

**OVERVIEW**

Glocal Profix AMD Fund started the 2022 impressively by generating a positive return of 2.15% in January. This pushed the since-inception return of the Fund up to 225.57% equivalent to an annualized return of 27.60%.

December 2021 was another month with a positive performance for the Armenian economy – 9.9% y/y growth. According to preliminary data, economic growth for the year stood at 5.8%. In December, services increased by remarkable 12.3% y/y. Construction works expanded by 8.8% y/y, while industry went up by 7.9% y/y.

External turnover sustained its impressive performance in December, as well—an increase of 23.0% y/y. The figure for the year reached 17.7% y/y with exports up by 19.1% y/y to USD 3,022.4mln and imports up by 16.9% y/y to USD 5,356.8mln. As a consequence, the trade deficit widened by 14.2% y/y to USD 2,334.4mln.

CPI went up by 7.7% y/y. In order to prevent the further upward pressures of inflation, on 1 February, the Board of the Central Bank of Armenia decided for another 25bps increase in the refinancing rate, to 8.0%.

As of the end of January, the Armenian Dram depreciated against USD and appreciated against EUR, standing at AMD 482.78 and AMD 539.55, respectively.

In January, the Ministry of Finance of Armenia allocated Government bonds with a total volume of AMD 51bln and bought back bonds with a total volume of AMD 6bln. During the month, the yield of 10-year AMD-denominated Government bonds remained unchanged at 10.02%.

**FUND FACTS**

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

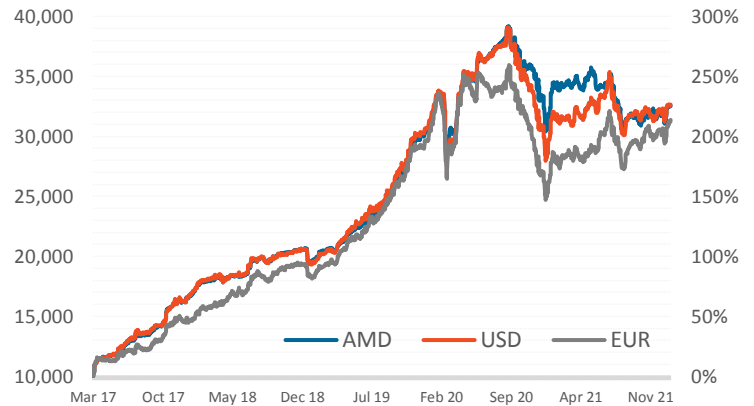
**NAV 31 January 2022 AMD 3,255.73**

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 10,960.68m
Net assets	AMD 3,093.17m
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.

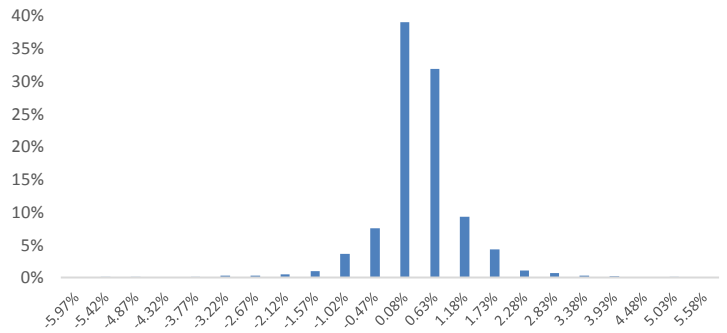
**PERFORMANCE**

**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 January 2022	AMD	USD*	EUR*
Average Monthly Returns	1.96%	1.97%	1.90%
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%
Q3 2020	4.17%	2.88%	-1.54%
Q4 2020	-11.67%	-17.45%	-21.23%
Q1 2021	2.47%	0.82%	5.46%
Q2 2021	-0.26%	6.85%	5.37%
Q3 2021	-7.27%	-5.03%	-2.60%
Q4 2021	0.57%	1.43%	4.06%
Since Inception	225.57%	226.31%	213.49%
Inception Annualised	27.60%	27.65%	26.60%
<b>January 2022</b>	<b>2.15%</b>	<b>1.60%</b>	<b>2.73%</b>

\*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

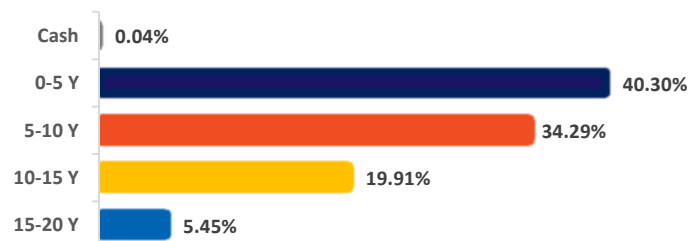
Average YTM	9.97%
Average Coupon	9.39%
Modified Duration of Bond Portfolio	5.36

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.60%	3.75%	4.17%
Sharpe Ratio (annualized)	1.08	1.04	0.88
% Gain Periods	55.55%	55.23%	51.43%
Value at Risk (parametric) – 95% (monthly)	-3.96%	-4.19%	-4.96%
Value at Risk (historical) – 95% (daily)	-1.08%	-1.10%	-1.23%
Conditional Value at Risk – 95% (daily)	-1.85%	-1.93%	-1.97%
Largest Drawdown	-22.47%	-28.40%	-31.31%

As of 31 January 2022, the weighted average yield to maturity increased by 0.09pps compared to December 2021, standing at 9.97% per annum. On the contrary, the weighted average AMD borrowing rate of the Fund contracted by 0.08pps m/m to 8.73%.

Financial leverage went up to 3.5x from 3.2x in the previous month.

### Portfolio maturity breakdown as of 31 January 2022



The Fund's total portfolio comprised 40.30% of assets with maturity of 0-5 years. Another 34.29% was allocated to Government bonds with maturity of 5-10 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.