

## OVERVIEW

The NAV of the Glocal High-Yield Eurobonds Fund went down by 1.39% m/m in October 2023, pushing the year-to-date figure down to 16.86%. The since-inception return rounded to 45.62% or 36.39% annualized.

The Armenian economy remained on the growth track in September 2023, as well, with a 5.3% y/y increase of the GDP. The 9M figure stood at 9.7% y/y. Trade turnover and construction works were the main drivers of the economic activity: +21.8% y/y and +15.7% y/y. Services increased by 4.6% y/y. Conversely, a decline of 4.3% y/y was reported for the industrial output.

During the same period, the volume of the external trade turnover surged by 7.2% y/y to USD 1,600.8mln, with exports up by 9.6% y/y to USD 654.6mln and imports up by 5.6% y/y to USD 946.2mln. Due to a faster growth of exports, the foreign trade deficit narrowed by USD 7.2mln y/y to USD 291.6mln.

The CPI increased by 0.1% y/y. Persistence of deflation threats forced the CBA to continue the expansionary monetary policy and make another 0.25pps cut of the refinancing rate (fourth consecutive) on 31 October. The new rate was set at 9.5%.

In October, the CBA sold USD 50.0mln at an average exchange rate of AMD 419.3. As of the end of the month, the Armenian Dram depreciated against both USD and EUR, standing at AMD 403.0 and AMD 428.8 respectively.

## FUND FACTS

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

**NAV 31 October 2023 USD 145.62**

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 1.41mln
Net assets	USD 1.41mln
Auditors	EY

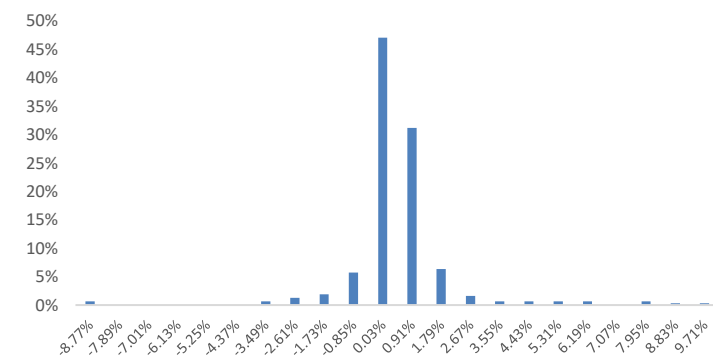
\* Calculated and deducted at the end of each year following the placement of units, and if they are redeemed before the settlement date, upon redemption.

## PERFORMANCE

### Cumulative Performance Since Inception (per \$100K)



### Relative Frequency Distribution of Daily Returns



### Returns to 31 October 2023

Average Monthly Returns	2.50%
Q3 2022	-4.80
Q4 2022	30.89%
Q1 2023	8.89%
Q2 2023	5.03%
Q3 2023	3.63%
Since Inception	45.62%
Inception Annualized	36.39%
<b>October 2023</b>	<b>-1.39%</b>

### Risk Measures

Standard Deviation of Returns (monthly)	8.14%
Largest Drawdown	-24.46%
% Gain Periods	50.00%
Value at Risk (parametric) – 95% (monthly)	-10.90%

Average YTM (Bond portfolio) as of 31 October 2023	11.27%
Average YTM (Bond portfolio) as of purchase date	7.67%
Average Coupon	5.29%
Average Maturity	3.62 Years

### Portfolio Allocation breakdown as of 31 October 2023

By Sector	
Eurobonds	77.95%
Cash	22.05%
By Currency	
USD	99.68%
AMD	0.11%
EUR	0.21%

Weighted by fair value

The Fund's total portfolio comprised 77.95% of USD-denominated Eurobonds. The remaining part is allocated in cash: 22.05%.

### 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.