

## INVESTMENT POLICY OF THE FUND

## MARKET SUMMARY

January saw the start of the fourth quarterly corporate reporting season in the US equity markets. The S&P 500 companies are forecast to post earnings growth of more than 11%, while it is questionable whether high profit margins above nominal GDP growth will be maintained. The change in the yield environment was a key factor, with the US 10-year Treasury yield reaching 4.8%, putting pressure on equity markets. The dollar remained extremely strong, which may not be conducive to US economic policy in the long term. Fed policymakers remained cautious: on the January meeting, in line with market expectations they did not cut the base rate. Inflation data showed a mixed picture, with core inflation rising on a monthly basis in December, which could point to strong wage pressures. European markets were volatile on inflation data and interest rate expectations. Inflation in December was higher than expected in several countries - 2.9% in Germany, for example - reducing the European Central Bank's (ECB) room for maneuver in cutting interest rates. In bond markets, the rise in UK yields and the weakening of sterling raised concerns, with some analysts suggesting that the situation is similar to the period before the 1976 IMF bailout in the UK. The housing market remains weak: like the US market, European real estate players are finding it difficult to sell their assets.

In January, European equities significantly outperformed global stock markets. The Stoxx Europe 600 index reached a new all-time high, rising by 6.3% during the month—its best monthly performance since November 2023. In recent months, Europe has been under pressure due to former U.S. President Donald Trump's tariff threats, as the region exports roughly one-fifth of its annual output to the United States. Additionally, political crises in countries like France have dampened investor appetite for equities. However, according to Bank of America, January saw the largest rotation from U.S. stocks into Eurozone equities in nearly a decade. Investors reallocated capital from highly valued technology stocks into European defensive and growth sectors, including banks, pharmaceuticals, and luxury retailers. This shift was primarily driven by Trump's softer stance on tariffs and the significant valuation discount in European markets. In the Fund, we continue to maintain an overweight position in the financial sector and Spanish equities.

## 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:	HU0000734041
Start:	05/02/2024
Currency:	EUR
Net Asset Value of the whole Fund:	1,142,552,712 HUF
Net Asset Value of EI series:	1,690,526 EUR
Net Asset Value per unit:	1.080129 EUR

## 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
Collective securities	99.82 %
Current account	9.03 %
Liabilities	-8.97 %
Receivables	0.13 %
<b>Total</b>	<b>100.00 %</b>
Derivative products	0.00 %
Net corrected leverage	100.00 %

### Assets with over 10% weight

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

## 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
YTD	6.69 %	6.47 %
From launch	8.01 %	8.73 %
1 month	6.69 %	6.47 %
3 months	6.66 %	7.06 %
6 months	4.29 %	4.79 %

## NET PERFORMANCE OF THE SERIES

net asset value per share, 05/02/2024 - 01/31/2025



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	10.15 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	10.31 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	10.15 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	10.15 %
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 | alapkezeslo@am.vig | www.vigam.hu