

OVERVIEW

In August 2020, Glocal Profix AMD generated a positive return of 2.51%. The year-to-date yield of the Fund climbed to 25.79%, while since-inception return went up to 278.07% or 47.45% if annualized.

The COVID-19 pandemic situation has significantly improved in July and 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.

On 11 August, the Ministry of Finance allocated 5-year Government notes with a total volume of AMD 15bln and weighted average yield of 6.92%. During the month, the yield of 10-year AMD-denominated Government bonds dropped by 0.06pps m/m to 7.72%.

FUND FACTS

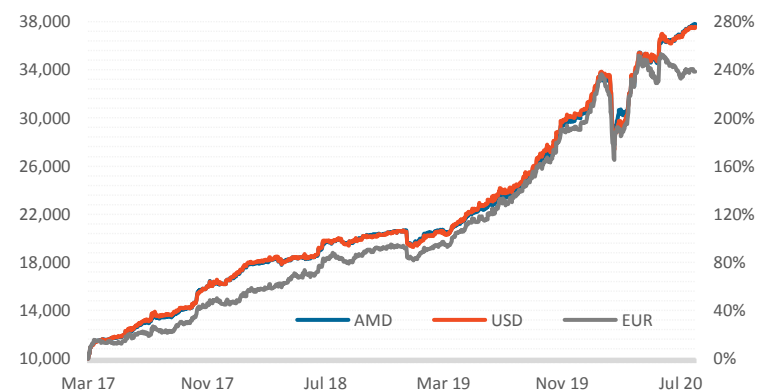
The Fund is registered with the Central Bank of Armenia with participation allowed to qualified investors.

NAV 31 August 2020	AMD 3,780.67
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 17,223.03m
Net assets	AMD 4,085.25m
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.

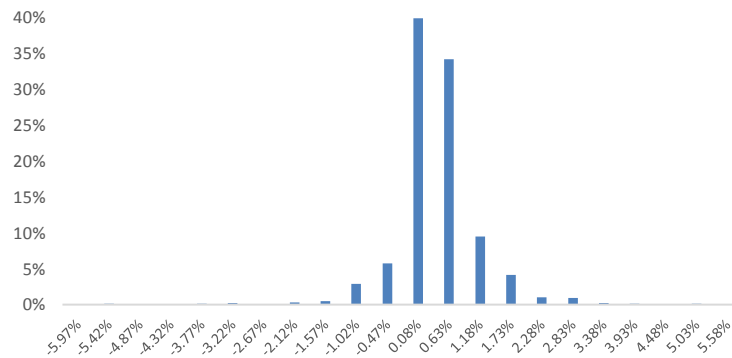
PERFORMANCE

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 Aug 2020	AMD	USD*	EUR*
Average Monthly Returns	3.13%	3.11%	2.87%
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%
Since Inception	278.07%	275.48%	238.33%
Inception Annualised	47.45%	47.16%	42.75%
August 2020	2.51%	2.11%	1.61%

*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

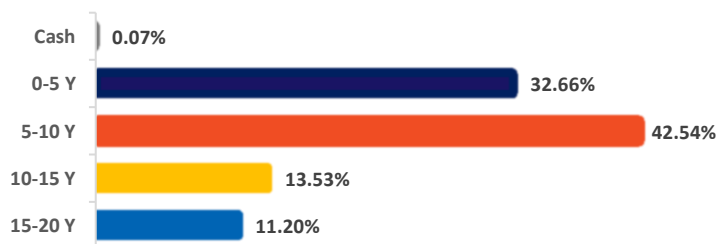
Average YTM	8.91%
Average Coupon	9.68%
Modified Duration of Bond Portfolio	5.64

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.35%	3.44%	3.92%
Sharpe Ratio (annualized)	2.57	2.49	1.96
% Gain Periods	58.97%	58.97%	53.36%
Value at Risk (parametric) – 95% (monthly)	-2.37%	-2.54%	-3.58%
Value at Risk (historical) – 95% (daily)	-0.91%	-0.88%	-1.08%
Conditional Value at Risk – 95% (daily)	-1.56%	-1.61%	-1.56%
Largest Drawdown	-17.05%	-19.12%	-21.23%

As of 31 August 2020, the weighted average yield to maturity of the portfolio reached 8.91% per annum. The Fund's weighted average AMD borrowing rate stood at 5.08%.

Financial leverage moved up to 4.22x, from 4.16x a month ago.

Portfolio maturity breakdown as of 31 August 2020



The total portfolio of the Fund consisted of 42.54% Government bonds with maturity of 5-10 years. Another 32.66% accounted for assets with maturity of 0-5 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.

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.