

## OVERVIEW

Glocal Profix USD Fund reported an increase of the NAV by 0.85% m/m in June 2023. The year-to-date figure went up to 3.08%, while the since-inception return rose to 90.50% or 11.71% annualized.

In May 2023, the Armenian economy reported an impressive y/y growth of 13.7%. As for the sectoral performance, trade was the leader in terms of growth rate – 24.5% y/y, followed by construction works and services – 18.4% y/y and 12.3% y/y, respectively. The industrial output rose by 5.3% y/y.

External trade continued its impressive performance. In May, the respective turnover expanded by 50.5% y/y to USD 1,525.6mln. Exports increased by 47.6% y/y to USD 526.7mln, while imports went up by 52.1% y/y to USD 998.9mln. Foreign trade deficit widened by USD 172.3mln y/y rounding to USD 472.2mln.

A 0.5 y/y deflation was reported for June. As a response to the recent declining pattern of inflation, the Board of the Central Bank of Armenia decided to cut the refinancing rate by 0.25pps to 10.50%. During the month, the CBA purchased USD 198.8mln at an average exchange rate of AMD 387.6. The year-to-date volume of purchases amounted to USD 791.2mln. As of the end of the month, the Armenian Dram appreciated against USD and depreciated against EUR, standing at AMD 386.1 and AMD 418.9 respectively.

## FUND FACTS

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

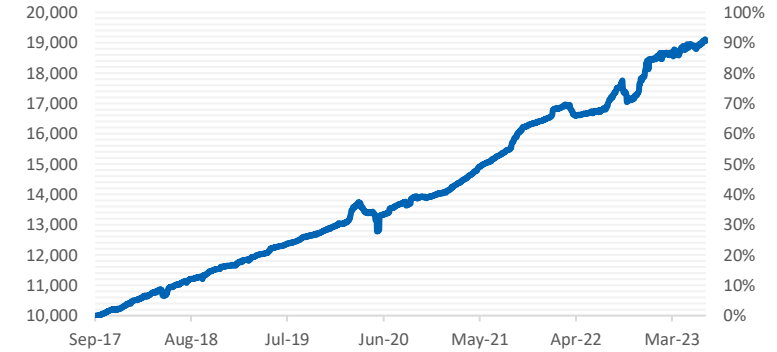
**NAV 30 June 2023 USD 19.05**

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	2.0% on NAV
Performance fee*	10% over a 7% 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	Armbrok Investment Company
Assets under management	USD 6.43m
Net assets	USD 2.14m
Auditors	EY

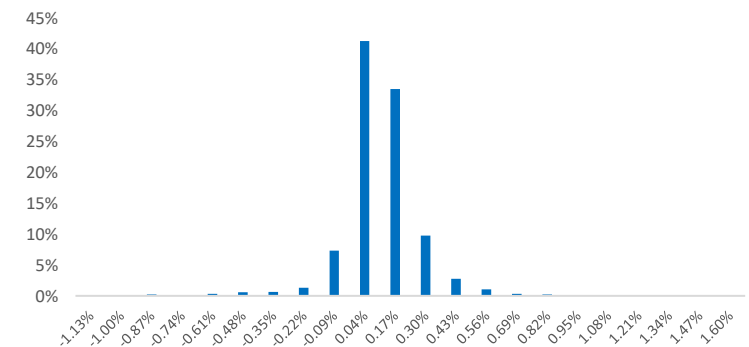
\*Performance fee is calculated and charged once on redemption date. Any return over 10% annual compounded hurdle rate is subject to incentive fee deductions

## PERFORMANCE

### Cumulative Performance Since Inception (per \$10K)



### Relative Frequency Distribution of Daily Returns



### Returns to 30 June 2023

Average Monthly Returns	0.89%
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%
Q3 2020	2.44%
Q4 2020	1.30%
Q1 2021	4.05%
Q2 2021	4.10%
Q3 2021	6.30%
Q4 2021	2.10%
Q1 2022	0.42%
Q2 2022	1.02%
Q3 2022	1.91%
Q4 2022	8.13%
Q1 2023	1.19%
Q2 2023	1.87%
Since Inception	<b>90.50%</b>
Inception Annualized	<b>11.71%</b>
<b>June 2023</b>	<b>0.85%</b>

Risk Measures	
Standard Deviation of Returns (monthly)	0.98%
Sharpe Ratio (annualized)	2.05
Largest Drawdown	-7.06%
% Gain Periods	78.66%
Value at Risk (parametric) – 95% (monthly)	-0.72%
Value at Risk (historical) – 95% (daily)	-0.18%
Conditional Value at Risk – 95% (daily)	-0.41%

#### Portfolio Allocation breakdown as of 30 June 2023

By Sector	
Banks	42.38%
Other Financial Institutions	4.76%
Eurobonds	52.44%
Cash	0.42%
By Currency	
USD	99.83%
AMD	0.17%

Weighted by fair value

The Fund's total portfolio comprised 99.58% of USD-denominated corporate bonds. The remaining part is allocated in cash: 0.42%.

In June the Fund reported an increase of the financial leverage ratio to 3.0x from 2.9x in May.

#### Statistical data

Average YTM (Total portfolio)	6.93%
Average YTM (USD Bond portfolio)	6.96%
Average Coupon	6.22%
Average Maturity	2.05 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.