

## OVERVIEW

In February 2021 Glocal Profix AMD reported a positive return of 1.20% moving year-to-date figure up to 1.64%. The Fund's return since inception thus increased to 239.81% equivalent to an annualized return of 36.62%.

The negative growth trend of the Armenian economy continued in January 2021, as well. In particular, the GDP of the country contracted by 7.5% y/y. Industry output reduced by 10.8% y/y, while services and trade declined by 10.3% and 15.1% y/y, respectively. Construction works showed an uptick of 0.8% y/y. Average monthly nominal wages also went up by 0.8% y/y. Exports decreased by 11.3% y/y, while imports plunged by 20% y/y, narrowing trade deficit by USD 40.7mln y/y to USD 90.7mln. The CPI rose by 4.5% y/y.

The Central Bank of Armenia kept the refinancing rate unchanged at 5.50% (with the latest increase happening on 2 February). In order to provide the financial system with sufficient liquidity, the CBA executed a SWAP deal with total volume of USD 16.5mln. As of the end of the month, the AMD depreciated against both USD and EUR, standing at 527.96 and 640.20, respectively.

During the month, the Ministry of Finance carried out four allocations of Government bonds with a total volume of AMD 23.5bln and four buybacks with a total volume of AMD 7.69bln. Over the previous month, the yield of 10-year AMD-denominated Government bonds dropped by 0.15pps to 8.84%.

## FUND FACTS

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

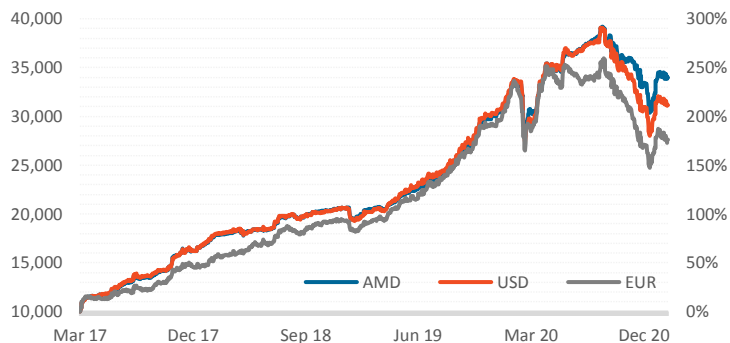
**NAV 28 February 2021 AMD 3,398.15**

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 12,121.48m
Net assets	AMD 3,111.91m
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.

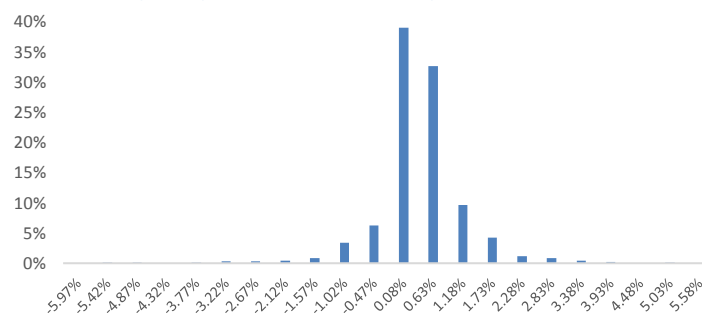
## PERFORMANCE

### 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 28 February 2021	AMD	USD*	EUR*
Average Monthly Returns	2.52%	2.34%	2.09%
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%
Q1 2020	0.94%	-4.02%	-2.02%
Q2 2020	19.78%	25.27%	22.67%
Q3 2020	4.17%	2.88%	-1.54%
Q4 2020	-11.67%	-17.45%	-21.23%
Since Inception	239.81%	211.44%	175.76%
Inception Annualised	36.62%	33.61%	29.53%
<b>February 2021</b>	<b>1.20%</b>	<b>-0.66%</b>	<b>-0.76%</b>

\*The investment performance in AMD is translated to hypothetical performance in USD and EUR using daily rates provided by Central Bank of Armenia

### Statistical data

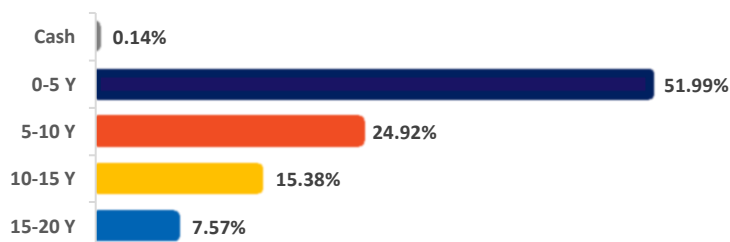
Average YTM	8.93%
Average Coupon	9.14%
Modified Duration of Bond Portfolio	4.88

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.71%	3.83%	4.28%
Sharpe Ratio (annualized)	1.66	1.45	1.10
% Gain Periods	57.20%	56.71%	51.32%
Value at Risk (parametric) – 95% (monthly)	-3.59%	-3.96%	-4.96%
Value at Risk (historical) – 95% (daily)	-1.08%	-1.09%	-1.24%
Conditional Value at Risk – 95% (daily)	-1.90%	-1.96%	-1.85%
Largest Drawdown	-22.47%	-28.40%	-31.31%

As of 28 February 2021, the weighted average yield to maturity of the portfolio increased by 0.09pps over the previous month to 8.93% per annum. The Fund's weighted average AMD borrowing rate went up, as well, by 0.12pps m/m to 6.25%.

During the month, financial leverage dropped to 3.90x from 4.26x a month ago.

#### Portfolio maturity breakdown as of 28 February 2021



The Fund's total portfolio comprised 51.99% of assets with maturity of 0-5 years. Government bonds with maturity of 5-10 years represented another 24.92%.

#### 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.