

OVERVIEW

In December Glocal Profix AMD Fund's return was +1.06%. Fund reached +62.29% total return within 9 months of its operations.

In 2017 Armenian economy appeared to be in the early expansion phase. The economic activity increased and total output of major industries such as IT, agriculture, manufacturing and tourism expanded. Interest rates decreased and fiscal policy remained slack for various sectors. Inflation crept upward at a moderate rate during the year.

The management continues to have positive outlook for 2018. Moderate correction in overall interest rates is anticipated, the economic activity is expected to continue accelerating. Refinancing rate is to remain stable with little likelihood of slight rise.

Equally weighted yield to maturity of coupon paying AMD denominated government bonds dropped by 14 basis points in December.

FUND FACTS

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

NAV 31 December 2017 **AMD 1,622.93**

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
Expected 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 3,169m
Net assets	AMD 1,012m

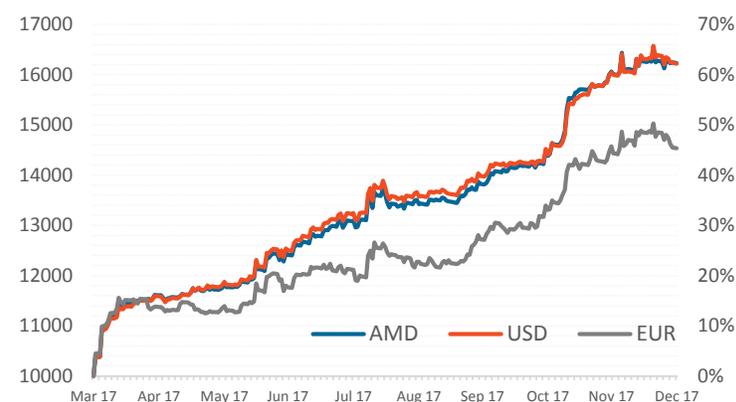
*Performance fee is calculated and charged once on redemption date. Any return over 20% annual compounded hurdle rate is subject to incentive fee deductions.

Statistical data

Yield to maturity	10.74
Modified duration	5.09
Convexity	40.45
Convexity adjusted DV01	AMD 157.47m
Daily analytical VaR [$\alpha = 5\%$]	0.70%
Daily historical VaR [$\alpha = 5\%$]	0.49%

PERFORMANCE

Investment Performance Since Launch Per 10,000 AMD/USD/EUR



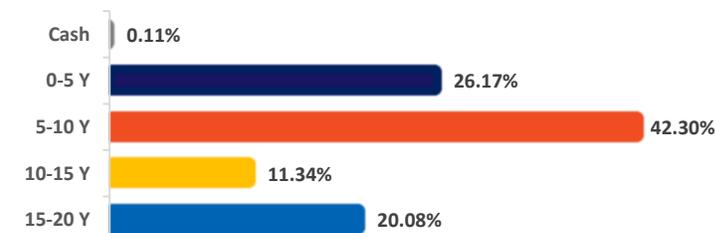
Net of management fees and operational costs and taxes.

Y 2017	AMD	USD*	EUR*
April	16.10%	15.90%	13.77%
May	1.88%	2.44%	0.13%
June	4.97%	5.31%	3.30%
July	5.44%	5.90%	2.96%
August	2.53%	2.51%	1.30%
September	2.97%	2.97%	3.62%
October	4.06%	3.10%	4.62%
November	11.67%	11.34%	9.53%
December	1.06%	1.10%	-0.26%
Since inception	62.29%	62.22%	45.35%

*The investment performance in AMD is translated to hypothetical performance in USD and EUR using daily rates provided by Central Bank of Armenia

In December, the Fund reported positive return of 1.06%. The weighted average yield to maturity of the portfolio's holdings was 10.74% per annum by the end of the month. The weighted average annualized effective rate at which the Fund borrowed against its assets was 6.68% during December. The portfolio's financial leverage was 3.13 by the end of the month.

Portfolio maturity breakdown as of December 31st, 2017



Weighted by fair value

Government bonds with 5-10 years until maturity comprise 42.30% of portfolios total assets. Cash reserves amount to 0.11% of total 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.