

OVERVIEW

Glocal High-Yield Eurobonds Fund reported a negative return of 6.49% in May 2023. Consequently, the year-to-date return contracted to 6.54%, while the since-inception reading went down to 32.76% or 43.03% annualized.

The Armenian economy continued its remarkable performance in April 2023, as well, which translated into a 12.2% y/y upsurge of the national GDP. The growth pattern of major sectors remained unchanged with services, trade and construction having double-digit rates: 22.2% y/y, 23.2% y/y and 16.8% y/y, respectively. Conversely, the volume of the industrial output decreased by 0.8% y/y.

During the month, the volume of external trade turnover nearly doubled over the same period last year standing at USD 1,486.0mln. Exports and imports had similar growth rates reaching USD 536.5mln and USD 949.5mln, respectively. The trade deficit widened by USD 178.8mln y/y amounting to USD 413.0mln.

In May, the inflation slowed to 1.3% y/y. In light of this trend, the refinancing rate of the Central Bank of Armenia remained unchanged at 10.75%. During the month, the CBA purchased USD 182.5mln at an average exchange rate of AMD 387.7. As of the end of the month, the Armenian Dram appreciated against both USD and EUR, standing at AMD 386.6 and AMD 412.8, respectively.

FUND FACTS

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

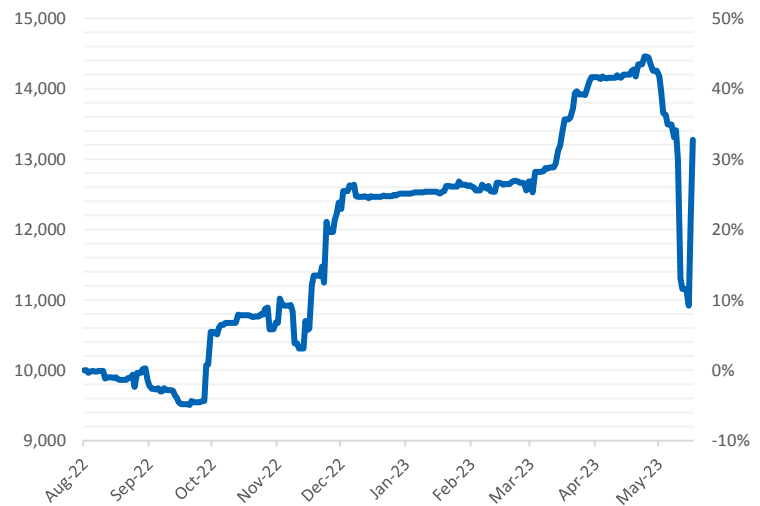
NAV 31 May 2023 USD 132.76

Type of fund	Fixed income, non-public, open-ended
Date of 1st NAV	16 August 2022
Base currency	USD
Holdings	Government and corporate Eurobonds and Bonds, bank deposits and cash
Refinancing instrument	Repurchase agreements
NAV Calculation	Daily
Management fee	1.0% on NAV
Performance fee*	10%
Tax rate	0.01% of NAV
Initial investment, min.	USD 100,000
Distribution policy	Reinvesting
Unit custodian	Armbrok Investment Company
Assets under management	USD 26,926.67k
Net assets	USD 934.13k
Auditors	EY

* Calculated and deducted at the end of each year following the placement of units, and if they are redeemed before the settlement date, upon redemption.

PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Net of management fees and operational costs and taxes.

Returns to 31 May 2023

Average Monthly Returns	2.87%
Since Inception	32.76%
Inception Annualized	43.03%
May 2023	-6.49%

Risk Measures

Standard Deviation of Returns (monthly)	8.22%
% Gain Periods	50.24%
Value at Risk (parametric) – 95% (monthly)	-10.65%

Average YTM (Total portfolio)	0.20%
Average YTM (USD Bond portfolio)	8.04%
Average Coupon	6.69%
Average Maturity	4.49 Years

Portfolio Allocation breakdown as of 31 May 2023

By Sector	
Eurobonds	2.30%
Cash	97.70%
By Currency	
USD	61.60%
AMD	0.29%
EUR	37.85%
RUB	0.26%

Weighted by fair value

The Fund's total portfolio comprised 2.30% of Eurobonds with the remaining 97.70% allocated in cash.

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.