

## OVERVIEW

Glocal Profix USD Fund generated a positive return of 1.42% in July 2023, pushing the year-to-date reading up to 4.55%. The Fund's return since inception increased to 93.20% or 11.79% annualized.

The growth of the Armenian economy in June 2023 slowed to 6.8% y/y. The respective figure for the H1 stood at 11.4% y/y. In June, the trade turnover and construction were the leaders in terms of growth with 20.3% y/y and 18.1% y/y, respectively. Services increased by 4.0% y/y. Conversely, industrial output decreased by 7.4% y/y. Nevertheless, for H1, all sectors of the economy demonstrated growth.

External trade expanded by 21.0% y/y to USD 1,476.6mln, with exports up by 2.5% y/y to USD 511.9mln and imports up by 33.8% y/y to USD 965.7mln. The foreign trade deficit widened by USD 231.5mln y/y to USD 453.8mln.

The CPI contracted by 0.1% y/y in July. On 1 August, the Board of the Central Bank of Armenia made another 0.25pps cut of the refinancing rate – for the second time in row, to 10.25%. In July, the CBA purchased USD 230.0mln at an average exchange rate of AMD 387.6. The year-to-date volume of purchases amounted to USD 1.0bln. As of the end of the month, the Armenian Dram depreciated against both USD and EUR, standing at AMD 386.1 and AMD 426.1 respectively.

## FUND FACTS

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

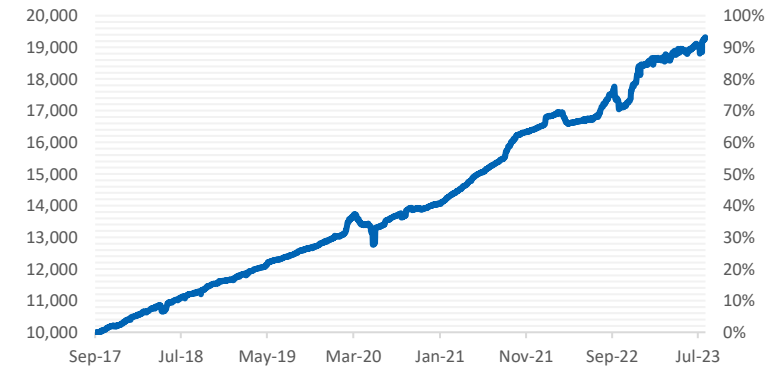
**NAV 31 July 2023 USD 19.32**

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 6.36mln
Net assets	USD 2.17mln
Auditors	EY

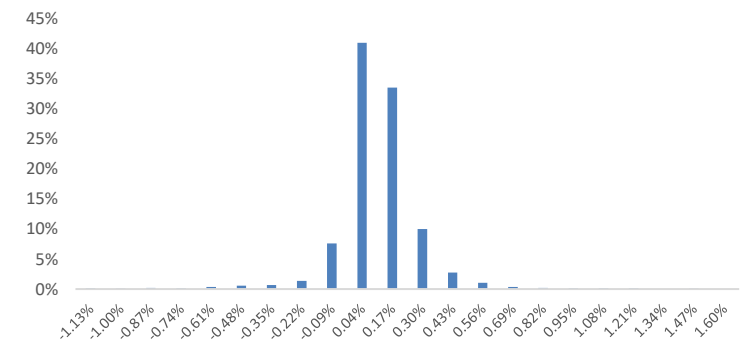
\*Performance fee is calculated and charged once on redemption date. Any return over 10% annual compounded hurdle rate is subject to incentive fee deductions

## PERFORMANCE

### Cumulative Performance Since Inception (per \$10K)



### Relative Frequency Distribution of Daily Returns



### Returns to 31 July 2023

Average Monthly Returns	0.90%
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%
Q1 2023	1.19%
Q2 2023	1.87%
Since Inception	<b>93.20%</b>
Inception Annualized	<b>11.79%</b>
July 2023	<b>1.42%</b>

Risk Measures	
Standard Deviation of Returns (monthly)	1.00%
Sharpe Ratio (annualized)	1.98
Largest Drawdown	-7.06%
% Gain Periods	78.36%
Value at Risk (parametric) – 95% (monthly)	-0.75%
Value at Risk (historical) – 95% (daily)	-0.18%
Conditional Value at Risk – 95% (daily)	-0.42%

#### Portfolio Allocation breakdown as of 31 July 2023

By Sector	
Banks	36.45%
Other Financial Institutions	4.83%
Eurobonds	52.98%
Real Sector	4.77
Cash	0.97%
By Currency	
USD	99.71%
AMD	0.29%

Weighted by fair value

The Fund's total portfolio comprised 99.03% of USD-denominated bonds. The remaining part is allocated in cash: 0.97%.

During the month the financial leverage ratio of the Fund dropped to 2.9x from 3.0x in June.

#### Statistical data

Average YTM (Total portfolio)	7.35%
Average YTM (USD Bond portfolio)	7.44%
Average Coupon	6.62%
Average Maturity	2.21 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.