

# VIG Global Emerging Market Bond Investment Fund

U series USD MONTHLY report - 2025 JUNE (made on: 06/30/2025)

## INVESTMENT POLICY OF THE FUND

The Fund aims to achieve capital growth by investing in bonds of emerging European countries and state-owned companies. The Fund does not apply credit rating restrictions: it may purchase securities of any country or company with any long-term credit rating. The Fund aims for the highest possible capital growth alongside reasonable risk-taking. The Fund primarily purchases foreign currency emerging market bonds, in addition to which it holds Hungarian local currency short-term and long-term bonds for diversification and liquidity management purposes. The bond portfolio may also include short-term, long-term, fixed or floating-rate, structured and convertible bonds issued by mortgage credit institutions, other credit institutions, local governments or other business entities. The core of the Fund's investments is Central Eastern Europe (Hungary, Croatia, Poland, Romania, Slovakia, Ukraine), South East Europe (Serbia, Turkey), the Baltics (Latvia, Lithuania) and the Commonwealth of Independent States (Azerbaijan, Belarus, Kazakhstan, Russia, Georgia, Armenia) and bonds of majority state-owned companies, in addition to which the Fund holds short-term and long-term Hungarian government securities for diversification and liquidity management purposes. The target weight for bond exposures in the Fund in the 16 countries listed (target countries) is 95%. We do not set a limit on debt classification in the Fund. The Fund may only conclude derivative transactions for hedging purposes, or in the interest of establishing an efficient portfolio. The Fund may also hold non-leveraged bond-type collective investment forms. The Fund may also take on significant foreign currency exposure, which is normally covered 100% by the Fund Manager in the target currency (USD), but depending on market conditions, the Fund may also hold open foreign currency positions.

## MARKET SUMMARY

Fiscal issues have once again taken centre stage for investors. In the U.S., the Senate's approval of President Trump's tax legislation - expected to add USD 3.3 trillion to the national debt over the next decade - underscores the country's ongoing fiscal challenges. Meanwhile, UK gilt yields surged after the government was compelled to scale back its welfare reform plans.

The past month (and quarter) unfolded more like a high-stakes thriller than a calm period for risk assets, including those in emerging markets. The investment landscape was shaped by a string of unexpected developments, beginning with President Trump's "Liberation Day" tariff announcements in early April. This was quickly followed by a number of policy reversals, including a temporary pause on reciprocal tariffs with China. Geopolitical tensions flared dramatically in June due to the conflict between Israel and Iran, causing oil prices to spike and sparking inflation concerns—especially for emerging market economies reliant on commodity imports. However, the rally in oil prices was short-lived, as a ceasefire between the two nations helped soothe investor nerves.

Despite the turbulence, emerging market assets delivered strong returns, with broad-based gains across the sector. Particularly notable was the performance of EM local currency debt, which recorded its best first-half showing since 2016 - driven by a weaker U.S. dollar and attractive valuations relative to fundamentals.

Last month, we made a modest increase in exposure to high-yield countries, while maintaining a more substantial allocation to high-quality issuers. We initiated a relative value trade, favoring Bahrain over Oman based on more attractive valuations. Additionally, we increased our position in Hungary following the successful issuance of new USD-denominated sovereign bonds, and opened tactical positions in Angola.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Fund has no benchmark
ISIN code:	HU0000724232
Start:	12/29/2020
Currency:	USD
Net Asset Value of the whole Fund:	22,761,979 EUR
Net Asset Value of U series:	374,113 USD
Net Asset Value per unit:	0.793637 USD

## DISTRIBUTORS

Erste Investment Plc., VIG Investment Fund Management Hungary

## 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	92.61 %
T-bills	2.76 %
Corporate bonds	1.10 %
Liabilities	-9.33 %
Receivables	8.02 %
Market value of open derivative positions	3.68 %
Current account	1.17 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	7.63 %
Net corrected leverage	102.01 %
Assets with over 10% weight	

There is no such instrument in the portfolio

## RISK PROFILE

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

# VIG Global Emerging Market Bond Investment Fund

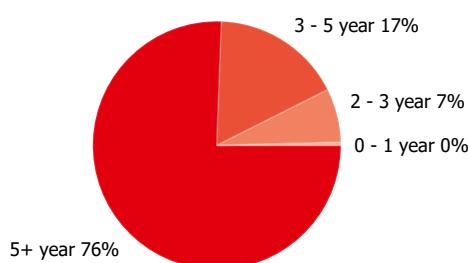
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## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	3.67 %	
From launch	-5.01 %	
1 month	2.46 %	
3 months	2.41 %	
2024	3.37 %	
2023	7.27 %	
2022	-26.99 %	
2021	-5.59 %	

### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 09/28/2022 - 06/30/2025



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	5.32 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	7.55 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	14.97 %
WAM (Weighted Average Maturity)	8.00 years
WAL (Weighted Average Life)	11.93 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
US 10YR NOTE (CBT)Sep25 Buy	derivative	Raiffeisen Hun	09/19/2025	7.56 %
BRAZIL 6 1/4 03/18/31	interest-bearing	Brazil Állam	03/18/2031	3.95 %
QATAR 3.75 04/16/30	interest-bearing	State of Qatar	04/16/2030	3.70 %
KSA 3 5/8 03/04/28	interest-bearing	Saudi Arabian	03/04/2028	3.35 %
MEX 6 3/4 09/27/34	interest-bearing	Mexico	09/27/2034	3.34 %
TURKEY 2029/03/14 9,375% USD	interest-bearing	Turkish State	03/14/2029	2.97 %
KSA 4 7/8 07/18/33	interest-bearing	Saudi Arabian	07/18/2033	2.88 %
BHRAIN 7 3/4 04/18/35	interest-bearing	BAHRAIN	04/18/2035	2.60 %
ARGENT 4 1/8 07/09/35 sinkable 2024/11/08	interest-bearing	Argentína	07/09/2035	2.54 %
INDON 3.05 03/12/51	interest-bearing	Indonesian State	03/12/2051	2.38 %

### 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