

INVESTMENT POLICY OF THE FUND

MARKET SUMMARY

In July, the US stock market experienced significant volatility. Stocks reached historic highs and then fell back, especially in the technology sector. A strong rotation unfolded, with investors buying winners from previous periods and selling laggards such as smaller capitalization stocks. The main reason for the correction in chipmakers was the new US sanctions imposed on exports to China in the middle of the month. On the macro front, inflation statistics came in better than expected, leading investors to believe a September rate cut as a possibility again. The more favorable inflation trajectory was also reflected in longer yields, with the yield on 10-year US Treasuries falling to around 4.21%. Highlights for Hungarian markets included the Hungarian National Bank's July interest rate decision, which resulted in a 25 basis point cut, as expected, leaving the Hungarian base rate at 6.75%. According to the HNB, the main influence on policymakers was the declining US interest rate expectations, but the June inflation figure of 3.7% was also lower than expected. According to the HNB, there could be another 1-2 rate cuts in 2024, meaning that the Hungarian base rate could fall to as low as 6.25%.

Since the beginning of May, the Fund's investment strategy has changed significantly. The new Fund aims to create a well diversified equity fund that can benefit from the equity market performance of companies listed on stock exchanges in developed European countries. July saw the second round of the French National Assembly elections, in which the massive back and forth between the left-wing New People's Front and Macron's United party alliance worked well, with the former winning first and the latter second place in the National Assembly. But with no absolute majority for anyone, France is unlikely to have a stable and decisive government. However, the political turmoil in France has put so much pressure on French equities that we have seen merit in increasing their weight in the portfolio. In Europe, the quarterly reporting season has also started, followed immediately by some profit warnings, for example from LVMH and Deutsche Bank. One of the biggest concerns in Europe is the slow industrial growth, which was further reinforced by the recent PMI data. In addition, falling domestic demand in China and low export prices from there are also holding back EU industrial activity. Meanwhile, Donald Trump's planned economic policy moves, in particular his promises of significant tariff increases, are attracting increasing attention. As a result, European equities have become notably cheap, especially compared to their US counterparts. Their price discounts have reached unprecedented levels compared to other developed market equities, while the EPS recession in Europe could end this quarter and corporate profits could start to grow again.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% MSCI Europe Net Total Return EUR Index
ISIN code:	HU0000716105
Start:	03/07/2016
Currency:	HUF
Net Asset Value of the whole Fund:	1,041,225,340 HUF
Net Asset Value of A series:	408,038,583 HUF
Net Asset Value per unit:	1.352891 HUF

DISTRIBUTORS

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
Collective securities	96.85 %
Current account	3.27 %
Liabilities	-0.20 %
Receivables	0.08 %
Total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

Assets with over 10% weight

- iShares Core MSCI Europe UCITS ETF
- AMUNDI INDEX MSCI EUROPE (CEU2 FP) UCITS ETF DR
- Xtrackers Stoxx Europe 600 (XSX6 GY) UCITS ETF
- SPDR MSCI Europe UCITS ETF
- Xtrackers MSCI Europe (XMEU GY) UCITS ETF
- iShares STOXX Europe 600 UCITS ETF DE EXIE GR

RISK PROFILE

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

NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From launch	3.66 %	0.63 %
1 month	1.11 %	1.31 %
3 months	3.96 %	5.39 %
2023	17.05 %	
2022	-11.06 %	
2021	4.61 %	
2020	5.34 %	
2019	10.92 %	
2018	-4.93 %	
2017	4.84 %	

NET PERFORMANCE OF THE SERIES

net asset value per share, 03/07/2016 - 07/31/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	5.62 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	8.61 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	7.68 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	8.58 %
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 | alapkezele@am.vig | www.vigam.hu