

VIG Developed Market Short Term Bond Investment Fund

UI series USD MONTHLY report - 2024 SEPTEMBER (made on: 09/30/2024)

INVESTMENT POLICY OF THE FUND

The aim of the Fund is to increase the euro savings held in the Fund, while assuming low interest-rate and credit risk. The Fund mainly buys short-term, euro-denominated bonds of investment-grade issuers, and aims to generate a return for investors through interest income and price gains on them. The Fund Manager invests the savings held in the Fund in short-term bonds denominated in euros. The Fund Manager assumes a low interest-rate risk; the modified duration of the portfolio is more than 6 months, but may not be higher than 2.5 years. The Fund also follows a cautious strategy in terms of assuming credit risk, investing a maximum of just 10% of its assets in bonds of non-investment grade or non-credit rated issuers. The Fund primarily invests in developed-market government securities, but this can also be supplemented by credit-institution, corporate and/or municipal bonds, as well as by term deposits and repo transactions. The Fund can also invest a small part of its portfolio in emerging markets. In addition, the Fund may invest in collective investment forms, and can fine-tune the design of its portfolio through the use of derivatives (stock-exchange and OTC transactions). The Fund invests exclusively in securities denominated in euros, and may hold currency assets in bank deposits or bank accounts only for the purpose of liquidity management and currency hedging. It is not possible to make individual investor decisions in the Fund. No individual investor's decisions can be made in the Fund.

MARKET SUMMARY

The Eurozone composite PMI slowed to 48.9 last month, flagging that business activity came to a standstill at the end of the last quarter. The Ifo Business Climate Index plunged for a fourth consecutive month in September, especially in manufacturing. In the United States, consumer confidence slowed further in September, despite weekly initial jobless claims remained low. China announced a package of supportive measures to revive the economy on the fiscal and monetary spheres. The OECD published its recent forecasts and now expects global GDP growth to stabilize at 3.2% in 2024 and the following 2025 year. EGBs remained well-supported, with curves continuing to bull-steepen. Credit spreads remained almost unchanged, with the auto sector performing poorly. EM external debt performed strongly on expectations of the U.S. economy soft-landing. Equities spurred by news of policy stimulus in China. EUR/USD traded mostly flat close to 1.11, and USD/JPY returned to around 143 after spiking at 146.50, USD/CNH fell below 7.00, EUR/HUF and EUR/CZK both moved higher, reflecting a worsening outlook for exports. We switched to Belgian government bonds from French ones, added to the EU positions and relocated some duration from Italy to Bulgarian government papers, amid stayed positive towards asset class overall.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Fund has no benchmark
ISIN code:	HU0000732052
Start:	10/03/2023
Currency:	USD
Net Asset Value of the whole Fund:	34,498,557 EUR
Net Asset Value of UI series:	10,562 USD
Net Asset Value per unit:	1.056207 USD

DISTRIBUTORS

SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	91.06 %
Corporate bonds	7.12 %
T-bills	1.79 %
Liabilities	-0.15 %
Current account	0.11 %
Receivables	0.11 %
Market value of open derivative positions	-0.03 %
Total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %
Assets with over 10% weight	
BTPS 6 1/2 11/01/27 (Italian State)	

RISK PROFILE

1	2	3	4	5	6	7
←			→			
Lower risk			Higher risk			

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NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	3.14 %	
From launch	5.62 %	
1 month	1.05 %	
3 months	2.98 %	
6 months	3.40 %	

NET PERFORMANCE OF THE SERIES

net asset value per share, 10/03/2023 - 09/30/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	1.53 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	1.53 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	1.53 %
WAM (Weighted Average Maturity)	2.21 years
WAL (Weighted Average Life)	2.37 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
BTPS 6 1/2 11/01/27	interest-bearing	Italian State	11/01/2027	15.30 %
FRTR 2,5% 09/24/26	interest-bearing	French state	09/24/2026	9.61 %
EU 2 7/8 12/06/27	interest-bearing	European Union	12/06/2027	7.09 %
FRTR 1 05/25/27	interest-bearing	French state	05/25/2027	6.75 %
SPGB 2027/10/31 1,45%	interest-bearing	Spanish State	10/31/2027	6.42 %
EFSF 02/17/25 0,4%	interest-bearing	European Financial Stability Facility	02/17/2025	5.18 %
RAGB 0 1/2 04/20/27	interest-bearing	Austrian State	04/20/2027	5.02 %
Francia Államkötvény 2025/10 6,00%	interest-bearing	French state	10/25/2025	4.69 %
SPGB 2 1/2 05/31/27	interest-bearing	Spanish State	05/31/2027	3.96 %
PGB 2,875 10/15/25	interest-bearing	Portuguase State	10/15/2025	3.29 %

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