VIG Developed Market Short Term Bond Investment Fund

UI series USD MONTHLY report - 2025 OCTOBER (made on: 10/31/2025)

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

In October, US capital markets continued to ride the AI wave, while the Fed's expected final interest rate cut this year and the end of quantitative tightening pumped further liquidity into the system. In addition to the dominance of the technology sector, the minor trade truce reached at the Trump-Xi meeting—a reduction in tariffs from 57% to 47% and a one-year easing of rare earth exports—came as a positive surprise, strengthening the dollar and growth prospects. At the same time, the threat of a government shutdown, record data center investments, and Fed Chairman Jerome Powell's caution regarding the December cut dampened the performance of traditional sectors. Bond yields moderated only slightly at longer maturities, while the short end saw a noticeable repricing of the interest rate curve. Europe remained in the grip of political and economic uncertainty: the initial optimism surrounding the formation of the French government proved short-lived, with banking sector stocks falling particularly sharply. Inflation rose slightly in September, but the ECB's decision to keep its key interest rate unchanged raised hopes of easing. Positive signs include a surge in car sales (especially hybrids imported from China) and stable unemployment. On the other hand, weak German industrial production and high prices linked to sanctions against Russia continue to put pressure on the continent's economy.
The Fed's October rate cut only led to a decline in the yields of the shortest-maturity U.S. bonds. Jerome Powell emphasized that the rate cut expected for December is not guaranteed. Following Powell's comments, yields on longer-term bonds moved higher. At the same time, the ECB decided to hold interest rates steady, even as headline inflation remains above the 2% target. Euro area yields did not show significant movement over the past month, and the market does not currently expect further rate cuts from the ECB, despite weak growth prospects. In terms of composition, the Fund continues to overweight its benchmark index, with a focus on French, Italian, and supranational markets.

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:	HU0000732052
Start:	10/03/2023
Currency:	USD
Net Asset Value of the whole Fund:	36,428,600 EUR
Net Asset Value of UI series:	11,032 USD
Net Asset Value per unit:	1.103228 USD

DISTRIBUTORS

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	95.72 %
Mortgage debentures	2.09 %
Corporate bonds	1.09 %
Current account	1.06 %
Market value of open derivative positions	0.06 %
Liabilities	-0.01 %
Receivables	0.00 %
Total	**100,00 %**
Derivative products	0.00 %
Net corrected leverage	99.99 %

Assets with over 10% weight
FRTR 1 05/25/27 (French state)

SUGGESTED MINIMUM INVESTMENT PERIOD

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

RISK PROFILE

1	2	3	4	5	6	7

Lower risk — Higer risk

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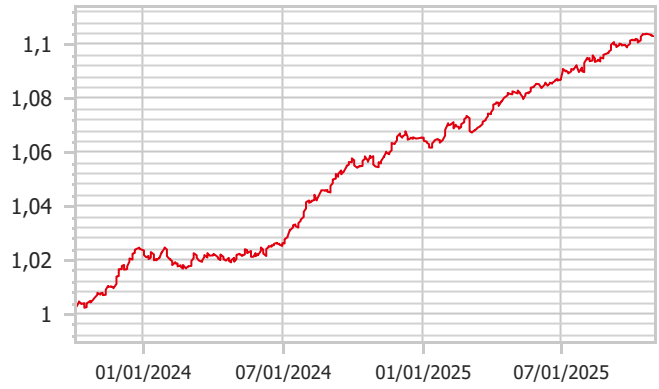
NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	3.55 %	
From launch	4.84 %	
1 month	0.23 %	
3 months	1.24 %	
2024	4.04 %	

NET PERFORMANCE OF THE SERIES

net asset value per share, 10/03/2023 - 10/31/2025



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	1.40 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	1.46 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	1.46 %
WAM (Weighted Average Maturity)	2.14 years
WAL (Weighted Average Life)	2.27 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
FRTR 1 05/25/27	interest-bearing	French state	05/25/2027	10.31 %
BTPS 3 10/01/29	interest-bearing	Italian State	10/01/2029	9.26 %
FRTR 2 3/4 02/25/30	interest-bearing	French state	02/25/2030	9.02 %
BTPS 6 1/2 11/01/27	interest-bearing	Italian State	11/01/2027	7.67 %
EU 2 7/8 12/06/27	interest-bearing	European Union	12/06/2027	6.80 %
SPGB 2027/10/31 1,45%	interest-bearing	Spanish State	10/31/2027	6.08 %
BGB 0.8 06/22/28	interest-bearing	Belgian State	06/22/2028	5.59 %
DBR 0 1/4 08/15/28	interest-bearing	German State	08/15/2028	5.24 %
FRTR 2,5% 09/24/26	interest-bearing	French state	09/24/2026	4.28 %
SPGB 2 1/2 05/31/27	interest-bearing	Spanish State	05/31/2027	3.77 %

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbftv. 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