

## OVERVIEW

Glocal Profix USD Fund reported a negative return of 0.21% in October 2023. The year-to-date figure equaled 3.41%. The since-inception return contracted to 91.10% or 11.09% 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.

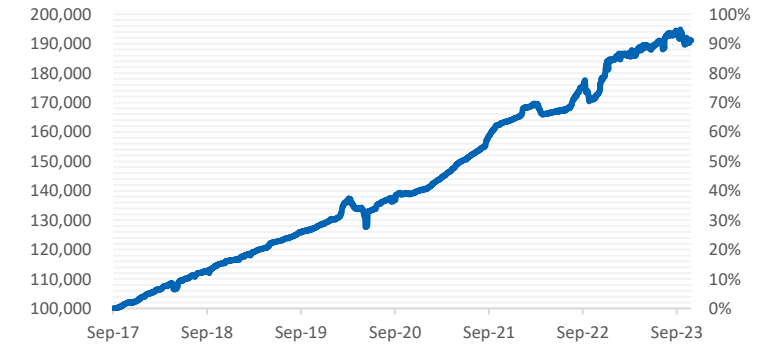
**NAV 31 October 2023 USD 19.11**

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 4.58mln
Net assets	USD 2.14mln
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

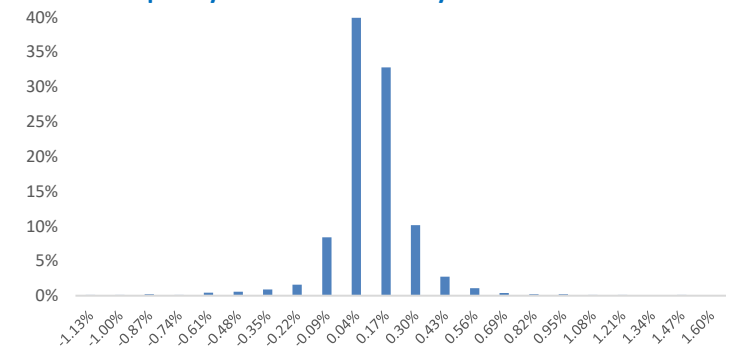
## PERFORMANCE

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



Net of management fees and operational costs and taxes.

### Relative Frequency Distribution of Daily Returns



### Returns to 31 October 2023

Average Monthly Returns	0.85%
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%
Q3 2023	0.52%
Since Inception	<b>91.10%</b>
Inception Annualized	<b>11.09%</b>
<b>October 2023</b>	<b>-0.21%</b>

Risk Measures	
Standard Deviation of Returns (monthly)	1.03%
Sharpe Ratio (annualized)	1.50
Largest Drawdown	-7.06%
% Gain Periods	77.13%
Value at Risk (parametric) – 95% (monthly)	-0.85%
Value at Risk (historical) – 95% (daily)	-0.20%
Conditional Value at Risk – 95% (daily)	-0.46%

#### Portfolio Allocation breakdown as of 31 October 2023

By Sector	
Banks	41.40%
Other Financial Institutions	6.60%
Eurobonds	44.50%
Real Sector	6.87%
Cash	0.63%
By Currency	
USD	99.68%
AMD	0.32%

Weighted by fair value

The Fund's total portfolio comprised 99.37% of USD-denominated bonds. The remaining part is allocated in cash: 0.63%.

Compared to September, the financial leverage ratio of the Fund declined to 2.1x from 2.6x.

#### Statistical data

Average YTM (Total portfolio) as of 31 October 2023	6.74%
Average YTM (Total portfolio) as of purchase date	6.80%
Average YTM (USD Bond portfolio) as of 31 October 2023	6.78%
Average Coupon	5.26%
Average Maturity	2.84 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.

