

INVESTMENT POLICY OF THE FUND

The objective of the investment fund is to make the Polish bond market accessible to the investors, and to function as a relatively stable, medium-risk investment form bringing steady real yields to our Clients on middle term already, without having to tie down their money for a fixed period of time. The Fund mainly invests in Polish government securities issued in zloty, however, the portfolio manager has some room to complement the portfolio with other bond-type investments. Our goal is to achieve the highest yield while taking the lowest risk. To make investment decisions we use the tools of both fundamental and technical analysis, and we take into consideration the investor sentiment on the markets at all times. The portfolio manager seeks out potential investment opportunities based on the macro-economical expectations, the expected yield curve, the return expected on the curve and the market volatility, and selects investments that are considered to be safe and bring relatively high yields in exchange for the risks taken. The Fund strives for complete exchange risk coverage of foreign currency exposure for the target currency.

MARKET SUMMARY

In January, Polish bonds experienced a volatile month: in the first half of the month, the yield curve moved lower, followed by opposite movements in the market, but overall regarding the main maturities, yield curve ended the month a few basis points lower. Yield changes were shaped by international, predominantly US macro data: investors try to price in when major central banks may start cutting base rates, and what size can be expected during the course of 2024. As stronger than expected US macro data came to light, optimism from the very beginning of the year was over and yields increased from lowest points seen in January. At the beginning of the month, the Polish central bank kept the base rate unchanged, so it remained at 5,75% in line with market expectations. The communication of the central bank's governor was somewhat hawkish; according to the Monetary Council, the current economic situation is favorable, and at the beginning of the year, disinflation could be stronger than indicated in the latest central bank publication. However, this larger decrease is expected to be temporary, as in the second half of the year, the inflation rate could rise again to around 6-8%. Moving on with the economic data, according to the first Bloomberg opinion poll of the year, the economy could have grown by 0.5% in 2023 and a 2.9% economic growth may come in 2024. The Purchasing Managers' Index (PMI) decreased to 47,1 in January from the previous month's 47.4, below the market expectations. The index is still below the 50 threshold, indicating a contraction, as both output and new orders continued to decline due to the uncertain economic environment. Industrial production recorded a 3.9% decline in the last month of the previous year, but this was above market expectations indicating a 5% drop. The current account balance continued to improve, with the 12-month rolling balance reaching 1.4% of GDP by November.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% TBSP Index
ISIN code:	HU0000710942
Start:	08/07/2012
Currency:	PLN
Net Asset Value of the whole Fund:	14,861,875,782 HUF
Net Asset Value of I series:	110,082,408 PLN
Net Asset Value per unit:	1.251157 PLN

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	53.48 %
Corporate bonds	40.04 %
T-bills	2.20 %
Current account	4.15 %
Receivables	0.30 %
Liabilities	-0.20 %
Market value of open derivative positions	0.03 %
Total	100,00 %
Derivative products	7.57 %
Net corrected leverage	101.48 %

Assets with over 10% weight

POLGB 2032/04/25 1,75% (Polish State)

BGOSK 07/03/25 1.25% (Bank Gospodarstwa Krajowego)

POLGB 2027/05/25 3,75% (Polish State)

POLGB 2028/07/25 7,5% (Polish State)

SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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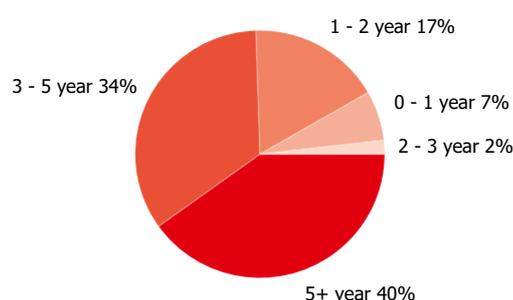
RISK PROFILE



NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	0.52 %	0.45 %
From launch	1.97 %	3.15 %
1 month	0.52 %	0.45 %
3 months	2.89 %	2.50 %
2023	13.52 %	12.80 %
2022	-13.09 %	-5.03 %
2021	-10.34 %	-9.74 %
2020	6.00 %	6.42 %
2019	3.73 %	3.94 %
2018	4.17 %	4.67 %
2017	4.17 %	4.77 %
2016	0.22 %	0.25 %
2015	0.83 %	1.68 %
2014	9.56 %	9.45 %

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 08/07/2012 - 01/31/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	3.93 %
Annualized standard deviation of the benchmark's weekly yields-based on 1 year	4.19 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	8.04 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	6.61 %
WAM (Weighted Average Maturity)	3.83 years
WAL (Weighted Average Life)	4.48 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
POLGB 2032/04/25 1,75%	interest-bearing	Polish State	04/25/2032	18.95 %
BGOSK 07/03/25 1.25%	interest-bearing	Bank Gospodarstwa Krajowego	07/03/2025	14.24 %
POLGB 2027/05/25 3,75%	interest-bearing	Polish State	05/25/2027	13.86 %
POLGB 2028/07/25 7,5%	interest-bearing	Polish State	07/25/2028	10.87 %
BGOSK 2030/06/05 2,125%	interest-bearing	Bank Gospodarstwa Krajowego	06/05/2030	7.09 %
POLGB 2024/10/25 2,25%	interest-bearing	Polish State	10/25/2024	6.19 %
BGOSK 2027/04/27 1,875%	interest-bearing	Bank Gospodarstwa Krajowego	04/27/2027	5.50 %
US 10YR NOTE (CBT)Mar24 Buy	derivative	Raiffeisen Hun	03/19/2024	5.38 %
BGOSK Float 06/12/31	interest-bearing	Bank Gospodarstwa Krajowego	06/12/2031	5.33 %
BGOSK 2033/07/21 2,25%	interest-bearing	Bank Gospodarstwa Krajowego	07/21/2033	3.74 %

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbtv. requirements. It contains the following elements based on the last net asset value of the reporting month: presentation of the assets of the fund regarding asset type of portfolio investment and regarding other categories detailed in its investment policy; list of assets (issuers) representing more than 10% of the portfolio; net asset value of the fund, including the cumulated and the calculated value per unit share. Investors are kindly advised, that past performance of the fund does not guarantee future performance. The returns presented are to be considered without applicable taxes, distribution fees and commissions, fees related to account keeping and other costs in relation with holding an investment fund unit. Information presented in the Portfolio Report are for information purposes only, not intended to serve as investment advice, or any other offer. Investors are kindly advised to carefully read the Key Investors Document and Prospectus of the fund, in order to understand the risks of investing into the fund, and to be able to make an informed investor decision. The referred documents are available at the distribution locations and on the official website of VIG Fund Management Zrt. VIG Investment Fund Management Hungary | 1091 Budapest, Üllői út 1. | +36 1 477 4814 | alapkezo@am.vig | www.vigam.hu