

VIG Alfa Absolute Return Investment Fund

C series CZK MONTHLY report - 2024 SEPTEMBER (made on: 09/30/2024)

INVESTMENT POLICY OF THE FUND

The aim of the fund is to achieve a substantial yield for investors by taking high risks and making active use of derivative positions. The Fund applies special investment strategies used by hedge funds to establish its strategy. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds (treasury bonds, discounted treasury bills, bonds issued by the National Bank of Hungary, as well as low-risk bank and corporate bonds expected to bring higher yields than the state securities) Equities and other securities, indices and currencies - provided it sees the opportunity to make substantial gains – up to the maximum limit allowed by the law, which allows double leverage for the Fund. In its investment decisionmaking mechanism, the Fund considers fundamental pricing, technical and behavioral psychological factors To ensure liquidity the Fund aims to hold government securities issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary.

MARKET SUMMARY

US equity markets started September at near-peak levels in a seasonally weak September, but saw a significant correction in the middle of the month. The soft-landing narrative held at the beginning of the month as the inflation was lower than expected. Investors waited for the Fed rate decision with more attention than usual, and a 25 bps cut in line with the soft-landing was more likely at the beginning of the month. This was supported by positive macro data such as low inflation and GDP growth forecasts. However, the labor market data showed a worrying sign, with employment growth slowing down, leading the Fed to finally cut rates by 50 basis points. The stock market reacted positively to the higher cut. The decision contributed to a temporary weakening of the dollar and a decline in short term yields. In Hungary, the gradual moderation in inflation was a positive, but the slowdown in Hungarian exports, especially of automotive products, further worsened the economic outlook. The forint exchange rate fluctuated, mainly due to uncertainties surrounding international interest rate decisions. Overall sentiment was strongly influenced by the international economic slowdown and fears of a recession in Europe. Easing energy prices helped the Hungarian economy, but industrial production and domestic consumption remained under pressure, limiting the growth potential of markets. The MNB cut its base rate by another 25 basis points to 6.50%.

In September, the Fund continued to gain on the back of falling regional bond yields and a weakening forint. During the month, we took profits in Richter and OTP, but overall we slightly increased our equity weight by buying regional equities, although maintained our hedge position on the S&P500 index and increased our exposure to the weakening forint against USD and EUR. We have become more optimistic in the short term on the back of the Fed's 50-point rate cut and the Chinese capital market and economic stimulus, but we continue to see the greatest return potential in long regional EUR denominated government bonds, and we do not intend to change the Fund's risk level as the geopolitical situation continues to deteriorate.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Hurdle rate, annual 4%
ISIN code:	HU0000716006
Start:	03/17/2016
Currency:	CZK
Net Asset Value of the whole Fund:	50,447,289,273 HUF
Net Asset Value of C series:	4,059,418 CZK
Net Asset Value per unit:	1.254251 CZK

DISTRIBUTORS

Conseq Investment Management, a.s., ERSTE Group Bank AG Austria, Patria Finance, a.s.

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	45.96 %
Corporate bonds	24.20 %
International equities	6.74 %
Collective securities	6.62 %
Hungarian equities	6.34 %
Deposit	9.83 %
Liabilities	-1.05 %
Current account	0.70 %
Receivables	0.58 %
Market value of open derivative positions	0.08 %
Total	100,00 %
Derivative products	54.09 %
Net corrected leverage	104.75 %
Assets with over 10% weight	
ROMANI EUR 2033/09/18 6,375% (Romanian State)	
2024C (Government Debt Management Agency Pte. Ltd.)	

SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
--------	--------	------	------	------	------	------

RISK PROFILE

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

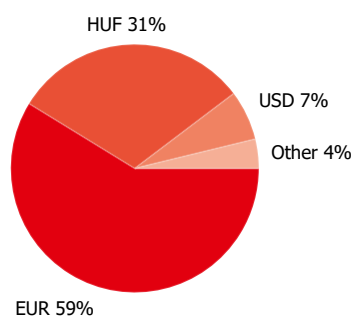
VIG Alfa Absolute Return Investment Fund

C series CZK MONTHLY report - 2024 SEPTEMBER (made on: 09/30/2024)

NET YIELD PERFORMANCE OF THE SERIES

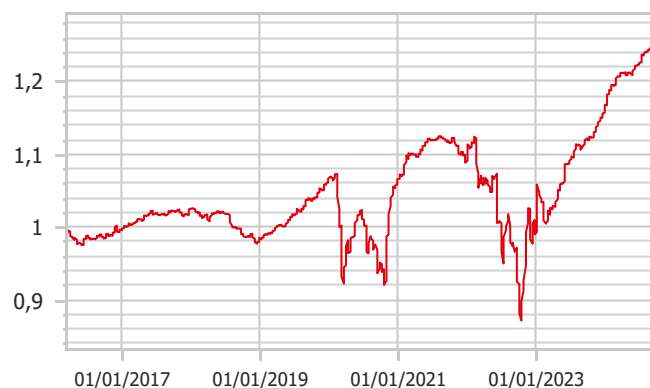
Interval	Yield of note	Benchmark yield
YTD	7.50 %	3.06 %
From launch	2.69 %	1.21 %
1 month	0.61 %	0.34 %
3 months	2.40 %	1.03 %
2023	17.42 %	2.63 %
2022	-8.69 %	3.04 %
2021	2.86 %	-0.60 %
2020	-0.29 %	0.41 %
2019	8.35 %	0.23 %
2018	-3.69 %	0.31 %
2017	2.30 %	0.20 %

Currency exposure:



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/17/2016 - 09/30/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	2.49 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	0.14 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	10.51 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	9.91 %
WAM (Weighted Average Maturity)	2.92 years
WAL (Weighted Average Life)	3.84 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
ROMANI EUR 2033/09/18 6,375%	interest-bearing	Romanian State	09/18/2033	19.09 %
Magyar Államkötvény 2024/C	interest-bearing	Government Debt Management Agency Pte. Ltd.	10/24/2024	14.01 %
HUF deposit	deposit	OTP Bank	10/03/2024	9.92 %
MNB241003	zero coupon	Hungarian National Bank Plc.	10/03/2024	9.11 %
Adventum MAGIS Zártkörű Alapok Alapja	investment note	Adventum MAGIS Closed-End Funds		5.34 %
ROMANI EUR 2029/09/27 6,625%	interest-bearing	Romanian State	09/27/2029	5.19 %
USD/HUF 24.12.03 Forward Buy	derivative	ING Bank Hun	12/03/2024	4.92 %
USD/HUF 24.12.11 Forward Buy	derivative	OTP Bank	12/11/2024	4.92 %
ROMANI EUR 2042/04/13 2,875%	interest-bearing	Romanian State	04/13/2042	4.35 %
TVLRO 8 7/8 04/27/27	interest-bearing	Banca Transilvania SA	04/27/2027	2.86 %

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 | alapkezel@am.vig | www.vigam.hu