

## OVERVIEW

Glocal Profix AMD fund performed 2.53% in December 2019. This brought annual return for FY2019 to impressive 45.96% enabling the Fund to outperform its target return of 26% for the third year in a row.

According to Statistical Report for November, GDP of Armenia expanded by remarkable 10.1% y/y; CPI surged by 1.0%.

In November, main contributors to economic growth were Industry, Trade and Services with respective increases of 13.8%, 11.9% and 11.6% y/y. Construction volume went up by 4.8% y/y, while electricity production declined by 9.3% y/y. During the month, Exports expanded by impressive 25.7% y/y, bringing 11-months volume up to USD 2,401.7mln, while Imports increased by 9.6%. Trade deficit for 11 months widened by USD 109.3mln y/y, rounding to USD 2,428.3mln.

The Central Bank kept main refinancing rate unchanged at 5.5%; during December, Armenian dram depreciated against both USD and EUR – standing at 479.70 and 537.26, respectively; yield of 10-year AMD-denominated Government bonds contracted by 0.2pps rounding to 8.3%.

The Fund performed 200.55% since inception, rounding to 49.07% if annualized.

## FUND FACTS

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

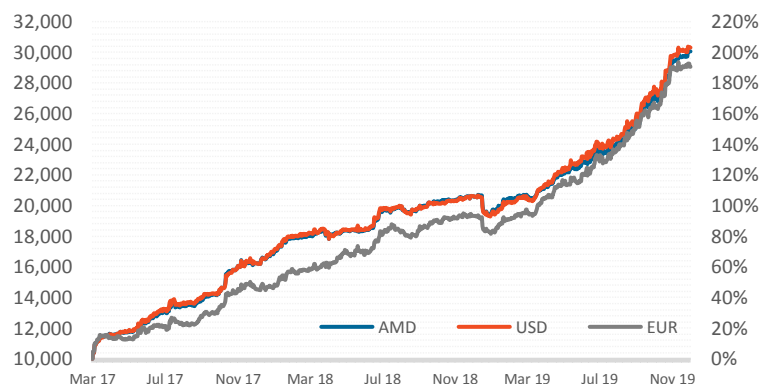
**NAV 31 December 2019 AMD 3,005.49**

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 7,941.22m
Net assets	AMD 2,690.33m
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.

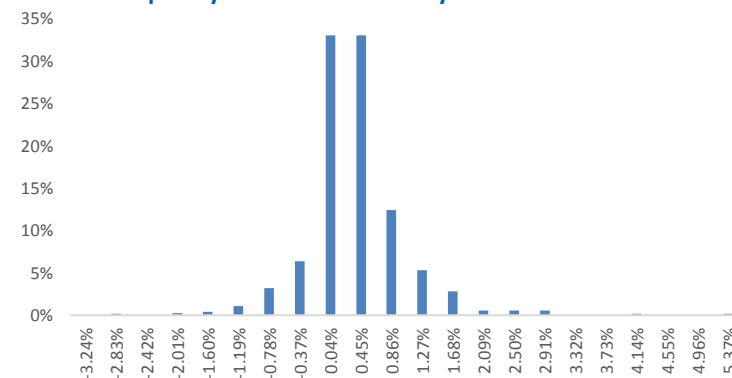
## PERFORMANCE

### 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 Dec 2019	AMD	USD*	EUR*
Average Monthly Returns	3.22%	3.24%	3.12%
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%
Since Inception	200.55%	203.16%	190.63%
Inception Annualised	49.07%	49.54%	47.27%
<b>December 2019</b>	<b>2.53%</b>	<b>2.14%</b>	<b>0.37%</b>

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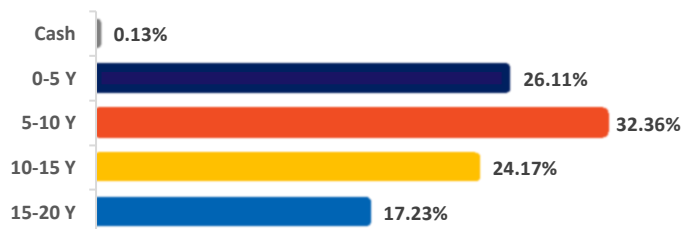
### Statistical data

Average YTM	10.00%
Average Coupon	10.73%
Modified duration	5.29

Risk Measures	AMD	USD	EUR
Standard Deviation of Returns (monthly)	3.01%	3.03%	3.53%
Sharpe Ratio (annualized)	2.90	2.92	2.38
% Gain Periods	59.05%	59.33%	54.60%
Value at Risk (parametric) – 95% (monthly)	-1.74%	-1.74%	-2.69%
Value at Risk (historical) – 95% (daily)	-0.80%	-0.79%	-0.97%
Conditional Value at Risk – 95% (daily)	-1.29%	-1.31%	-1.30%
Largest Drawdown	-6.34%	-6.60%	-6.73%

As of December 2019, the weighted average yield to maturity of the portfolio rounded to 10.00% per annum. Fund's weighted average borrowing rate equalled 6.01%; Financial leverage dropped to 2.95, from 3.05 a month ago.

#### Portfolio maturity breakdown as of December 31, 2019



Government bonds with maturity of 5-10 years comprised 32.36% of portfolio's total assets; 0-5 years accounted for 26.11% of portfolio.

#### 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.