

Glocal High Yield Eurobonds fund

FACTSHEET NOVEMBER 2023

Macroeconomic Update

The month of November saw a major boost for bond markets with a whopping 95% of dollar bonds ending higher. Both investment grade and high yield bonds showed almost equally strong performances – 97% of IG bonds ended in the green and 90% of HY bonds ended higher. This marks a reversal to the trend of three consecutive months of negative returns for bonds. With 10Y Treasury yields falling sharply by as much as 60bp through the month, spreads across IG and HY dropped significantly by 17bp and 117bp to 63bp and 400bp respectively. This is the tightest level for US HY spreads since April 2.

November saw a massive rally in UST as yields significantly came off their highs and the curve flattened. The 2Y yield fell 38bp to 4.71% and the 10Y yield fell 61bp to 4.33% during the month. The 2s10s curve flattened by 22bp during the month to -38bp currently. While the US economy continued to show resilience, the broad softening trend in inflation and initial signs of weaker data saw FOMC members indicate the possibility of either a pause or the end of rate hikes. US Headline CPI for October 2023 rose by 3.2%, lower than expectations of 3.3% and the previous month's 3.7%. Core CPI came at 4.0%, lower than expectations and the previous month's 4.1% print. Markets priced out any further hikes by the Fed and many analysts expect the Fed to cut rates in the second half of 2024. Besides, the ISM Manufacturing Index fell 2.3 points in October, the biggest monthly decrease in over a year, to 46.7. Similarly, NFP for October rose by 150k, lower than the surveyed 180k and last month's 336k. Moreover, the US Treasury surprised markets with a slowdown in the pace of increases in its quarterly debt issuances. Owing to all of the above coupled with market sentiment, Treasury yields dropped and corporate bonds across the spectrum witnessed a rally.

Glocal High Yield Eurobonds fund

Unless otherwise stated, all the data as at: 30-Nov-23

40.5% TTM return

36.0% Inception annualized

Fund strategy

The fund's strategy lies in a thorough selection of government and corporate eurobonds of developed, as well as emerging markets and managing the portfolio using market instruments and borrowed funds. The targeted investment horizon is mid- to long-term.

NAV per share

USD 148.83

Performance



Why invest with Glocal?

- pioneering in Armenian investment fund industry since 2017
- diversification and balancing of security weights
- leveraging and refinancing through repo
- tax rate is 0.01% of NAV
- **no entry or exit taxes** for foreign investors

Rates of return, %



1 month	3 month	6 month	MTD	YTD	Since Inception*
2.2%	5.7%	12.1%	2.2%	19.4%	48.8%

*Effective cumulative performance since 16 Aug 2022

General info

ISIN	AMGPEFH01ER1
Launch date	16 Aug 2022
Base currency	USD
Investor category	qualified only
Initial investment, min.	USD 200,000

Fund type	fixed income, non-public, open-ended
Management fee	1% of NAV
Performance fee	10%
Distribution policy	reinvesting
Portfolio Net Assets	USD 1.23 M

Transaction fees

Entry fee	0%
Buyback fee during the first year	1%
after the first year	0%

Contacts

Glocal Asset Management

- +374 11 591111
- glocal@glocal.am
- Yerevan, 39 Hanrapetutyan str.

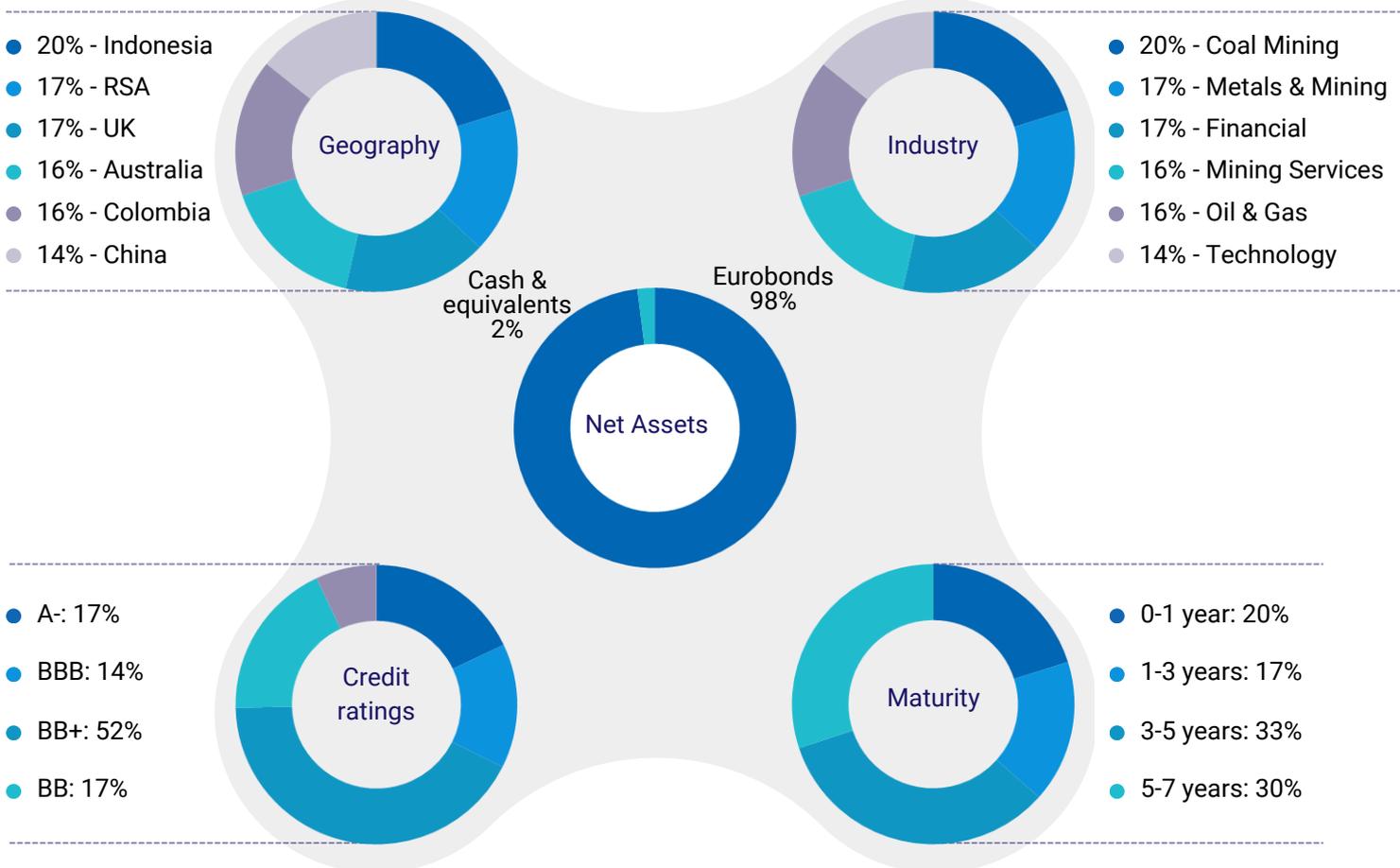
Disclaimer

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.

Glocal High Yield Eurobonds fund

Unless otherwise stated, all the data as at: 30-Nov-23

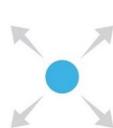
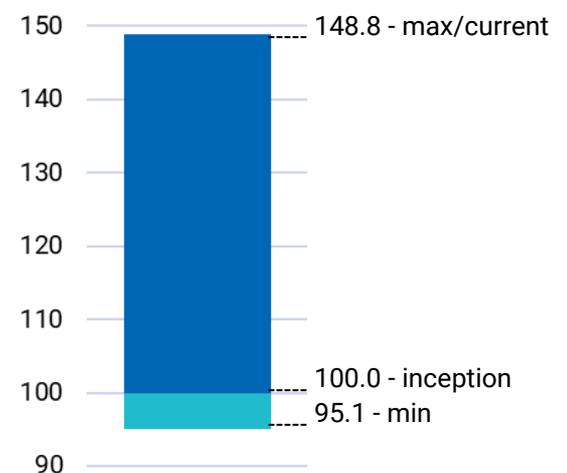
Portfolio structure



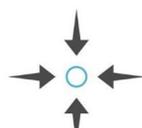
Additional info

Asset currency	USD
Weighted Average Maturity (y)	3.2
Weighted Average YTM (as of 30.11.2023)	7.1%
Effective Duration	2.8

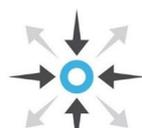
NAV per share, USD



Global



Local



Globally Local



Globally Local



Glocal