

OVERVIEW

The NAV of the Glocal High-Yield Eurobonds Fund increased by 0.87% m/m in July 2023. The year-to-date figure went up to 15.36%, while the since-inception return increased to 43.75% or 46.00% annualized.

The growth of the Armenian economy in June 2023 slowed to 6.8% y/y. The respective figure for the H1 stood at 11.4% y/y. In June, the trade turnover and construction were the leaders in terms of growth with 20.3% y/y and 18.1% y/y, respectively. Services increased by 4.0% y/y. Conversely, industrial output decreased by 7.4% y/y. Nevertheless, for H1, all sectors of the economy demonstrated growth.

External trade expanded by 21.0% y/y to USD 1,476.6mln, with exports up by 2.5% y/y to USD 511.9mln and imports up by 33.8% y/y to USD 965.7mln. The foreign trade deficit widened by USD 231.5mln y/y to USD 453.8mln.

The CPI contracted by 0.1% y/y in July. On 1 August, the Board of the Central Bank of Armenia made another 0.25pps cut of the refinancing rate – for the second time in row, to 10.25%. In July, the CBA purchased USD 230.0mln at an average exchange rate of AMD 387.6. The year-to-date volume of purchases amounted to USD 1.0bln. As of the end of the month, the Armenian Dram depreciated against both USD and EUR, standing at AMD 386.1 and AMD 426.1 respectively.

FUND FACTS

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

NAV 31 July 2023
USD 143.75

Type of fund	Fixed income, non-public, open-ended
Date of 1st NAV	16 August 2022
Base currency	USD
Holdings	Government and corporate Eurobonds and Bonds, bank deposits and cash
Refinancing instrument	Repurchase agreements
NAV Calculation	Daily
Management fee	1.0% on NAV
Performance fee*	10%
Tax rate	0.01% of NAV
Initial investment, min.	USD 100,000
Distribution policy	Reinvesting
Unit custodian	Armbrok Investment Company
Assets under management	USD 7.34mln
Net assets	USD 1.01mln
Auditors	EY

* Calculated and deducted at the end of each year following the placement of units, and if they are redeemed before the settlement date, upon redemption.

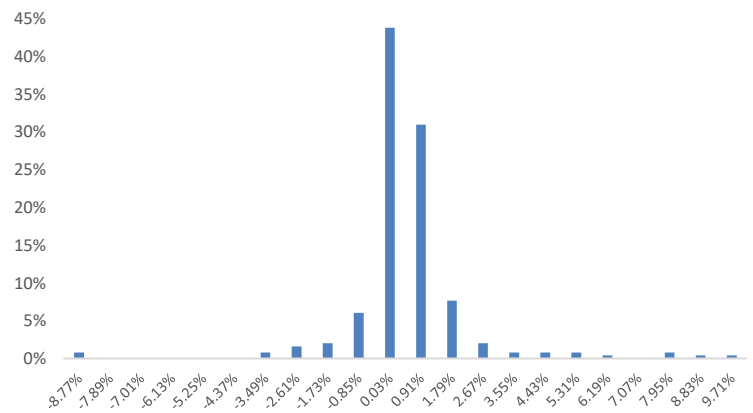
PERFORMANCE

Cumulative Performance Since Inception (per \$10K)



Net of management fees and operational costs and taxes.

Relative Frequency Distribution of Daily Returns



Returns to 31 July 2023

Average Monthly Returns	3.05%
Q3 2022	-4.80%
Q4 2022	30.89%
Q1 2023	8.89%
Q2 2023	5.03%
Since Inception	43.75%
Inception Annualized	46.00%
July 2023	0.87%

Risk Measures

Standard Deviation of Returns (monthly)	8.95%
% Gain Periods	51.60%
Value at Risk (parametric) – 95% (monthly)	-11.68%

Average YTM (Bond portfolio)	7.86%
Average Coupon	5.70%
Average Maturity	3.58 Years

Portfolio Allocation breakdown as of 31 July 2023

By Sector	
Eurobonds	12.76%
Cash	87.24%
By Currency	
USD	80.64%
AMD	0.57%
EUR	18.59%
RUB	0.20%

Weighted by fair value

The Fund's total portfolio comprised 12.76% of USD-denominated Eurobonds. The remaining part is allocated in cash: 87.24%.

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.