

VIG Developed Market Short Term Bond Investment Fund

U series USD MONTHLY report - 2025 DECEMBER (made on: 12/31/2025)

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

The US stock markets showed restraint in December. Although lower inflation data in November initially sparked widespread buying, the Fed's cautious communication quickly dampened enthusiasm. Weak economic data did not support the expectation of a January interest rate cut. If disinflation continues, easing may occur, but it is not expected to happen quickly. Corporate reports are mixed. Sports equipment manufacturers have suffered from weakness in China, while logistics companies have benefited from cost-cutting measures. However, home builders continue to face challenges. As Christmas approached, small-cap stocks once again outperformed large-caps, with the Russell 2000 index significantly outperforming the S&P 500 in December. Bond yields have remained stable, and core inflation data may confirm the disinflationary trend. Investors now view AI repricing as the greatest risk for next year, while fierce competition among major companies continues. The eurozone showed signs of stagnation in December, with weak growth and stable inflation. The EU's Ukrainian financing package, implemented through joint borrowing, could bring short-term stability to the neighboring conflict. Bond yields are stable, and the euro is holding its own against the dollar. Markets are cautious. Services are keeping the economy alive while manufacturing is in recession. Analysts see opportunities in the relatively cheap banking sector for next year. In December, the Federal Reserve decided not only to cut the base interest rate, but also to purchase short-term bonds. This led to a decline in yields on shorter-maturity bonds, while longer-maturity bond yields rose slightly, causing the yield curve to steepen. Eurozone yields moved in a similar direction in December, with the final month of the year largely characterized by an increase in yield curve steepness. Markets do not currently expect further interest rate cuts from the European Central Bank in 2026, despite weak growth conditions. In terms of portfolio composition, the fund continues to hold an overweight position relative to the benchmark index, with overweight exposure to French, Italian, and supranational bond 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:	HU0000732045
Start:	10/03/2023
Currency:	USD
Net Asset Value of the whole Fund:	35,392,884 EUR
Net Asset Value of U series:	879,714 USD
Net Asset Value per unit:	1.105641 USD

DISTRIBUTORS

Conseq Investment Management, a.s., OTP Bank Nyrt., 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	95.92 %
Mortgage debentures	2.15 %
Corporate bonds	1.13 %
Current account	0.60 %
Receivables	0.20 %
Market value of open derivative positions	0.03 %
Liabilities	-0.02 %
Total	100,00 %

Derivative products	0.00 %
Net corrected leverage	100.00 %

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	4.14 %	
From launch	4.58 %	
1 month	0.13 %	
3 months	0.48 %	
2025	4.14 %	
2024	3.14 %	

NET PERFORMANCE OF THE SERIES

net asset value per share, 10/03/2023 - 12/31/2025



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	1.26 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	1.44 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	1.44 %
WAM (Weighted Average Maturity)	2.02 years
WAL (Weighted Average Life)	2.14 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
FRTR 1 05/25/27	interest-bearing	French state	05/25/2027	10.63 %
BTPS 3 10/01/29	interest-bearing	Italian State	10/01/2029	9.52 %
FRTR 2 3/4 02/25/30	interest-bearing	French state	02/25/2030	9.28 %
BTPS 6 1/2 11/01/27	interest-bearing	Italian State	11/01/2027	7.68 %
EU 2 7/8 12/06/27	interest-bearing	European Union	12/06/2027	6.82 %
SPGB 2027/10/31 1,45%	interest-bearing	Spanish State	10/31/2027	6.27 %
BGB 0.8 06/22/28	interest-bearing	Belgian State	06/22/2028	5.75 %
DBR 0 1/4 08/15/28	interest-bearing	German State	08/15/2028	5.12 %
FRTR 2,5% 09/24/26	interest-bearing	French state	09/24/2026	4.42 %
SPGB 2 1/2 05/31/27	interest-bearing	Spanish State	05/31/2027	3.89 %

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