

OVERVIEW

Glocal Profix USD fund reported a positive return of 0.48% in September 2019. Armenian GDP sustained its high-growth pattern and expanded by 7.6% during August, rounding to 7% for the first eight months of the year; CPI went up by 0.6%.

Industry, Services and Trade were the main contributors in the growth by a respective increase of 16.8%, 15% and 9% over August 2018. Construction volume and electricity production grew as well, by 3.9% and 6.8%, respectively. Exports surged by 13.5% rounding to USD 1,660.2mln year to date. Conversely, Imports declined by 2.8%. As a result, eight-month trade deficit narrowed by USD 54.7mln over the same period last year.

On September 10th, the Central Bank reduced refinancing rate by 0.25pps to 5.5%, aimed at increasing monetary incentives for improving inflation in the presence of deflation threats.

Year to date, The Central Bank have purchased record-high volume of 433mln USD at average exchange rate of AMD 478.08.

During September, Armenian dram appreciated against both USD and EUR – standing at 475.97 and 519.81, respectively, continuing to remain the most stable currency in the region.

The Fund's return since inception stood at 26.50%, rounding to 12.02% if annualized.

FUND FACTS

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

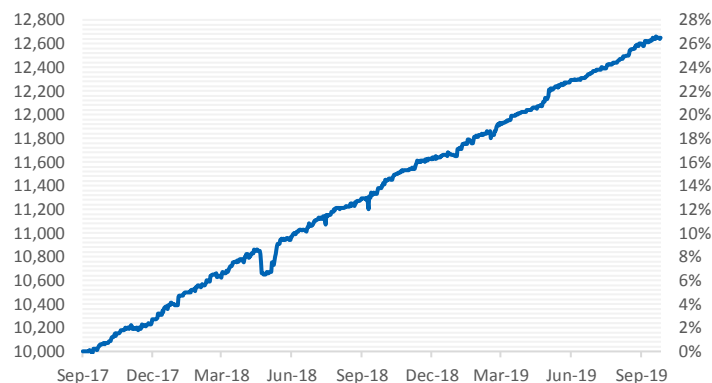
NAV 30 September 2019	USD 12.65
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Type of fund	Fixed income, non-public, open-ended
Date of 1st NAV	1 September 2017
Base currency	USD
Holdings	Corporate Bonds
Refinancing instrument	Repurchase agreements
NAV Calculation	Daily
Expected target return	10% net to investors
Management fee	1.0% on NAV
Performance fee*	10% over a 10% 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	Armenbrok Investment Company
Assets under management	USD 3.41m
Net assets	USD 1.14m
Auditors	Deloitte

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

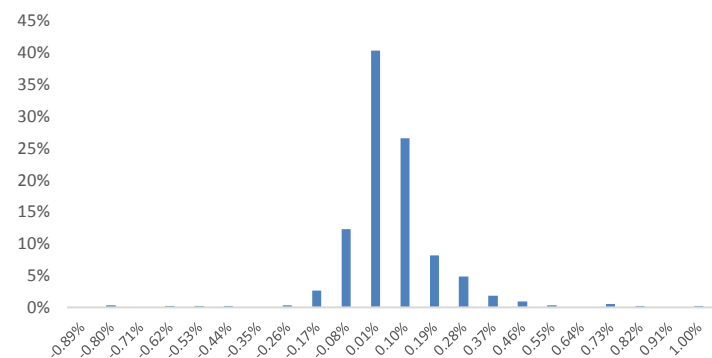
PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Net of management fees and operational costs and taxes.

Relative Frequency Distribution of Daily Returns



Returns to 30 September 2019

Average Monthly Returns	0.92%
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%
Since Inception	26.50%
Inception Annualized	12.02%
September 2019	0.48%

Risk Measures

Standard Deviation of Returns (monthly)	0.68%
Sharpe Ratio (annualized)	3.81
Largest Drawdown	-1.93%
% Gain Periods	82.00%
Value at Risk (parametric) – 95% (monthly)	-0.20%
Value at Risk (historical) – 95% (daily)	-0.10%
Conditional Value at Risk – 95% (daily)	-0.27%

Portfolio Allocation breakdown as of September 30, 2019

By Sector	
Banks	55.88%
Other Financial Institutions	43.80%
Cash	0.32%
By Currency	
USD	99.07%
AMD	0.93%

Weighted by fair value

The share of USD denominated corporate bonds in the portfolio equaled to 99.04%, with the remaining allocated between AMD bonds and cash – 0.64% and 0.32%, respectively.

Statistical data

Average YTM	6.53 %
Average Coupon	6.87 %
Average Maturity	1.50 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.