

OVERVIEW

In June, Glocal Profix USD Fund managed to overturn the negative yield trend and has generated an income of 1.80% pushing year-to-date reading up to 3.91%. The Fund's return since inception moved up to 35.50%, equivalent to annualized return of 11.37%.

Even though the lingering negative impact of COVID-19 pandemic brought the Armenian GDP down by 12.8% y/y, and industry, trade and services fell by 3.9%, 18.4% and 19.4% y/y, the industry still keeps a positive 5-month indicator: 2.4% y/y. The CPI rose by 1.2% y/y, and average monthly nominal wages, by 6.8% y/y.

A sharp decline of the global economy combined with the uncertainties concerning the further course of the pandemic and the speed of economic recovery are expected to continue their external deflation pressure on Armenia. The Central Bank of Armenia forecasts an even deeper economic downturn for the second quarter due to demand and supply factors. Slow recovery of demand, low inflation pattern, and the high level of uncertainty were the factors behind the decision of the CBA Board to cut the refinancing rate further by 0.5pps, to 4.5% on 16 June, thus highlighting the need to continue stimulating policy in medium term.

As to the national currency, during June, Armenian Dram appreciated against USD and depreciated against EUR, ending the month at 482.36 and 540.44, respectively.

FUND FACTS

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

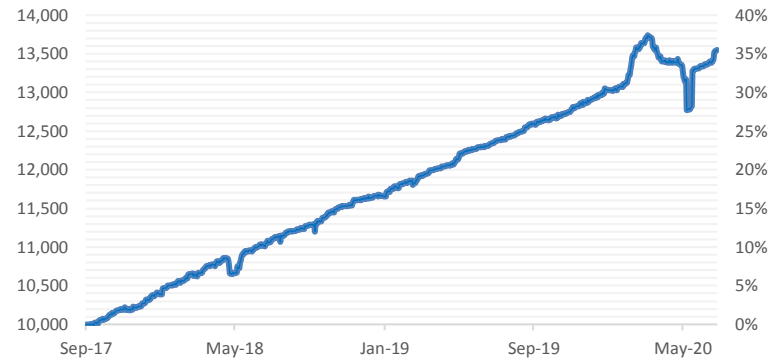
NAV 30 June 2020 USD 13.55

| | |
|------------------------------|--------------------------------------|
| 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 4.56m |
| Net assets | USD 1.54m |
| Auditors | Deloitte |

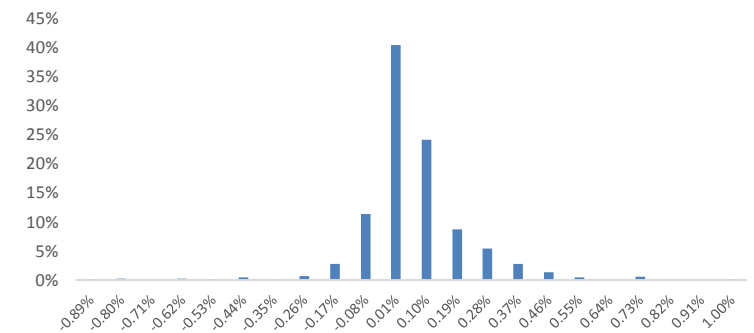
*Performance fee is calculated and charged once on redemption date. Any return over 10% annual compounded hurdle rate is subject to incentive fee deductions

PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Relative Frequency Distribution of Daily Returns



Returns to 30 June 2020

| | |
|-------------------------|--------------|
| Average Monthly Returns | 0.87% |
| 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% |
| Since Inception | 35.50% |
| Inception Annualized | 11.37% |
| June 2020 | 1.80% |

Risk Measures

| | |
|--|--------|
| Standard Deviation of Returns (monthly) | 1.07% |
| Sharpe Ratio (annualized) | 2.62 |
| Largest Drawdown | -7.06% |
| % Gain Periods | 79.32% |
| Value at Risk (parametric) – 95% (monthly) | -0.89% |
| Value at Risk (historical) – 95% (daily) | -0.16% |
| Conditional Value at Risk – 95% (daily) | -0.39% |

Portfolio Allocation breakdown as of 30 June 2020

| By Sector | |
|------------------------------|--------|
| Banks | 58.33% |
| Other Financial Institutions | 25.78% |
| Real Sector | 15.68% |
| Cash | 0.21% |
| By Currency | |
| USD | 92.68% |
| AMD | 7.32% |

Weighted by fair value

The Fund's total portfolio comprised 92.66% of USD-denominated corporate bonds. The remaining part accounts for AMD-denominated bonds and cash: 7.13% and 0.21%, respectively.

Financial leverage remained unchanged at 2.97x.

Statistical data

| | |
|------------------|------------|
| Average YTM | 6.25 % |
| Average Coupon | 6.31 % |
| Average Maturity | 1.31 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.