

OVERVIEW

Glocal Profix AMD Fund started the new year with a positive return of 0.35% in January. This pushed the since-inception figure up to 186.45% or 19.73% 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.

In January, the Ministry of Finance of Armenia allocated bonds with a total volume of AMD 18.2bln. During the month, the yield of 10-year AMD-denominated Government bonds increased by 0.01pps m/m to 12.00%.

FUND FACTS

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

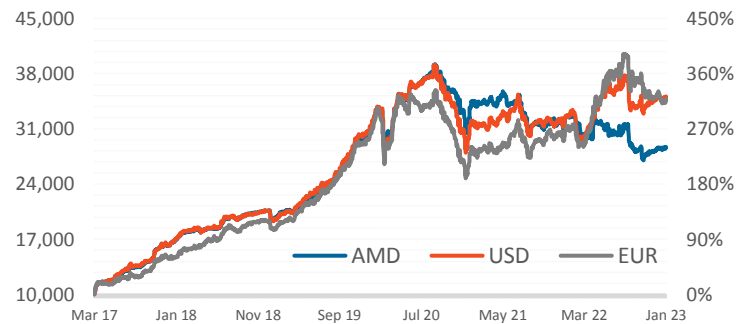
NAV 31 January 2023 AMD 2,864.51

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 8,857.81m
Net assets	AMD 2,239.69m
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.

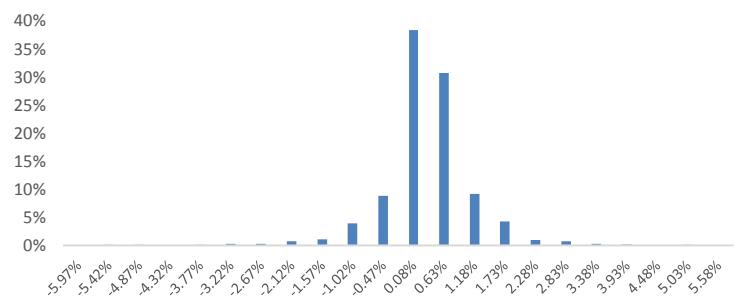
PERFORMANCE

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 January 2023	AMD	USD*	EUR*
Average Monthly Returns	1.45%	1.73%	1.72%
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%
Q3 2021	-7.27%	-5.03%	-2.60%
Q4 2021	0.57%	1.43%	4.06%
Q1 2022	-4.94%	-6.07%	-4.34%
Q2 2022	0.28%	19.66%	27.67%
Q3 2022	-5.96%	-5.60%	0.56%
Q4 2022	-0.08%	2.98%	-5.79%
Since Inception	186.45%	250.30%	247.49%
Inception Annualised	19.73%	23.93%	23.76%
January 2023	0.35%	-0.19%	-1.58%

*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

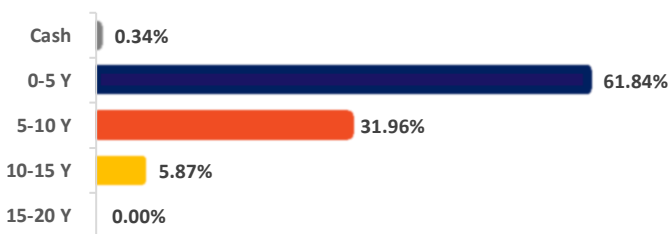
Average YTM	10.62%
Average Coupon	9.36%
Modified Duration of Bond Portfolio	3.83

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.70%	3.88%	4.31%
Sharpe Ratio (annualized)	0.42	0.65	0.58
% Gain Periods	53.78%	54.83%	51.28%
Value at Risk (parametric) – 95% (monthly)	-4.63%	-4.65%	-5.38%
Value at Risk (historical) – 95% (daily)	-1.15%	-1.17%	-1.32%
Conditional Value at Risk – 95% (daily)	-1.94%	-2.04%	-2.08%
Largest Drawdown	-31.24%	-28.40%	-31.31%

As of 31 January 2023, the weighted average yield to maturity dropped by 0.52pps m/m standing at 10.62% per annum. Disregarding the factor of cash, the figure is 10.65%. The weighted average AMD borrowing rate of the Fund went up by 0.03pps m/m standing at 11.50%; the same for USD increased by 0.06pps m/m to 2.73%.

In January, the financial leverage ratio decreased to 4.0x from 5.0x in the previous month.

Portfolio maturity breakdown as of 31 January 2023



The Fund's total portfolio comprised 61.84% of assets with maturity of 0-5 years. Another 31.96% was allocated in Government bonds with maturity of 5-10 years (including Eurobonds issued by the Government of Armenia).

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.