

## OVERVIEW

Glocal Profix AMD fund yielded 5.26% in January 2020. Statistical report for December was released, according to which GDP of Armenia went up by impressive 10.7% y/y moving growth rate for 2019 up to 7.8%.

Service sector was the most significant driver of economic progress in December, with an increase of 16.6% y/y. For Industry and Trade the same growth rate was reported - 6.4% y/y. Construction volume and electricity output surged as well, by 4.9% and 14.0% y/y, respectively. In December, Exports expanded by impressive 13.0% y/y, bringing total volume for 2019 up to USD 2,640.3mln. Growth of Imports was even higher - 51.7% over December 2018. Trade deficit for 12 months stood at USD 2,873.5mln - a widening by USD 322mln or 12.63% y/y.

In January, CPI surged by 0.2% y/y. During the month, the Central Bank of Armenia purchased USD 37.8mln at average exchange rate of AMD 479.09.

The Central Bank's main refinancing rate remained at 5.5%; during January, Armenian dram appreciated against both USD and EUR – standing at 478.60 and 527.80, respectively; yield of 10-year AMD-denominated Government bonds declined by 0.16pps rounding to 8.20%.

The Fund performed 216.37% since inception, rounding to 49.99% if annualized.

## FUND FACTS

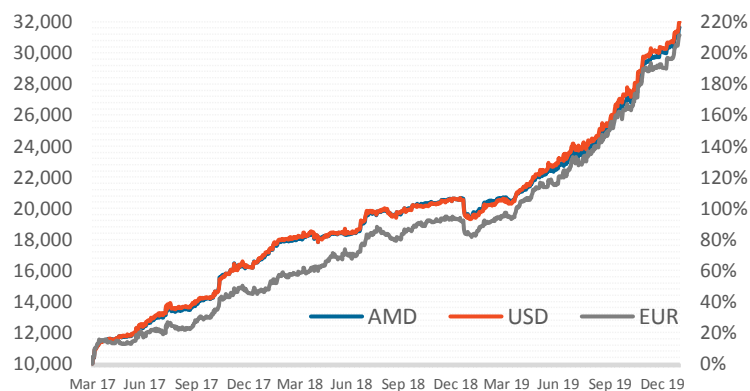
The Fund is registered with the Central Bank of Armenia with participation allowed to qualified investors.

NAV 31 January 2020	AMD 3,163.67
Type of fund	Fixed income, non-public, open-ended
Date of 1st NAV	31 March 2017
Base currency	AMD
Holdings	Armenian Government Bonds
Refinancing instrument	Repurchase agreements
Distribution policy	Reinvesting
Target annual return	26% net to investors
Management fee	2.75% on NAV
Performance fee*	20% over a 20% hurdle return
Assets under management	AMD 8,992.12m
Net assets	AMD 3,016.65m
Auditors	Deloitte

\* Performance fee is calculated and charged once on redemption date. Any return over 20% annual compounded hurdle rate is subject to performance fee deductions.

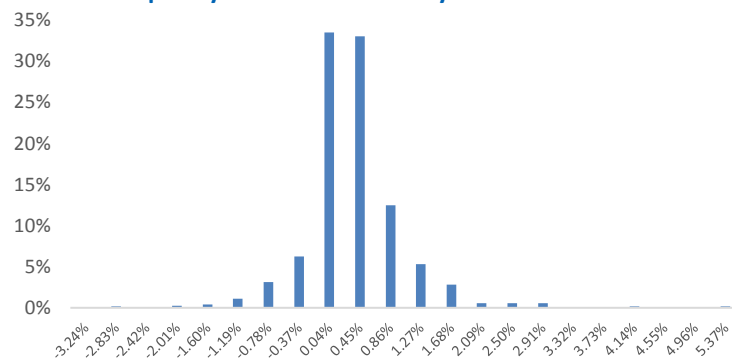
## PERFORMANCE

### Cumulative Performance Since Inception (per 10K)



Net of management fees, operational costs, and taxes. The investment performance in AMD is translated to hypothetical performance in USD and EUR using daily rates provided by Central Bank of Armenia.

### Relative Frequency Distribution of Daily Returns



Returns to 31 Jan 2020	AMD	USD*	EUR*
Average Monthly Returns	3.26%	3.30%	3.22%
Q2 2017	24.16%	25.04%	17.68%
Q3 2017	11.31%	11.79%	8.07%
Q4 2017	17.43%	16.05%	14.29%
Q1 2018	11.19%	12.13%	9.01%
Q2 2018	1.69%	1.23%	5.86%
Q3 2018	7.77%	7.67%	9.46%
Q4 2018	4.12%	3.57%	4.69%
Q1 2019	0.46%	-0.09%	2.00%
Q2 2019	9.09%	11.23%	9.52%
Q3 2019	11.17%	11.44%	16.17%
Q4 2019	19.79%	18.86%	15.90%
Since Inception	216.37%	219.85%	211.41%
Inception Annualised	49.99%	50.57%	49.16%
<b>January 2020</b>	<b>5.26%</b>	<b>5.50%</b>	<b>7.15%</b>

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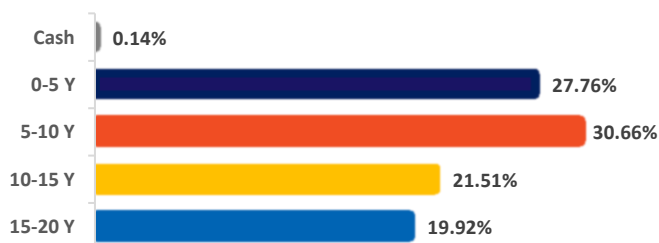
### Statistical data

Average YTM	9.90%
Average Coupon	10.70%
Modified duration	5.21

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	2.98%	3.00%	3.50%
Sharpe Ratio (annualized)	2.99	3.01	2.50
% Gain Periods	58.97%	59.24%	54.79%
Value at Risk (parametric) – 95% (monthly)	-1.65%	-1.64%	-2.54%
Value at Risk (historical) – 95% (daily)	-0.73%	-0.75%	-0.96%
Conditional Value at Risk – 95% (daily)	-1.28%	-1.30%	-1.27%
Largest Drawdown	-6.34%	-6.60%	-6.73%

As of January 2020, the weighted average yield to maturity of the portfolio rounded to 9.90% per annum. Fund's weighted average AMD borrowing rate equalled to 6.00%, while average USD borrowing rate stood at 3.00%. Financial leverage went up to 2.98, from 2.95 a month ago.

#### Portfolio maturity breakdown as of January 31, 2020



Total portfolio was by 30.66% comprised of Government bonds with maturity of 5-10 years. Another 27.76% was allocated to bonds with maturity of 0-5 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.

The investment performance in AMD is translated to USD and EUR using historical daily rates provided by Central Bank of Armenia. The translation is carried to illustrate the hypothetical performance of the investment in latter foreign currencies. It does not incorporate expenses associated with bid/ask spread and assumes single exchange rate for any period.