

## GLOCAL ARMENIAN SOVEREIGN FUND

# FACTSHEET

APRIL 2024

### Macroeconomic Update

March 2024 was a positive month for the Armenian economy: GDP increased by 15.3% y/y. Industry and trade turnover remained the main drivers of the economic activity during the month. Particularly, industrial output expanded by a substantial 33.5% y/y, while trade went up by a significant 30.4% y/y. Construction works, too, demonstrated double-digit growth: 13.1% y/y. Services also grew during this period, although at a less significant rate of 4.7% y/y.

Foreign trade turnover for the same period rocketed 2.1 times y/y, reaching USD 3.57 bln. Both exports and imports demonstrated outstanding performance. Exports were up 3.0 times y/y, amounting to USD 1.85 bln, while imports were up by 156% y/y, reaching USD 1.72 bln. The foreign trade USD 102.2 mln net surplus in February 2024 increased to USD 122.6 mln in March 2024.

As for the macroeconomic stability in Armenia, the CPI contracted by another 0.7% y/y in April 2024. At its April 30 meeting, the Board of the Central Bank of Armenia decided to reduce the refinancing rate by 0.25 percentage points, setting it at 8.25%. As of the end of April 2024, compared to the previous month, the Armenian Dram appreciated against both USD and EUR, standing at AMD 388.0 and AMD 416.2, respectively.

The Ministry of Finance allocated bonds with a total volume of AMD 87.75 bln during April 2024. As of the end of the month, the yield of 10-year AMD-denominated Government bonds increased by 0.09 pps m/m to 9.74%.

## Glocal Armenian Sovereign Fund

Unless otherwise stated, all the data as at: 30-Apr-24

### Fund strategy

The Fund's assets are mainly invested in sovereign eurobonds of Armenia. Investments in an issuer's securities of the same class may not exceed 60% of the assets, except when the total amount of the Fund's assets is less than USD 1M.

### Why investing with Glocal?

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

### General info

ISIN	AMGLASH01ER1
Launch date	19 Apr 2024
Base currency	USD
Investor category	qualified only
Minimum holding period	No
Initial investment, min.	USD 100,000

Fund type	non-public, unclassified, open-ended, contractual
Management fee	0.5% of NAV
Performance fee	5%
Distribution policy	reinvesting
Portfolio Total Assets	USD 0.6 M
Portfolio Net Assets	USD 0.6 M

### Transaction fees

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

### Contacts

#### Glocal Asset Management



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#### 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.