

## INVESTMENT POLICY OF THE FUND

The objective of the investment fund is to make the Polish bond market accessible to the investors, and to function as a relatively stable, medium-risk investment form bringing steady real yields to our Clients on middle term already, without having to tie down their money for a fixed period of time. The Fund mainly invests in Polish government securities issued in zloty, however, the portfolio manager has some room to complement the portfolio with other bond-type investments. Our goal is to achieve the highest yield while taking the lowest risk. To make investment decisions we use the tools of both fundamental and technical analysis, and we take into consideration the investor sentiment on the markets at all times. The portfolio manager seeks out potential investment opportunities based on the macro-economical expectations, the expected yield curve, the return expected on the curve and the market volatility, and selects investments that are considered to be safe and bring relatively high yields in exchange for the risks taken. The Fund strives for complete exchange risk coverage of foreign currency exposure for the target currency.

## MARKET SUMMARY

Polish bonds performed strongly in April: yields fell by 68 basis points on the 3-year maturity, by 68 basis points on the 5-year maturity, and by 48 basis points on the 10-year maturity. In early May, for the first time since autumn 2023, there was a change in the base rate. In the month prior to the rate decision, a sharp shift had already occurred in the Monetary Council's communication, but the interest rate cut only took place during the rate-setting meeting on May 7. The Monetary Council implemented a 50 basis point rate cut, which was in line with market expectations, bringing the base rate down to 5.25%. According to preliminary data, April inflation came in below the 4.3% market expectation, with prices rising by 4.2% year-on-year. This figure was significantly helped by the higher base from last year, the April decline in fuel prices, slowing wage growth, and lower demand. The decreasing demand may also be reflected in the first-quarter GDP data, although updated figures on that will only be available in mid-May. The Purchasing Managers' Index (PMI) fell to 50.2 in April from 50.7 in the previous month. The indicator has remained above the 50 threshold for the third consecutive month, mainly due to increased production, but employment also rose. Industrial production grew by 2.5% in the third month of the year. As for public finances, the government generated a deficit of 39,943.5 million PLN in the third month of the year, which brought the 12-month rolling budget deficit to 6.85% of GDP. We held more than 0,5 year duration overweight in Polish duration, which proved to be a good decision. However, to achieve this, we had to overweight long end bonds to the detriment of short and mid part of the yield curve, which detracted from positive relative performance as steepness of the yield curve increased significantly, meaning that short term bond yields decreased much more than longer yields.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% TBSP Index
ISIN code:	HU0000713565
Start:	03/28/2014
Currency:	PLN
Net Asset Value of the whole Fund:	17,006,004,158 HUF
Net Asset Value of P series:	54,122,491 PLN
Net Asset Value per unit:	1.153779 PLN

## DISTRIBUTORS

Vienna Life TU na Zycie S.A. Vienna Insurance Group

## ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	60.48 %
Corporate bonds	38.88 %
Current account	0.61 %
Receivables	0.07 %
Liabilities	-0.02 %
Market value of open derivative positions	-0.02 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	1.33 %
Net corrected leverage	100.00 %

### Assets with over 10% weight

POLGB 2034/10/25/34 5% (Polish State)
POLGB 2029/07/25 4,75% (Polish State)
BGOSK 07/03/25 1.25% (Bank Gospodarstwa Krajowego)
POLGB 2032/04/25 1,75% (Polish State)

## SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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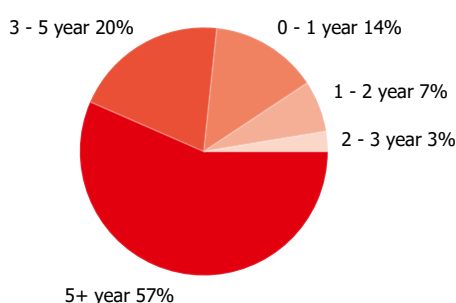
## RISK PROFILE

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

## NET YIELD PERFORMANCE OF THE SERIES

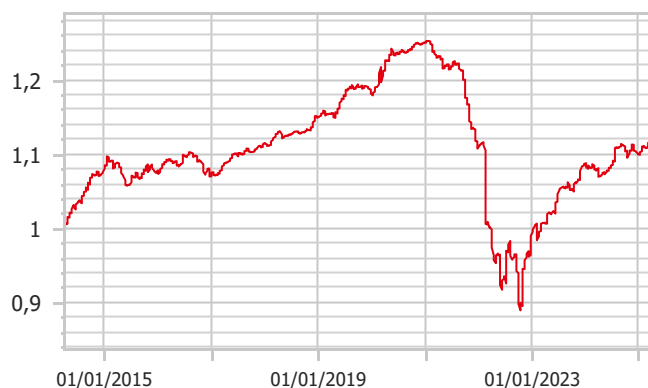
Interval	Yield of note	Benchmark yield
YTD	4.84 %	5.06 %
From launch	1.30 %	3.11 %
1 month	2.86 %	2.86 %
3 months	4.22 %	4.43 %
2024	1.63 %	3.27 %
2023	12.73 %	12.80 %
2022	-13.69 %	-5.03 %
2021	-10.96 %	-9.74 %
2020	5.35 %	6.42 %
2019	3.10 %	3.94 %
2018	3.55 %	4.67 %
2017	3.56 %	4.77 %
2016	-0.38 %	0.25 %
2015	0.22 %	1.68 %

### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 03/28/2014 - 04/30/2025



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	3.50 %
Annualized standard deviation of the benchmark's weekly yields-based on 1 year	3.42 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	6.49 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	6.54 %
WAM (Weighted Average Maturity)	4.65 years
WAL (Weighted Average Life)	5.53 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
POLGB 2034/10/25/34 5%	interest-bearing	Polish State	10/25/2034	25.57 %
POLGB 2029/07/25 4,75%	interest-bearing	Polish State	07/25/2029	18.26 %
BGOSK 07/03/25 1.25%	interest-bearing	Bank Gospodarstwa Krajowego	07/03/2025	13.95 %
POLGB 2032/04/25 1,75%	interest-bearing	Polish State	04/25/2032	11.85 %
BGOSK 2030/06/05 2,125%	interest-bearing	Bank Gospodarstwa Krajowego	06/05/2030	6.98 %
BGOSK 2027/04/27 1,875%	interest-bearing	Bank Gospodarstwa Krajowego	04/27/2027	5.26 %
BGOSK Float 06/12/31	interest-bearing	Bank Gospodarstwa Krajowego	06/12/2031	5.01 %
BGOSK 2033/07/21 2,25%	interest-bearing	Bank Gospodarstwa Krajowego	07/21/2033	3.68 %
POLGB 2033/10/25 6%	interest-bearing	Polish State	10/25/2033	3.03 %
BGOSK 2028/03/12 1,75%	interest-bearing	Bank Gospodarstwa Krajowego	03/12/2028	2.57 %

### 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 | alapkezelo@am.vig | www.vigam.hu