

## OVERVIEW

Glocal Profix AMD Fund reported increase of 11.67% in net asset value over the previous month in the end of November. The increase in share price brought 8-month performance to 60.60%.

The decline of interest rate levels in the market produced revaluation gain for the portfolio and formed above average increase in share price during the month.

The government issued AMD 2.73 bln of medium term securities during November, with weighted average yield of 7.53% and average maturity of 2.4 years. Long term issues comprised AMD 12 bln with weighted average yield of 9.89% and weighted average maturity of 9.90 years.

Glocal Asset Management continues collaborating with 12 commercial banks.

## FUND FACTS

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

NAV 30 November 2017

AMD 1,605.98

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
Unit custodian	Armenbrok Investment Company
Expected 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 3,387m
Net assets	AMD 980m

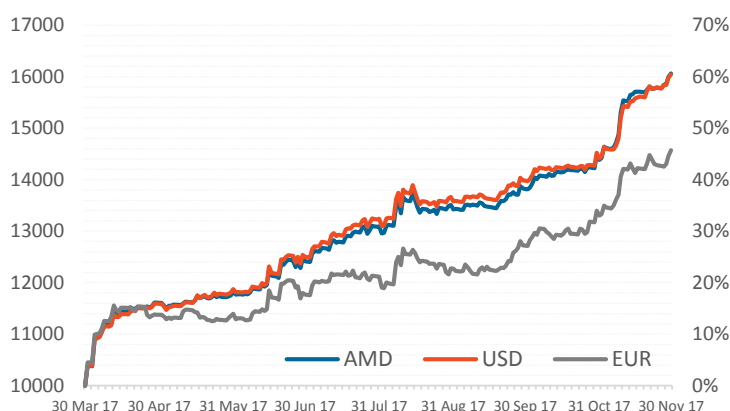
\*Performance fee is calculated and charged once on redemption date. Any return over 20% annual compounded hurdle rate is subject to incentive fee deductions.

### Statistical data

Yield to maturity	10.77
Modified duration	5.19
Convexity	42.22
Convexity adjusted DV01	AMD 164.83m
Daily analytical VaR [ $\alpha = 5\%$ ]	0.74%
Daily historical VaR [ $\alpha = 5\%$ ]	0.49%

## PERFORMANCE

### Investment Performance Since Launch Per 10,000 AMD/USD/EUR



Net of management fees and operational costs and taxes.

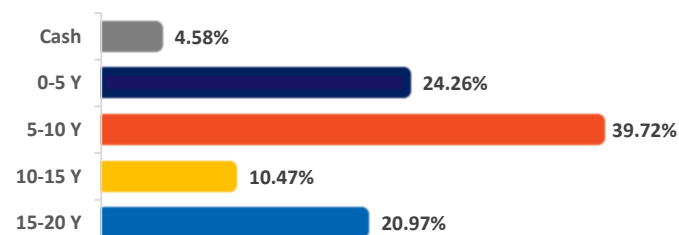
Y 2017	AMD	USD*	EUR*
April	16.10%	15.90%	13.77%
May	1.88%	2.44%	0.13%
June	4.97%	5.31%	3.30%
July	5.44%	5.90%	2.96%
August	2.53%	2.51%	1.30%
September	2.97%	2.97%	3.62%
October	4.06%	3.10%	4.62%
November	11.67%	11.34%	9.53%
<b>Since inception</b>	<b>60.60%</b>	<b>60.46%</b>	<b>45.73%</b>

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

During November, the Fund's return amounted to positive 11.67%. Average interest rates for medium and long-term government bonds dropped by 34 basis points during the month causing revaluation income and above average increase in net asset value.

The Fund's average borrowing rate was 6.37% for AMD during the month and average lending rate was 10.77% (average yield on constituent securities). The portfolio's financial leverage in the end of the month was equal to 3.45.

### Portfolio maturity breakdown as of November 30, 2017



Weighted by fair value

Government bonds with 5-10 years until maturity comprise 39.72% of portfolios total assets. Cash reserves amount to 4.58% of total portfolio.

## 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.