

# VIG Active Beta Flexible Allocation Inv Fund

U series USD MONTHLY report - 2025 FEBRUARY (made on: 02/28/2025)

## INVESTMENT POLICY OF THE FUND

The Fund's objective is to create an investment portfolio that is intended to achieve capital growth through active portfolio management, investing predominantly in US and European companies. Accordingly, the Fund Manager's investment portfolio is composed of developed-market equities, predominantly securities issued by US and European companies and short-term developed-market government bonds. The Fund pursues an active asset allocation policy. If the Fund Manager considers the prevailing capital market conditions to be unfavourable, it may significantly reduce equity exposure in order to protect capital. If capital market conditions appear ideal for taking equity exposure, the Fund Manager may invest the Fund's assets entirely in equities. On average over a full market cycle, the portfolio maintains an equity ratio of approximately 70%.

The Fund's investment universe includes the developed equity, bond and money markets. The Fund intends to hold liquidity related to trading needs in bank deposits or short-term developed-market government securities. As a general rule, of all the equities in the investment universe, the Fund intends to hold those that are considered the most popular among business partners, employees and investors.

The Fund Manager may significantly reduce equity exposure in the event of a break in a rising trend. In this situation, the Fund mainly holds foreign-currency money-market instruments in its portfolio. In the event of a rising market trend and increasing global risk appetite, the Fund will invest in developed-market equities as mentioned above.

The Fund invests at least 80% in assets that are issued and traded outside Hungary.

## MARKET SUMMARY

February was another rollercoaster month for international equity markets. Optimism was initially sparked by President Trump's decision to pause tariffs on Mexico, but this was quickly overshadowed by rising inflation concerns, leading to declines in major indices such as the Dow and S&P 500. The technology sector initially boosted the market, particularly with strong performances from companies such as Nvidia, but disappointing results from tech giants such as Alphabet and AMD raised concerns about sustainable growth.

The US labour market showed signs of weakness, with unemployment claims rising and job openings falling. At the same time, fears of potential tariff hikes and inflation (highlighted by a higher-than-expected CPI report) grew. The Federal Reserve's stance on interest rates remained cautious, with persistent inflation and wage growth suggesting that rate cuts may not be imminent. The S&P 500 and the Nasdaq suffered significant declines, exacerbated by a poor sales outlook from Walmart and a sharp drop in consumer sentiment.

European equities have outperformed their US counterparts, with the Stoxx 600 Index up almost 9% year-to-date. The positive sentiment in Europe has been attributed to several factors, including a potential de-escalation of the conflict in Ukraine, which could further reduce energy prices and boost economic growth. The European Central Bank's recent interest rate cuts have also supported the market, creating a more favourable environment for equities. On the other hand, the new US administration's negative stance on NATO created considerable uncertainty, but also led to expectations of increased defence spending. At the end of January, our quantitative models recommended exposure to both US and European equities. The AI story was still one of the most popular investment themes during the month and we had allocations to some of the companies in the space. The general market sell-off that started with WallMart's earnings report hit some of our holdings hard. Our worst performer was Palantir, where market participants saw the company's contracts with various US government agencies at risk because of DOGE. Our best performer was Rheinmetall, the flagship of the European defence industry, which stands to benefit the most from European rearmament.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Erste Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary 70% MSCI World Net Total Return
Benchmark composition:	EUR Index + 30% BBG Euro Tre Bills Index TR Index Value Unh EUR
ISIN code:	HU0000734645
Start:	10/08/2024
Currency:	USD
Net Asset Value of the whole Fund:	11,067,576,417 HUF
Net Asset Value of U series:	2,784,989 USD
Net Asset Value per unit:	0.989470 USD

## DISTRIBUTORS

CIB BANK ZRT, Concorde Securities Ltd., Erste Investment Plc., MBH Befektetési Bank Zrt, Raiffeisen Bank cPlc., VIG Asset Management Hungary Plc.

## 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
International equities	87.16 %
T-bills	2.53 %
Current account	9.97 %
Receivables	0.69 %
Liabilities	-0.35 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	0.00 %
Net corrected leverage	100.00 %

### Assets with over 10% weight

There is no such instrument in the portfolio

## RISK PROFILE

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

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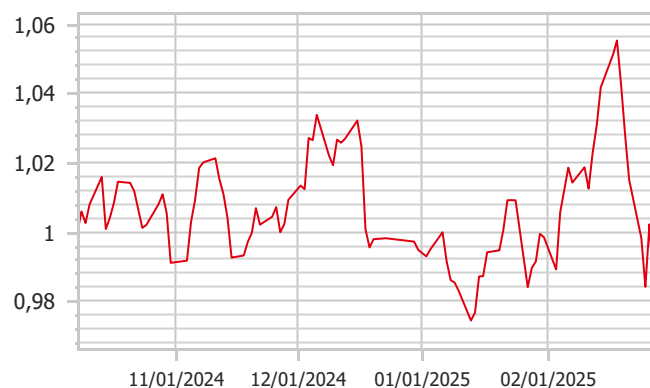


## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	-0.53 %	
From launch	-1.05 %	
1 month	-0.90 %	
3 months	-1.96 %	

## NET PERFORMANCE OF THE SERIES

net asset value per share, 10/08/2024 - 02/28/2025



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	9.79 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	6.93 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	9.79 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	9.79 %
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

## 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