

# VIG Global Emerging Market Bond Investment Fund

U series USD MONTHLY report - 2025 AUGUST (made on: 08/31/2025)

## 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

The US has reached several bilateral agreements, bringing greater clarity to trade policy. However, the introduction of higher tariff rates is expected to weigh on both global trade and the US economy in the coming months. While global data remains relatively resilient, cracks are beginning to appear in the US labour market. Analysts continue to project 25bp rate cuts by the Fed in September, December, and next March. In the Eurozone, growth prospects for 2025 have strengthened, while GDP forecasts for China have been revised upward. In emerging markets, opportunities persist in local currency debt, though investor preference remains tilted toward equities. Risk assets have been firmly supported in recent weeks—particularly after the latest soft US labor report—on expectations of Fed easing. The most recent CPI release eased fears of inflation delaying a rate cut, sparking a broadly positive reaction across risk assets. Equity markets are reaching new historical highs, while credit remains tight. The current softening in macro data is expected to be contained in both scale and duration, with Fed support likely ensuring that any slowdown proves temporary. Meanwhile, factors such as tariff impacts, increased hedging activity, German fiscal stimulus, and questions around Fed independence continue to shape EUR/USD dynamics. Market participants generally view current valuations as aligned with relative monetary policy expectations—namely, the easing already priced in for the Fed and the ECB through the end of next year relative to their existing policy rates. Last month, we made a modest reduction in exposure to high-yield sovereigns while maintaining a substantial allocation to high-quality issuers. In August, we initiated tactical positions in Argentina and Zambia, supported by attractive valuations and the resolution of disputes with the IMF as well as a major corruption scandal. Following strong performance, we realized gains on tactical positions in Angola and Senegal and moved Ukrainian exposure to neutral, given the low likelihood of a peace agreement in the near term. We also reduced exposure to Brazil and Ecuador, reallocating capital to Turkey and Saudi Arabia, where we see stronger macroeconomic stability and more favorable risk-adjusted returns.

## 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: | 21,959,301 EUR                         |
| Net Asset Value of U series:       | 406,550 USD                            |
| Net Asset Value per unit:          | 0.812676 USD                           |

## DISTRIBUTORS

Erste Investment Plc., SPB Befektetési Zrt., VIG Investment Fund Management Hungary

## SUGGESTED MINIMUM INVESTMENT PERIOD

|        |        |      |      |      |      |      |
|--------|--------|------|------|------|------|------|
| 3 mths | 6 mths | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr |
|--------|--------|------|------|------|------|------|

## ASSET ALLOCATION OF THE FUND

| Asset                                        | Weight          |
|----------------------------------------------|-----------------|
| Government bonds                             | 95.67 %         |
| T-bills                                      | 1.19 %          |
| Liabilities                                  | -2.60 %         |
| Receivables                                  | 2.37 %          |
| Market value of open derivative positions    | 2.25 %          |
| Current account                              | 1.13 %          |
| <b>Total</b>                                 | <b>100,00 %</b> |
| Derivative products                          | 9.94 %          |
| Net corrected leverage                       | 101.97 %        |
| 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

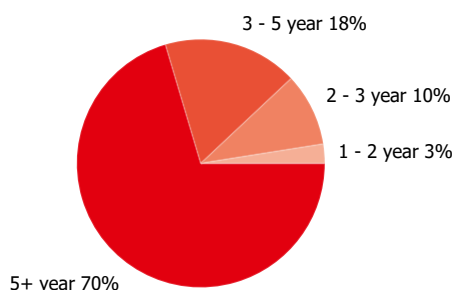
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## NET YIELD PERFORMANCE OF THE SERIES

| Interval    | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| YTD         | 6.16 %        |                 |
| From launch | -4.34 %       |                 |
| 1 month     | 1.57 %        |                 |
| 3 months    | 4.92 %        |                 |
| 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 - 08/31/2025



## RISK INDICATORS

|                                                                           |             |
|---------------------------------------------------------------------------|-------------|
| Annualized standard deviation of the fund's weekly yields-based on 1 year | 5.42 %      |
| Annualized standard deviation of the fund's weekly yields-based on 3 year | 7.44 %      |
| Annualized standard deviation of the fund's weekly yields-based on 5 year | 14.81 %     |
| WAM (Weighted Average Maturity)                                           | 7.70 years  |
| WAL (Weighted Average Life)                                               | 11.82 years |

## TOP 10 POSITIONS

| Asset                                         | Type             | Counterparty / issuer | Maturity   |        |
|-----------------------------------------------|------------------|-----------------------|------------|--------|
| US 10YR NOTE (CBT)Dec25 Buy                   | derivative       | Raiffeisen Hun        | 12/19/2025 | 7.90 % |
| ARGENT 4 1/8 07/09/35 sinkable 2024/11/08     | interest-bearing | Argentina             | 07/09/2035 | 5.69 % |
| KSA 4 7/8 07/18/33                            | interest-bearing | Saudi Arabian         | 07/18/2033 | 4.16 % |
| QATAR 3.75 04/16/30                           | interest-bearing | State of Qatar        | 04/16/2030 | 3.91 % |
| MEX 6 3/4 09/27/34                            | interest-bearing | Mexico                | 09/27/2034 | 3.77 % |
| KSA 3 5/8 03/04/28                            | interest-bearing | Saudi Arabian         | 03/04/2028 | 3.53 % |
| TURKEY 2029/03/14 9,375% USD                  | interest-bearing | Turkish State         | 03/14/2029 | 3.16 % |
| COLOM 8 3/4 11/14/53 visszahívható 2053/05/14 | interest-bearing | Kolumbia              | 11/14/2053 | 2.54 % |
| INDON 3.05 03/12/51                           | interest-bearing | Indonesian State      | 03/12/2051 | 2.50 % |
| SENEGL 4 3/4 03/13/28 sinkable                | interest-bearing | REPUBLIC OF SENEGAL   | 03/13/2028 | 2.46 % |

### 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