

## OVERVIEW

Glocal Profix AMD Fund reported a negative return of 2.17% in October 2021, which reduced the year-to-date figure to -7.28%. The Fund's return since inception decreased to 210.00% or 27.94% if annualized.

September 2021 was another month where the Armenian economy recorded a positive growth, this time of 2.4% y/y. The economic growth for nine months stood at 4.4% y/y. Just like in August, the increase of the GDP in September mostly came from services, which went up by 9.6% y/y. Construction works rose by 2.6% y/y, while trade experienced an uptick of 1.4% y/y. Industry, on the other hand, demonstrated a negative performance reducing by 1.2% y/y.

External trade expanded by 7.8% bringing the nine month figure up to 12.2% y/y, with both exports and imports up by 17.2% and 9.4% y/y, respectively. These changes translated into a narrowing of the trade deficit by 0.47% y/y to USD 1,438mln.

High inflation pattern persisted in September with an upsurge of CPI by 8.9% y/y. Nevertheless, the Board of the Central Bank of Armenia left the refinancing rate unchanged at 7.25%.

Given the stability in the foreign exchange market, in October the CBA didn't make any monetary interventions. As of the end of October, the Armenian Dram appreciated against both USD and EUR, standing at AMD 477.80 and AMD 556.73, respectively.

In October, the Ministry of Finance of Armenia allocated Government bonds with a total volume of AMD 53.2bln. During the month, the yield of 10-year AMD-denominated Government bonds rose by 0.14pps m/m to 10.10%.

## FUND FACTS

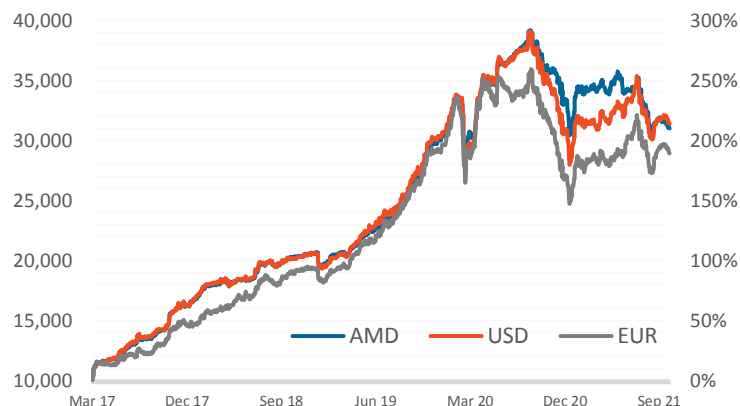
The Fund is registered with the Central Bank of Armenia with participation allowed to qualified investors.

NAV 31 October 2021	AMD 3,100.02
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 10,329.29m
Net assets	AMD 2,773.84m
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.

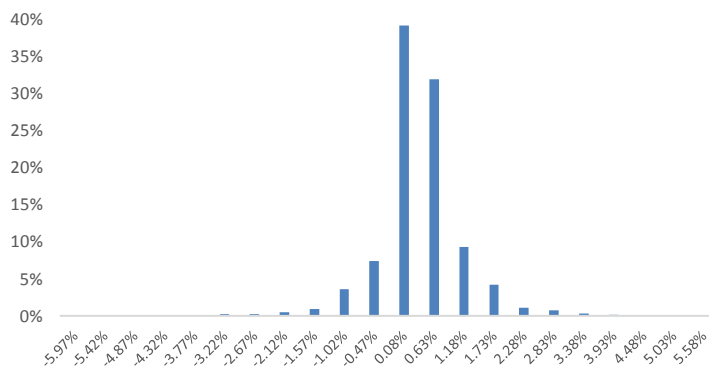
## PERFORMANCE

### 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 31 October 2021	AMD	USD*	EUR*
Average Monthly Returns	1.99%	2.01%	1.87%
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%
Since Inception	210.00%	213.94%	189.29%
Inception Annualised	27.94%	28.29%	26.03%
<b>October 2021</b>	<b>-2.17%</b>	<b>-0.86%</b>	<b>-1.35%</b>

\*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

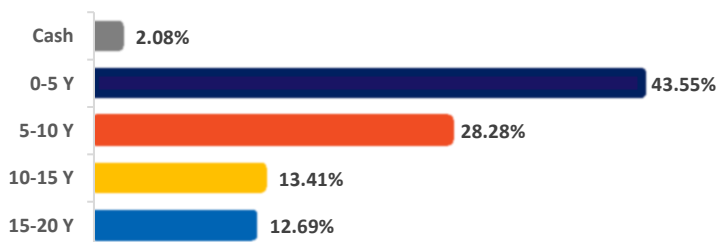
Average YTM	9.80%
Average Coupon	9.51%
Modified Duration of Bond Portfolio	5.33

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.64%	3.79%	4.21%
Sharpe Ratio (annualized)	1.10	1.08	0.85
% Gain Periods	55.27%	53.35%	51.09%
Value at Risk (parametric) – 95% (monthly)	-3.99%	-4.22%	-5.06%
Value at Risk (historical) – 95% (daily)	-1.08%	-1.10%	-1.23%
Conditional Value at Risk – 95% (daily)	-1.87%	-1.95%	-1.99%
Largest Drawdown	-22.47%	-28.40%	-31.31%

As of 31 October 2021, the weighted average yield to maturity remained unchanged since the previous month at 9.80% per annum. The weighted average AMD borrowing rate of the Fund went up by 0.04pps m/m rounding to 8.38%.

Financial leverage climbed to 3.72x from 3.59x a month ago.

### Portfolio maturity breakdown as of 31 October 2021



The Fund's total portfolio comprised 43.55% of assets with maturity of 0-5 years. Another 28.28% 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.