

OVERVIEW

Glocal Profix USD fund returned 1.21% in August 2019. Armstat published macroeconomic indicators for July 2019, according to which Armenian GDP increased by impressive 8.1% rounding to 6.8% for the first seven months of the year; CPI surged by 1.7%.

Main drivers of economic growth in July were Industry, Services and Trade by a respective increase of 16.1%, 14.9% and 9.1%. Construction volume expanded by 4.1% over the same period last year. Conversely, Electricity production contracted by 2.2%. Exports improved by 19.5% during the month rounding to USD 1,417.5mln from the beginning of the year. Growth of Imports in July stood at 10%. Trade deficit equaled to USD 1,360.5mln – USD 3mln less than in the same period last year. The Central Bank's refinancing rate remained unchanged at 5.75%; by the end of August yield of 10-year AMD-denominated Government bonds rounded to 9.5%; during August, Armenian dram depreciated against USD and appreciated against EUR – standing at 476.10 and 525.71, respectively.

The Fund's return since inception stood at 25.90%, rounding to 12.28% if annualized.

FUND FACTS

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

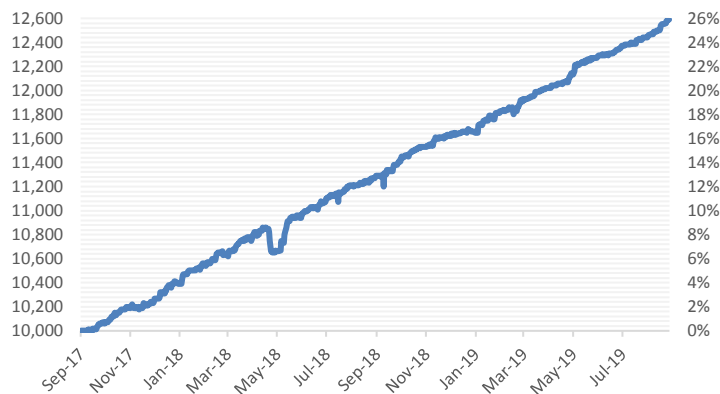
NAV 31 August 2019
USD 12.59

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 3.18m
Net assets	USD 1.14m
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

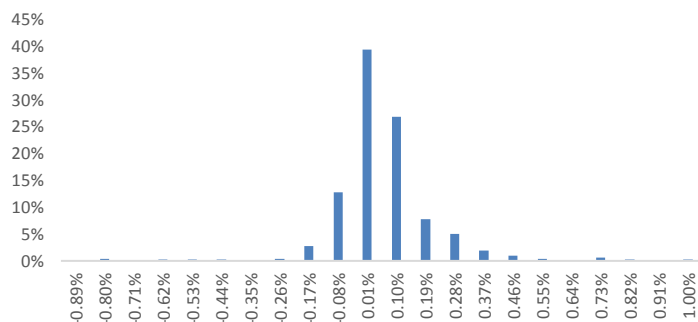
PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Net of management fees and operational costs and taxes.

Relative Frequency Distribution of Daily Returns



Returns to 31 August 2019

Average Monthly Returns	0.93%
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%
Since Inception	25.90%
Inception Annualized	12.28%
August 2019	1.21%

Risk Measures

Standard Deviation of Returns (monthly)	0.69%
Sharpe Ratio (annualized)	3.85
Largest Drawdown	1.93%
% Gain Periods	82.63%
Value at Risk (parametric) – 95% (monthly)	-0.20%
Value at Risk (historical) – 95% (daily)	-0.10%
Conditional Value at Risk – 95% (daily)	-0.27%

Portfolio Allocation breakdown as of August 31, 2019

By Sector	
Banks	54.99%
Other Financial Institutions	43.73%
Cash	1.28%
By Currency	
USD	98.82%
AMD	1.18%

Weighted by fair value

The share of USD denominated corporate bonds in the portfolio equaled to 98.04%, with the remaining allocated between AMD bonds and cash – 0.68% and 1.28%, respectively.

Statistical data

Average YTM	5.99 %
Average Coupon	6.21 %
Average Maturity	1.63 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.