD 654.6mln and imports up by 5.6% y/y to USD 946.2mln. Due to a faster growth of exports, the foreign trade deficit narrowed by USD 7.2mln y/y to USD 291.6mln.

The CPI increased by 0.1% y/y. Persistence of deflation threats forced the CBA to continue the expansionary monetary policy and make another 0.25pps cut of the refinancing rate (fourth consecutive) on 31 October. The new rate was set at 9.5%.

In October, the CBA sold USD 50.0mln at an average exchange rate of AMD 419.3. As of the end of the month, the Armenian Dram depreciated against both USD and EUR, standing at AMD 403.0 and AMD 428.8 respectively.

During the month, the Ministry of Finance allocated bonds with a total volume of AMD 65.2bln and bought back bonds with a total volume of AMD 1.0bln. The yield of 10-year AMD-denominated Government bonds went up by 0.33pps m/m to 10.50%.

FUND FACTS

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

NAV 31 October 2023	AMD 4,052.34
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 15,173.69mln
Net assets	AMD 3,411.22mln
Auditors	EY

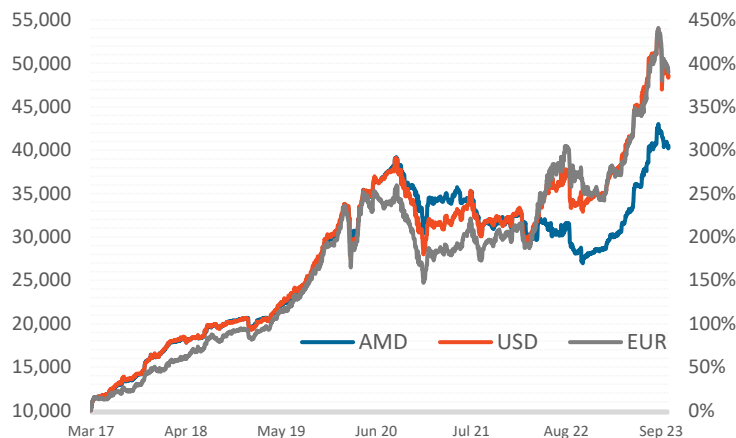
* Performance fee is calculated and charged once on redemption date. Any return over 20% annual compounded hurdle rate is subject to performance fee deductions.

PERFORMANCE

Returns to 31 October 2023	AMD	USD*	EUR*
Average Monthly Returns	1.71%	1.93%	1.94%
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%
Q3 2022	-5.96%	-5.60%	0.56%
Q4 2022	-0.08%	2.98%	-5.79%
Q1 2023	5.99%	7.37%	5.43%
Q2 2023	18.91%	19.65%	19.85%
Q3 2023	17.08%	14.89%	17.51%
Since Inception	305.23%	386.55%	389.79%
Inception Annualised	23.65%	27.13%	27.26%
October 2023	-3.79%	-6.08%	-6.57%

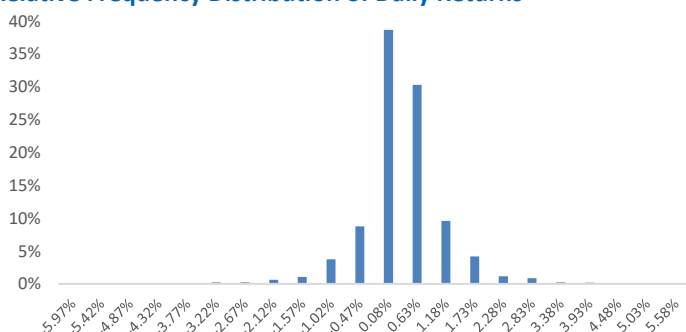
*The investment performance in AMD is translated to hypothetical performance in USD and EUR using daily rates provided by Central Bank of Armenia

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



Statistical data

Average YTM as of 31 October 2023	10.23%
Average YTM as of purchase date	10.66%
Average Coupon	9.99%
Modified Duration of Bond Portfolio	5.57

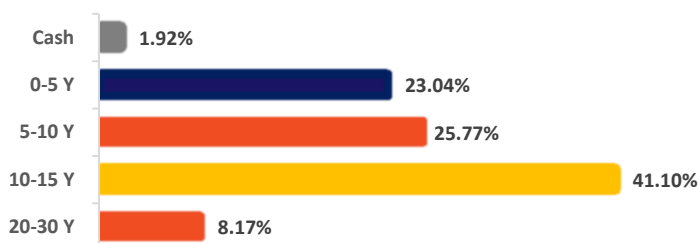
Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.63%	3.88%	4.31%
Sharpe Ratio (annualized)	0.80	0.95	0.86
% Gain Periods	54.13%	55.36%	52.04%
Value at Risk (parametric) – 95% (monthly)	-4.27%	-4.45%	-5.16%
Value at Risk (historical) – 95% (daily)	-1.13%	-1.16%	-1.31%
Conditional Value at Risk – 95% (daily)	-1.86%	-2.03%	-2.07%
Largest Drawdown	-31.24%	-28.40%	-31.31%

As of 31 October 2023, the weighted average yield to maturity of the total portfolio increased by 0.33pps m/m to 10.23% per annum. Disregarding the factor of cash, the figure is 10.43%. The average yield to maturity of AMD-denominated bonds went up by 0.32pps m/m to 10.52%. For USD-denominated bonds the figure was up by 1.39pps m/m to 8.35%.

The weighted average AMD borrowing rate of the Fund dropped by 0.07pps m/m to 10.37%; the same for USD contracted by 0.53pps m/m to 3.12%.

The financial leverage ratio of the Fund went down to 4.4x from 4.8x in September.

Portfolio maturity breakdown as of 31 October 2023



The Fund's total portfolio comprised 41.10% of assets with maturity of 10-15 years. Another 25.7% was allocated in assets 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.