

OVERVIEW

In sharp contrast to the disappointing performance in June, Glocal Profix AMD Fund generated a positive return of 2.88% in July 2021 pushing the year-to-date figure up to 5.15%. The Fund's return since inception thus increased to 251.56% or 33.60% annualized.

The Armenian economy sustained its growth pattern in June 2021, as well. In particular, the GDP of the country went up by 8.0% y/y bringing H1 reading up to 5.0% y/y. In June, the economic growth was mostly driven by trade and services which jumped by 10.3% and 12.0% y/y, respectively. Both industry and construction increased by 1.3% y/y. It is worth mentioning that for H1, positive growth rates were reported for all main sectors of the national economy.

External trade expanded by impressive 20.1% y/y with exports and imports up by 33.0% and 12.1% y/y, respectively. In H1 growth rates of exports and imports stood at 23.3% and 7.9% y/y, respectively. As a result, trade deficit narrowed by 10.9% to USD 812.7mln.

In June the CPI went up by 6.5% y/y. In order to resist the inflation pressure, on 3 August the Board of the Central Bank of Armenia decided to make another 50bps hike in the refinancing rate, to 7.0%. As of the end of July, the Armenian Dram appreciated against both USD and EUR, standing at AMD 486.24 and AMD 578.33, respectively.

The Ministry of Finance of Armenia allocated Government bonds with a total volume of AMD 47.4bln in July and bought back bonds with a total volume of AMD 8bln. During the month, the yield of 10-year AMD-denominated Government bonds went up by 0.08pps m/m to 9.23%.

FUND FACTS

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

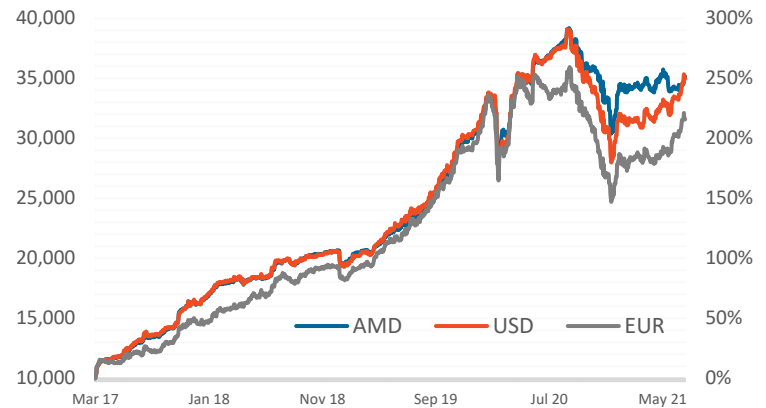
NAV 31 July 2021 AMD 3,515.63

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 12,937.96m
Net assets	AMD 3,173.63m
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.

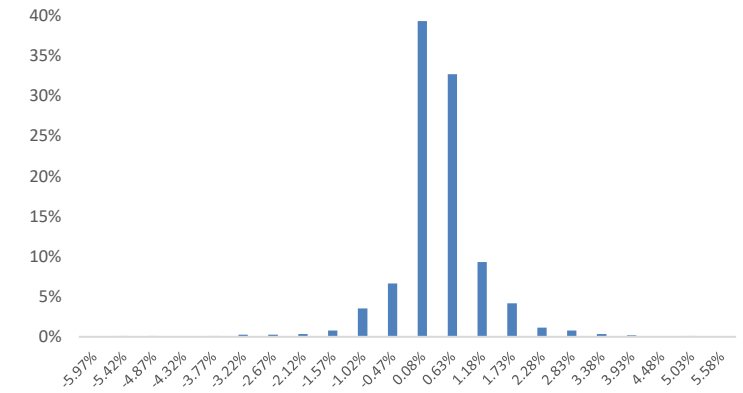
PERFORMANCE

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 July 2021	AMD	USD*	EUR*
Average Monthly Returns	2.34%	2.33%	2.14%
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%
Q1 2021	2.47%	0.82%	5.46%
Q2 2021	-0.26%	6.85%	5.37%
Since Inception	251.56%	249.85%	215.82%
Inception Annualised	33.60%	33.45%	30.34%
July 2021	2.88%	4.92%	4.90%

*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

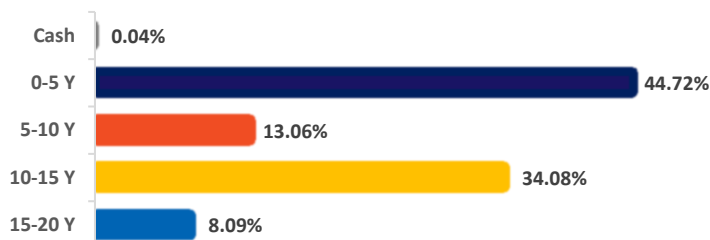
Average YTM	9.51%
Average Coupon	9.08%
Modified Duration of Bond Portfolio	5.12

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.62%	3.76%	4.20%
Sharpe Ratio (annualized)	1.49	1.43	1.12
% Gain Periods	56.23%	55.97%	51.11%
Value at Risk (parametric) – 95% (monthly)	-3.62%	-3.86%	-4.77%
Value at Risk (historical) – 95% (daily)	-1.05%	-1.06%	-1.22%
Conditional Value at Risk – 95% (daily)	-1.82%	-1.90%	-1.94%
Largest Drawdown	-22.47%	-28.40%	-31.31%

As of 31 July 2021, the weighted average yield to maturity went up by 0.16pps m/m to 9.51% per annum. During the same period, the Fund's weighted average AMD borrowing rate moved up by 0.02pps m/m to 7.65%.

Financial leverage increased to 4.08x from 3.41x in June.

Portfolio maturity breakdown as of 31 July 2021



The Fund's total portfolio comprised 44.72% of assets with maturity of 0-5 years. Another 34.08% was allocated to Government bonds with maturity of 10-15 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.