

OVERVIEW

Glocal Profix USD Fund reported a positive return of 0.76% in January 2023. The since-inception return of the Fund went up to 86.20% or 12.17% annualized.

December 2022 was another month with double-digit growth for the Armenian economy. In particular, the GDP went up by 12.8% y/y bringing the reading for the year up to a record-high 14.2%. According to the preliminary data, in 2022 services, trade and construction were the major drivers of the economy with respective growth rates of 28.2% y/y, 17.0% y/y and 12.5% y/y. Industrial output increased by 7.8%. For the first time in a while, a slight growth was reported for agriculture – 0.4% y/y.

In 2022, external trade of Armenia surged by remarkable 68.6% y/y, with both exports and imports reaching record-high values. Exports were up by 77.7% to USD 5,360.1mln and imports were up by 63.5% y/y to USD 8,7687.7mln. The trade deficit widened by USD 1,0618.6mln y/y to USD 3,408.6mln.

The CPI went up by 8.1% y/y in January. During the month, the Central Bank of Armenia kept the refinancing rate unchanged at 10.75%. As of the end of January, the Armenian Dram depreciated against both USD and EUR, standing at AMD 395.67 and AMD 428.27, respectively.

FUND FACTS

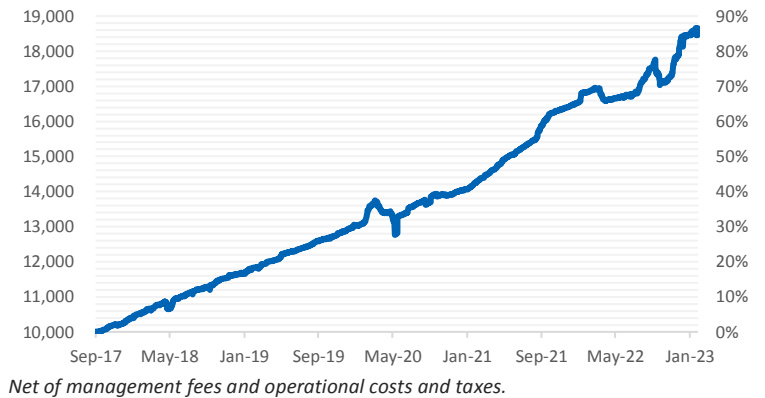
The Fund is registered with the Central Bank of Armenia with participation allowed to qualified investors.

NAV 31 January 2023	USD 18.62
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	2.0% on NAV
Performance fee*	10% over a 7% 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	Armbrok Investment Company
Assets under management	USD 6.21m
Net assets	USD 1.89m
Auditors	Deloitte

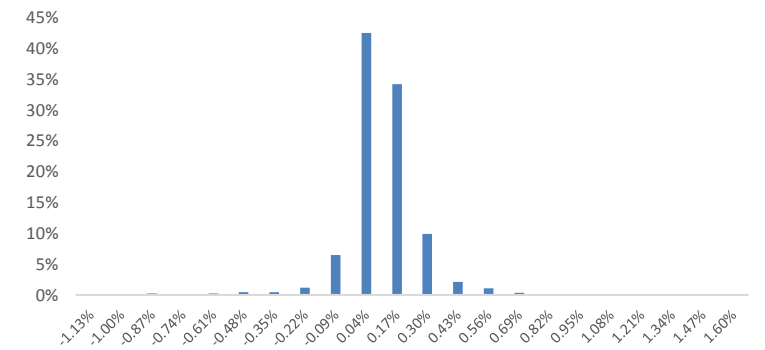
*Performance fee is calculated and charged once on redemption date. Any return over 10% annual compounded hurdle rate is subject to incentive fee deductions

PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Relative Frequency Distribution of Daily Returns



Returns to 31 January 2023

Average Monthly Returns	0.93%
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%
Q4 2020	1.30%
Q1 2021	4.05%
Q2 2021	4.10%
Q3 2021	6.30%
Q4 2021	2.10%
Q1 2022	0.42%
Q2 2022	1.02%
Q3 2022	1.91%
Q4 2022	8.13%
Since Inception	86.20%
Inception Annualized	12.17%
January 2023	0.76%

Risk Measures	
Standard Deviation of Returns (monthly)	0.97%
Sharpe Ratio (annualized)	2.27
Largest Drawdown	-7.06%
% Gain Periods	80.21%
Value at Risk (parametric) – 95% (monthly)	-0.66%
Value at Risk (historical) – 95% (daily)	-0.16%
Conditional Value at Risk – 95% (daily)	-0.39%

Portfolio Allocation breakdown as of 31 January 2023

By Sector	
Banks	52.95%
Other Financial Institutions	4.97%
Eurobonds	41.43%
Cash	0.65%
By Currency	
USD	99.72%
AMD	0.28%

Weighted by fair value

The Fund's total portfolio comprised 99.35% of USD-denominated corporate bonds. The remaining part is allocated in cash: 0.65%.

The financial leverage ratio increased to 3.2x from 3.0x in December 2022.

Statistical data

Average YTM (Total portfolio)	6.27%
Average YTM (USD Bond portfolio)	6.31%
Average Coupon	5.85%
Average Maturity	1.96 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.