

VIG Developed Market Short Term Bond Investment Fund

EI series EUR MONTHLY report - 2025 JUNE (made on: 06/30/2025)

INVESTMENT POLICY OF THE FUND

The aim of the Fund is to increase the euro savings held in the Fund, while assuming low interest-rate and credit risk. The Fund mainly buys short-term, euro-denominated bonds of investment-grade issuers, and aims to generate a return for investors through interest income and price gains on them. The Fund Manager invests the savings held in the Fund in short-term bonds denominated in euros. The Fund Manager assumes a low interest-rate risk; the modified duration of the portfolio is more than 6 months, but may not be higher than 2.5 years. The Fund also follows a cautious strategy in terms of assuming credit risk, investing a maximum of just 10% of its assets in bonds of non-investment grade or non-credit rated issuers. The Fund primarily invests in developed-market government securities, but this can also be supplemented by credit-institution, corporate and/or municipal bonds, as well as by term deposits and repo transactions. The Fund can also invest a small part of its portfolio in emerging markets. In addition, the Fund may invest in collective investment forms, and can fine-tune the design of its portfolio through the use of derivatives (stock-exchange and OTC transactions). The Fund invests exclusively in securities denominated in euros, and may hold currency assets in bank deposits or bank accounts only for the purpose of liquidity management and currency hedging. It is not possible to make individual investor decisions in the Fund. No individual investor's decisions can be made in the Fund.

MARKET SUMMARY

The US stock markets were driven by conflicting events during the month. On the one hand, favorable corporate results (e.g. Apple, Nvidia) and a court ruling that partially invalidated punitive tariffs had a positive impact on the markets. The Nasdaq Composite index closed at new highs. On the other hand, the war between Israel and Iran and strong government communication aimed at reinstating tariffs were negative factors. The dollar weakened due to unfavorable US macro data, while bond yields declined overall. However, declining volatility had a positive effect, encouraging investors to increase their positions and resulting in record capital inflows into the United States. European capital markets were initially positively affected by the expected interest rate cut by the European Central Bank (ECB). Inflation data for May, particularly in Germany and France, were lower than expected, further reinforcing expectations of monetary easing. However, investor optimism was tempered by the continued weakness of the European manufacturing sector, particularly the decline in the automotive industry. The outlook for the economically significant German economy remains unfavorable, as indicated by continued factory closures and layoffs. On a positive note, however, the United Kingdom received further tariff exemptions from the United States on steel and aluminum products, supporting the price of British industrial stocks.

Over the past month, we continued to overweight the portfolio's interest rate risk. Eurozone inflation remained below the European Central Bank's 2% inflation target in May and June, so further interest rate cuts are expected in the second half of the year, which is also supportive for the eurozone bond market. In terms of the fund's positions, we replaced part of the short-term French government bonds with French government bonds maturing in 2030.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Fund has no benchmark
ISIN code:	HU0000731971
Start:	08/22/2023
Currency:	EUR
Net Asset Value of the whole Fund:	35,935,757 EUR
Net Asset Value of EI series:	380,289 EUR
Net Asset Value per unit:	1.030858 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
Government bonds	96.29 %
Mortgage debentures	2.09 %
Corporate bonds	1.09 %
Current account	0.59 %
Liabilities	-0.01 %
Receivables	0.00 %
Market value of open derivative positions	-0.05 %
Total	100,00 %
Derivative products	0.00 %
Net corrected leverage	99.99 %

Assets with over 10% weight

FRTR 1 05/25/27 (French state)

RISK PROFILE

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

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NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	1.45 %	
From launch	1.65 %	
1 month	0.01 %	
3 months	0.88 %	
2024	-0.20 %	

NET PERFORMANCE OF THE SERIES

net asset value per share, 11/08/2024 - 06/30/2025



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	1.09 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	1.07 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	1.07 %
WAM (Weighted Average Maturity)	2.36 years
WAL (Weighted Average Life)	2.50 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
FRTR 1 05/25/27	interest-bearing	French state	05/25/2027	10.39 %
BTPS 3 10/01/29	interest-bearing	Italian State	10/01/2029	9.43 %
BTPS 6 1/2 11/01/27	interest-bearing	Italian State	11/01/2027	7.73 %
EU 2 7/8 12/06/27	interest-bearing	European Union	12/06/2027	6.85 %
FRTR 2 3/4 02/25/30	interest-bearing	French state	02/25/2030	6.24 %
SPGB 2027/10/31 1,45%	interest-bearing	Spanish State	10/31/2027	6.21 %
BGB 0.8 06/22/28	interest-bearing	Belgian State	06/22/2028	5.62 %
DBR 0 1/4 08/15/28	interest-bearing	German State	08/15/2028	5.29 %
FRTR 2,5% 09/24/26	interest-bearing	French state	09/24/2026	4.43 %
SPGB 2 1/2 05/31/27	interest-bearing	Spanish State	05/31/2027	3.80 %

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