

OVERVIEW

Glocal Profix USD Fund generated a negative return of 1.29% pushing the year-to-date return down to 3.63%. The since-inception figure contracted to 91.50% or 11.29% annualized.

The Armenian economy returned to double-digit growth track in August 2023 with a 10.9% y/y growth of the GDP. The 8M figure reached 10.4% y/y. In August, the main drivers of the economic activity were trade, construction, and services with impressive growth rates of 23.5% y/y, 17.5% y/y and 13.8% y/y, respectively. Conversely, the industrial output went down by 3.7% y/y.

The external trade turnover surged by 10.0% y/y to USD 1,603.2mIn, with exports up by 6.1% y/y to USD 601.2mIn and imports up by 12.4% y/y to USD 1,002.0mIn. The foreign trade deficit widened by USD 76.0mIn y/y to USD 400.8mIn.

In September, the CPI increased by 0.1% y/y. Given the low inflation pattern and even deflation in previous months, the Central Bank of Armenia made a 0.5pps cut of the refinancing rate setting it at 9.75%.

During the month, the CBA purchased USD 20.0mIn at an average exchange rate of AMD 386.6. As of the end of the month, the Armenian Dram depreciated against USD and appreciated against EUR, standing at AMD 393.4 and AMD 417.4 respectively.

FUND FACTS

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

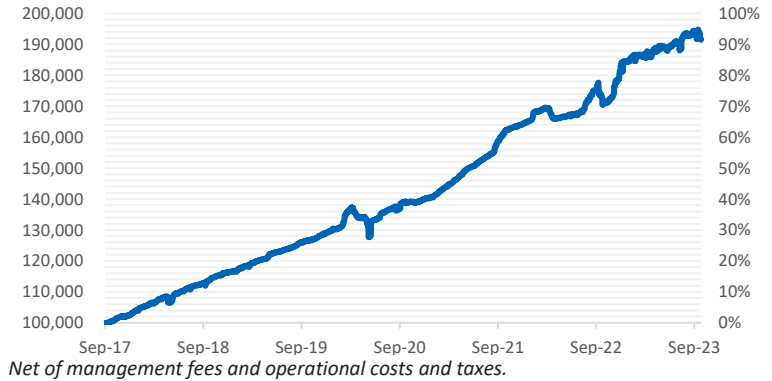
NAV 30 September 2023 USD 19.15

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	2.0% on NAV
Performance fee*	10% over a 7% 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	Armbrok Investment Company
Assets under management	USD 5.63mIn
Net assets	USD 2.15mIn
Auditors	EY

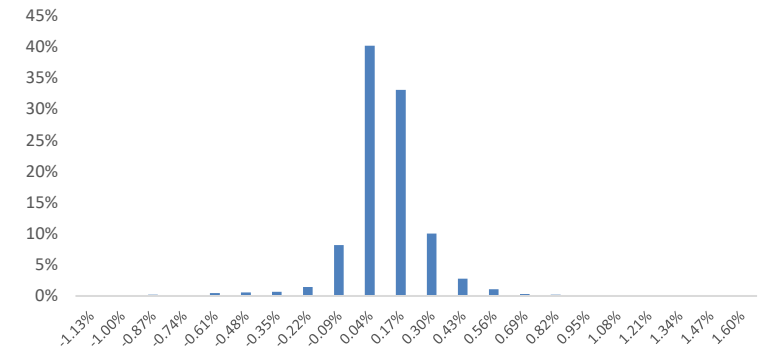
*Performance fee is calculated and charged once on redemption date. Any return over 10% annual compounded hurdle rate is subject to incentive fee deductions

PERFORMANCE

Cumulative Performance Since Inception (per \$100K)



Relative Frequency Distribution of Daily Returns



Returns to 30 September 2023

Average Monthly Returns	0.86%
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%
Q3 2020	2.44%
Q4 2020	1.30%
Q1 2021	4.05%
Q2 2021	4.10%
Q3 2021	6.30%
Q4 2021	2.10%
Q1 2022	0.42%
Q2 2022	1.02%
Q3 2022	1.91%
Q4 2022	8.13%
Q1 2023	1.19%
Q2 2023	1.87%
Q3 2023	0.52%
Since Inception	91.50%
Inception Annualized	11.29%
September 2023	-1.29%

Risk Measures	
Standard Deviation of Returns (monthly)	1.03%
Sharpe Ratio (annualized)	1.67
Largest Drawdown	-7.06%
% Gain Periods	77.57%
Value at Risk (parametric) – 95% (monthly)	-0.83%
Value at Risk (historical) – 95% (daily)	-0.19%
Conditional Value at Risk – 95% (daily)	-0.45%

Portfolio Allocation breakdown as of 30 September 2023

By Sector	
Banks	33.70%
Other Financial Institutions	5.50%
Eurobonds	54.03%
Real Sector	5.51%
Cash	1.25%
By Currency	
USD	99.91%
AMD	0.09%

Weighted by fair value

The Fund's total portfolio comprised 98.75% of USD-denominated bonds. The remaining part is allocated in cash: 1.25%.

During the month the financial leverage ratio of the Fund declined to 2.6x from 2.9x in August.

Statistical data

Average YTM (Total portfolio) as of 30 September 2023	6.48%
Average YTM (Total portfolio) as of purchase date	6.78%
Average YTM (USD Bond portfolio) as of 30 September 2023	6.56%
Average Coupon	5.57%
Average Maturity	2.66 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.