

## OVERVIEW

Glocal Eurobonds Fund reported a positive return of 7.15% in March 2023. Consequently, the year-to-date figure of the Fund increased to 8.89%, while the since-inception figure went up to 35.69% or 63.00% annualized.

February 2023 was another month with a remarkable performance of the Armenian economy that translated into 11.3% y/y upsurge of the domestic GDP. Again, double-digit growth rates were reported for services, trade and construction at 21.2% y/y, 18.2% y/y and 13.9% y/y, respectively. However, only a 0.7% y/y improvement was achieved for the industrial output.

As for the external trade, its volume nearly doubled under a continued outstanding performance. During the month, the volume of external trade went up by 93.3% y/y to USD 1,299.9mln. Exports increased 2.3x y/y to USD 572.8mln, while imports were up by 72.5% y/y to USD 727.1mln. The trade deficit narrowed by USD 18.2mln y/y to USD 154.3mln.

There was a significant improvement of inflation in March – only 5.4% y/y. With this in mind, the Central Bank of Armenia kept the refinancing rate unchanged at 10.75%. During the month the CBA purchased USD 162.6mln at an average exchange rate of AMD 388.80. As of the end of the month, the Armenian Dram appreciated against USD and depreciated against EUR, standing at AMD 388.48 and AMD 422.28, respectively.

## FUND FACTS

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

**NAV 31 March 2023 USD 135.69**

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 10,980.01k
Net assets	USD 721.18k

\* 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 March 2023

Average Monthly Returns	3.91%
Since Inception	35.69%
Inception Annualized	63.00%
<b>March 2023</b>	<b>7.15%</b>

### Risk Measures

Standard Deviation of Returns (monthly)	5.55%
% Gain Periods	51.83%
Value at Risk (parametric) – 95% (monthly)	-5.23%

Average YTM (Total portfolio)	0.38%
Average YTM (USD Bond portfolio)	6.57%
Average Coupon	4.17%
Average Maturity	3.81 Years

### Portfolio Allocation breakdown as of 31 March 2023

<b>By Sector</b>	
Eurobonds	5.73%
Cash	94.27%
<b>By Currency</b>	
USD	89.53%
AMD	0.06%
EUR	10.36%
RUB	0.05%

Weighted by fair value

The Fund's total portfolio comprised 5.73% of Eurobonds with the remaining 94.27% allocated in cash.

## 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.