

## OVERVIEW

In November 2018, Glocal Profix USD fund reported a positive return of 0.87%. The October 2018 macro-indicators were out, according to which nominal GDP grew by 3% during the month relative to the same period a year ago; CPI increased by 2.8%.

The nine-month GDP growth – since the beginning of the year – rounded to 6%; Services and Wholesale trade remained the main drivers of the growth. For the first 9 months of 2018, the volume of construction went up by 7.6%, industrial output – by 4%, and retail trade – by 1.4%; electricity production remained almost on the same level, while agricultural output contracted by 4.8%. Trade deficit of the country widened to USD 1.8bln; total exports reached USD 1.8bln – 11.6% increase y-o-y – and total imports rounded to USD 3.6bln – 28.6% increase y-o-y. Unemployment rate stood at 20.2%, slightly up from the Q1 figure, but still lagging behind the 2017 reading (17.8%). The Central bank's refinancing rate remained unchanged at 6%; yields on 10-year AMD-denominated Government bonds stood at 9.64%, a decline of 7.1bps from the previous month. Armenian dram appreciated by 0.21% relative to USD and depreciated by 0.1% relative to EUR – 485.23 and 551.76, respectively.

Total return rounded to 16.3% since inception – equivalent to 12.97%, if annualized.

## FUND FACTS

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

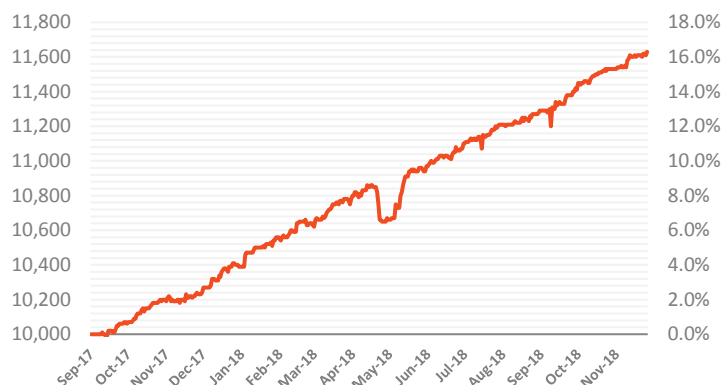
**NAV 30 November 2018 USD 11.63**

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 2.29 million
Net assets	USD 766 thousand
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

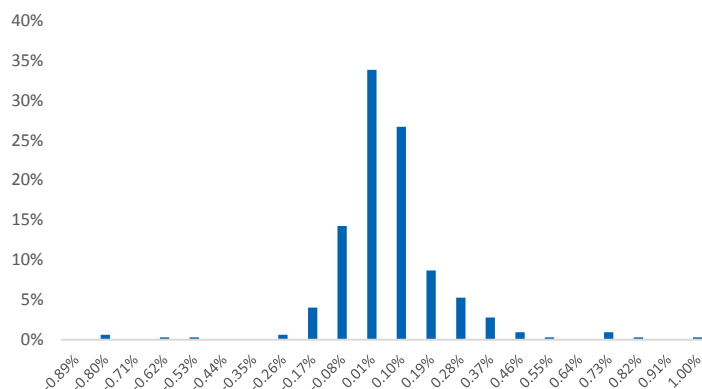
## PERFORMANCE

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



Net of management fees and operational costs and taxes.

### Relative Frequency Distribution of Daily Returns



### Returns to 30 November 2018

Average Monthly Returns	0.99%
Q4 2017	3.38%
Q1 2018	3.65%
Q2 2018	2.60%
Q3 2018	2.89%
Since Inception	16.30%
Inception Annualized	12.97%
<b>November 2018</b>	<b>0.87%</b>

### Risk Measures

Standard Deviation of Returns (monthly)	0.79%
Sharpe Ratio (annualized)	3.24
Largest Drawdown	1.93%
% Gain Periods	79.57%
Value at Risk – 95% (monthly)	-0.32%

### Statistical data

Average YTM	5.96 %
Average Coupon	6.43 %
Average Maturity	0.88 Years

Assets of the Fund are entirely financed in USD, with a borrowing rate of 2.8%.

Average yield of the portfolio was 5.96%; 99.29% of the assets are in USD. The portfolio's financial leverage increased to 2.99 by the end of the month. Average maturity of the holdings rounded to 0.88 years.

#### Portfolio Allocation breakdown as of November 30, 2018

By Sector	
Banks	68.59%
Other Financial Institutions	30.68%
Cash	0.73%
By Currency	
USD	99.29%
AMD	0.71%

*Weighted by fair value*

The share of USD denominated corporate bonds in the portfolio equaled to 99.27%, with the remaining 0.71% held in cash.

## 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.