

OVERVIEW

On 16 August 2022, Glocal Asset Management launched its third fund, Glocal Eurobonds Fund. During the month, the fund generated a negative return of 1.23%, so the annualized since-inception return stood at -24.51%.

The Armenian economy remained on the remarkable growth track in July 2022, as well, with an impressive 19.4% y/y upsurge of the GDP, bringing the 7M figure up to 13.1% y/y. In July, double-digit growth rates were reported for almost all major sectors of the economy. Services went up by 30.6% y/y, trade turnover increased by 21.3% y/y, construction works expanded by 16.8% y/y, while industrial output surged by 13.7% y/y.

The growth of external trade for the first seven months of the year stood at 47.7% y/y. During that period exports rose by remarkable 43.9% y/y to USD 2,358.9mln, while imports increased by 50.1% to USD 3,998.8mln. Faster growth of imports translated into the widening of the foreign trade deficit by USD 615.1mln y/y to USD 1,639.9mln.

The CPI went up by 9.3% y/y and 9.1% y/y in July and August, respectively. After the hike in the beginning of August, the refinancing rate was kept unchanged at 9.50%. In August, the CBA purchased USD 81.3mln at an average exchange rate of AMD 404.86. As of the end of August, the Armenian Dram appreciated against both USD and EUR, standing at AMD 404.56 and AMD 403.63, respectively.

FUND FACTS

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

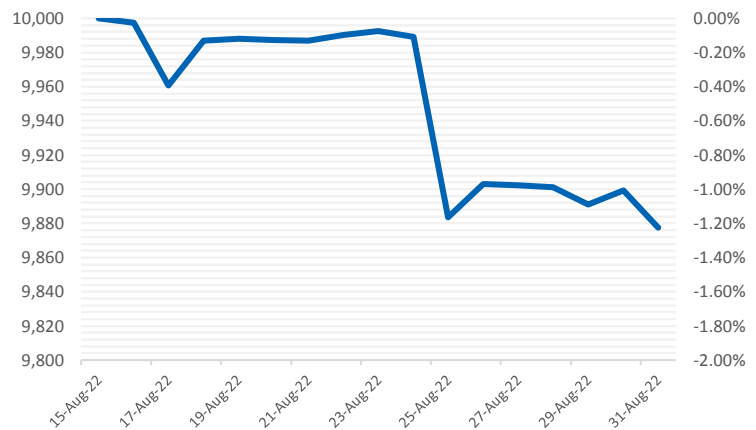
NAV 31 August 2022 USD 98.77

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 517.86k
Net assets	USD 312.33k

* 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 August 2022

Average Monthly Returns	-2.16%
Since Inception	-1.23%
Inception Annualized	-24.51%
August 2022	-1.23%

Risk Measures

Standard Deviation of Returns (monthly)	1.59%
% Gain Periods	50.00%
Value at Risk (parametric) – 95% (monthly)	-4.77%

Portfolio Allocation breakdown as of 31 August 2022

By Sector

Eurobonds	76.90%
Cash	23.10%

By Currency

USD	99.99%
AMD	0.01%

Weighted by fair value

The Fund's total portfolio comprised 76.90% of USD-denominated Eurobonds. The remaining part is allocated in cash: 23.10%.

As of the end of the month, financial leverage ratio stood at 1.66x.

Statistical data

Average YTM (Total portfolio)	5.84 %
Average YTM (Bond portfolio)	7.59%
Average Coupon	5.42 %
Average Maturity	3.60 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.