VIG BondMaxx Total Return Bond Investment Fund

R series HUF MONTHLY report - 2025 JANUARY (made on: 01/31/2025)

INVESTMENT POLICY OF THE FUND

The Fund is a total return investment fund that aims to create a portfolio consisting of bond-type assets through active portfolio management that achieves annualised capital growth for investors higher than the benchmark over a 3-year time horizon. It intends to achieve this objective primarily through asset allocation in global bond markets.
The Fund invests exclusively in bond-type instruments. The Fund's investment universe focuses on developed market government bonds, developed market corporate bonds, local currency emerging market government bonds and hard currency emerging market government and corporate bonds. The primary source of return for the Fund is asset allocation across bond-type asset classes. The asset allocation is based on an “investment clock” approach that uses economic data analysis to determine the position of major regions within a growth cycle. This is complemented by the forecasting of expected movements in real interest rates and inflation expectations, which are also crucial for the allocation across bond markets. Portfolio managers use all these as the basis for making allocation decisions, overweighting the best performing bond asset class in any current economic cycle based on experience and expectations. In the investment process, portfolio managers optimise the interest rate and credit risk of the overall fund and of the exposures to individual bond markets in order to achieve the investment objective.

MARKET SUMMARY

After delivering a 1% of rate cuts last year, the FOMC voted unanimously on its January meeting to hold the federal funds target range steady at 4.25-4.50%. During his press conference, Jerome Powell said on at least five separate occasions that the Committee did not need to be “in a hurry” to make further adjustments to policy rates. US equities moved lower after hitting record highs the last month, driven by an AI-led correction. Eventually, US equities ended the month with a gain of slightly less than 3% amid generally solid earnings and the Fed decision to hold interest rates. European equities recorded their strongest monthly gains since November 2023. The ECB delivered a widely expected 25bp interest-rate cut at its latest meeting and guided for a further reduction in March due to concerns about economic growth. Amid falling bond yields, majority of all the key fixed income assets posted gains. Oil prices fell as US inventory data showed a surprisingly strong increase. In contrast, gold reached an all-time high, touching $2,800/oz on safe-haven grounds. Most of the major currencies declined against the USD except JPY on tariff speculation. Comments from the BoJ’s deputy governor Himino helped push the JPY higher as the BOJ keeps the door open to a sequence of future rate hikes. All key EM currencies declined as well. MXN was the worst performing currency against the USD after the US President announced 25% tariffs on Mexico and Canada.
The fund still keeps its Ukrainian exposure (despite being adjusted in terms of securities selection on very strong performance), and waits for improvement in the Ukrainian-Russia war; EU position was switched to the Slovakian government bonds along with adding to the UK exposure and relocation from MOL positions to the US TIPs, we initiated/added positions in Chile, Romania and Turkey funded from Colombia, Indonesia and Poland, further intention to keep or to add to the current exposure to the core rates and/or EM credit markets stays in place.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% ZMAX Index + 0.5%
ISIN code:	HU0000712260
Start:	07/16/2013
Currency:	HUF
Net Asset Value of the whole Fund:	16,051,339,308 HUF
Net Asset Value of R series:	1,210,777,466 HUF
Net Asset Value per unit:	1.475451 HUF

DISTRIBUTORS

Raiffeisen Bank cPlc., VIG Asset Management Hungary Plc.

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	64.09 %
Collective securities	22.84 %
Corporate bonds	11.56 %
T-bills	0.31 %
Liabilities	-6.88 %
Receivables	6.43 %
Current account	6.06 %
Market value of open derivative positions	-4.39 %
Total	**100,00 %**
Derivative products	102.10 %
Net corrected leverage	104.88 %

Assets with over 10% weight
There is no such instrument in the portfolio

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

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NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	0.79 %	0.35 %
From launch	3.43 %	2.96 %
1 month	0.79 %	0.35 %
3 months	1.02 %	1.44 %
2024	5.25 %	6.75 %
2023	15.16 %	7.85 %
2022	-0.89 %	2.01 %
2021	0.00 %	0.40 %
2020	0.00 %	1.42 %
2019	3.88 %	1.25 %
2018	-1.36 %	1.31 %
2017	1.92 %	1.20 %
2016	3.11 %	2.23 %
2015	2.96 %	2.52 %

NET PERFORMANCE OF THE SERIES

net asset value per share, 12/15/2022 - 01/31/2025

RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	4.18 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	0.20 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	3.84 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	3.84 %
WAM (Weighted Average Maturity)	5.79 years
WAL (Weighted Average Life)	7.88 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
iShares Core EUR Corp Bond UCITS ETF	investment note	iShares Core EUR Corp Bond UCITS ETF		7.68 %
iShares USD Corp Bond UCITS ETF	investment note	iShares USD Corp Bond UCITS ETF		7.43 %
USGB 2033/11 4,5%	interest-bearing	USA	11/15/2033	5.92 %
iShares USD Short Duration Corp Bond UCITS ETF	investment note	iShares USD Short Duration Corp Bond UCITS ETF		5.08 %
LONG GILT FUTURE Mar25 Buy	derivative	Raiffeisen Hun	03/27/2025	4.23 %
UAE 4,05% 07/07/32	interest-bearing	United Arab Emirates	07/07/2032	3.49 %
CROATI 2035/06/14 4% EUR	interest-bearing	Republic of Croatia	06/14/2035	3.36 %
AZERBJ 3 1/2 09/01/32	interest-bearing	Republic of Azerbajian	09/01/2032	3.23 %
US 10YR NOTE (CBT)Mar25 Buy	derivative	Raiffeisen Hun	03/20/2025	3.20 %
US Treasury 08/15/29 1,625%	interest-bearing	USA	08/15/2029	2.86 %

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbftv. 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 | alapkezelo@am.vig | www.vigam.hu