

OVERVIEW

Glocal Profix USD Fund generated a positive return of 1.54% in September 2020, bringing year-to-date return of the Fund up to 6.44% and since-inception return up to 38.80%, equivalent to 11.26% if annualized.

Facing the continued impact from the global pandemic, in August, the GDP of Armenia contracted by 9.8% y/y in August, pushing the 8-month figure down to 6.4% y/y. Industry, trade and services declined by 1.2%, 14.8% and 19.3% y/y, respectively. CPI increased by 1.8% y/y, and average monthly nominal wages by 2.8% y/y.

In September, the Central Bank of Armenia reduced refinancing rate by 0.25pps to 4.25%. As of the end of the month, Armenian Dram slightly depreciated against USD and appreciated against EUR, standing at 488.41 and 571.78, respectively.

Overall, despite the external pressures, the Armenian financial market remains stable: no negative trends have been observed that could affect the normal business operations of the Glocal funds.

FUND FACTS

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

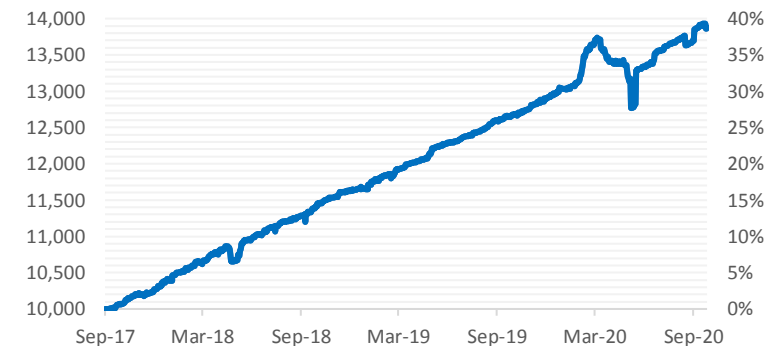
NAV 30 September 2020 USD 13.88

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 4.63m
Net assets	USD 1.55m
Auditors	Deloitte

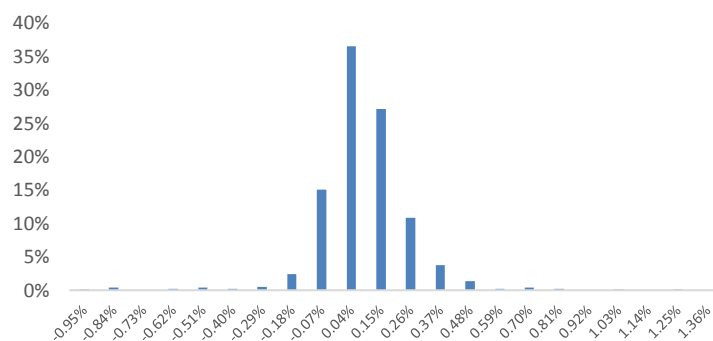
*Performance fee is calculated and charged once on redemption date. Any return over 10% annual compounded hurdle rate is subject to incentive fee deductions

PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Relative Frequency Distribution of Daily Returns



Returns to 30 September 2020

Average Monthly Returns	0.86%
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%
Q4 2019	3.08%
Q1 2020	2.91%
Q2 2020	0.97%
Q3 2020	2.44%
Since Inception	38.80%
Inception Annualized	11.26%
September 2020	1.54%

Risk Measures

Standard Deviation of Returns (monthly)	1.06%
Sharpe Ratio (annualized)	2.63
Largest Drawdown	-7.06%
% Gain Periods	80.27%
Value at Risk (parametric) – 95% (monthly)	-0.88%
Value at Risk (historical) – 95% (daily)	-0.15%
Conditional Value at Risk – 95% (daily)	-0.40%

Portfolio Allocation breakdown as of 30 September 2020

By Sector	
Banks	56.42%
Other Financial Institutions	27.27%
Real Sector	16.15%
Cash	0.16%
By Currency	
USD	90.66%
AMD	9.34%

Weighted by fair value

The Fund's total portfolio comprised 90.64% of USD-denominated corporate bonds. The remaining part accounts for AMD-denominated bonds and cash: 9.20% and 0.16%, respectively.

Financial leverage reduced somewhat to 2.99x, from 3.00x a month ago.

Statistical data

Average YTM	6.33 %
Average Coupon	6.34 %
Average Maturity	1.62 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.