

OVERVIEW

August was not one of the best months for Glocal Profix USD Fund. After two months of growth, the Fund reported zero return in August. Therefore, both year-to-date and since-inception returns of the Fund remained unchanged at 4.83% and 36.70%, respectively. Annualized return since-inception stood at 11.01%.

The COVID-19 pandemic situation has significantly improved in July-August, and the country has entered the stage of overcoming the virus. As of 31 August, there were 4,373 active cases – 60% less than at the end of June. As a result, the Government decided not to prolong the state of emergency which ends on 11 September.

The Armenian economy continued on a downward trend in July, as well. The GDP of the country contracted by 10.20% y/y moving the reading for seven months down to 5.70% y/y. Industry, trade and services declined by 2.30%, 10.40% and 21.60% y/y, respectively. Industry still has a positive seven month growth rate of 1.30% y/y. The CPI rose by 1.50% y/y, while average monthly nominal wages went up by 2.50% y/y.

Despite economic difficulties, the macroeconomic stability of the country remained well-managed. The Central Bank kept the refinancing rate unchanged at 4.50%. For the second month in a row, Armenian Dram depreciated against both USD and EUR, standing at 487.20 and 580.55, respectively.

FUND FACTS

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

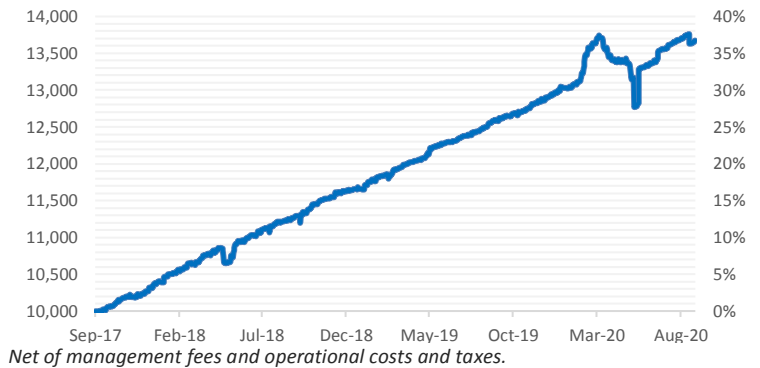
NAV 31 August 2020 USD 13.67

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 4.65m
Net assets	USD 1.55m
Auditors	Deloitte

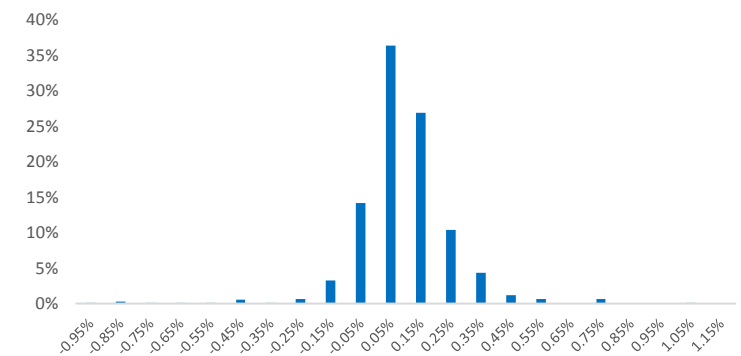
*Performance fee is calculated and charged once on redemption date. Any return over 10% annual compounded hurdle rate is subject to incentive fee deductions

PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Relative Frequency Distribution of Daily Returns



Returns to 31 August 2020

Average Monthly Returns	0.84%
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%
Since Inception	36.70%
Inception Annualized	11.01%
August 2020	0.00%

Risk Measures

Standard Deviation of Returns (monthly)	1.05%
Sharpe Ratio (annualized)	2.60
Largest Drawdown	-7.06%
% Gain Periods	80.10%
Value at Risk (parametric) – 95% (monthly)	-0.88%
Value at Risk (historical) – 95% (daily)	-0.15%
Conditional Value at Risk – 95% (daily)	-0.40%

Portfolio Allocation breakdown as of 31 August 2020

By Sector	
Banks	56.57%
Other Financial Institutions	27.26%
Real Sector	15.70%
Cash	0.47%
By Currency	
USD	90.19%
AMD	9.81%

Weighted by fair value

The Fund's total portfolio comprised 90.18% of USD-denominated corporate bonds with the remaining part allocated to AMD-denominated bonds and cash with respective shares of 9.35% and 0.47%.

Financial leverage remained unchanged at 3.00x.

Statistical data

Average YTM	6.31 %
Average Coupon	6.36 %
Average Maturity	1.45 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.