

OVERVIEW

In April, Glocal Eurobonds Fund was renamed Glocal High-Yield Eurobonds Fund. During the month, the net asset value of the Fund increased by 4.64% m/m, bringing the year-to-date figure up to 13.94%. The since-inception return of the Fund increased to 41.98% or 64.20% annualized.

In March 2023, the Armenian economy reported a double-digit growth of 14.0%. The reading for the first quarter was 12.2% y/y. As in the previous months, trade, services, and construction were the main drivers of the economy. Particularly, trade turnover increased by impressive 26.1% y/y, services went up by remarkable 21.9% y/y, while the growth of construction works stood at 19.0% y/y. As for the industrial output, it expanded by 8.6% y/y.

The volume of external trade skyrocketed 2.5x y/y to USD 1,689.9mln. During the month, exports increased 2.7x y/y to USD 626.6mln, while imports were up 2.4x y/y to USD 1,063.3mln. The trade deficit widened by USD 225.7mln y/y to USD 436.7mln.

The rate of y/y inflation contracted from 5.4% in March to 3.2% in April. In view of that, the Central Bank of Armenia kept the refinancing rate unchanged at 10.75%. During the month, the CBA purchased USD 181.6mln at an average exchange rate of AMD 388.29. As of the end of the month, the Armenian Dram appreciated against USD and depreciated against EUR, standing at AMD 386.64 and AMD 424.69, respectively.

FUND FACTS

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

NAV 30 April 2023 **USD 141.98**

| | |
|--------------------------|---|
| Type of fund | Fixed income, non-public, open-ended |
| Date of 1st NAV | 16 August 2022 |
| Base currency | USD |
| Holdings | Government and corporate Eurobonds US Treasury,ETFs,bank deposits,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 200,000 |
| Distribution policy | Reinvesting |
| Unit custodian | Armbrok Investment Company Assets |
| under management | USD 4,335.27k |
| Net assets | USD 999.00k |

* 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 30 April 2023

| | |
|-------------------------|--------------|
| Average Monthly Returns | 4.00% |
| Since Inception | 41.98% |
| Inception Annualized | 64.20% |
| April 2023 | 4.64% |

Risk Measures

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|--|--------|
| Standard Deviation of Returns (monthly) | 5.29% |
| % Gain Periods | 52.72% |
| Value at Risk (parametric) – 95% (monthly) | -4.70% |

| | |
|----------------------------------|------------|
| Average YTM (Total portfolio) | 0.70% |
| Average YTM (USD Bond portfolio) | 6.93% |
| Average Coupon | 5.66% |
| Average Maturity | 4.70 Years |

Portfolio Allocation breakdown as of 30 April 2023

| | |
|--------------------|--------|
| By Sector | |
| Eurobonds | 9.92% |
| Cash | 90.08% |
| By Currency | |
| USD | 96.80% |
| AMD | 0.27% |
| EUR | 2.80% |
| RUB | 0.14% |

Weighted by fair value

The Fund's total portfolio comprised 9.92% of Eurobonds with the remaining 90.08% 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.