

# VIG Developed Markets Government Bond Investment Fund

A series HUF MONTHLY report - 2026 MAY (made on: 05/31/2026)

## INVESTMENT POLICY OF THE FUND

The objective of the Fund is to create a highly defensive investment portfolio for its Investors, which typically invests in developed-market government bonds and related exchange-traded derivatives. According to the intentions of the Fund Manager, the bulk of the Fund's portfolio is made up of bonds issued by foreign states and foreign companies through public offerings. With regard to foreign securities, the Fund only purchases publicly traded securities listed on a foreign stock exchange. It keeps the planned share of non-investment grade securities low. The proportion of bonds that can be held in the Fund at any given time may reach the prevailing legal maximum. In order to ensure liquidity, the Fund may purchase Hungarian government securities (primarily discount treasury bills) and MNB bonds. The Fund Manager has the option, at its own discretion, of hedging all or part of its foreign exchange risks using forward currency positions subject to observing the applicable legal requirements.

## MARKET SUMMARY

Over the past month, global capital markets have been shaped by two main themes: the renewed acceleration of the AI infrastructure investment cycle and the energy and geopolitical risks associated with the conflict involving Iran. The artificial intelligence narrative continued to drive the semiconductor sector sharply higher. The Philadelphia Semiconductor Index (which tracks the average share price performance of the 30 largest semiconductor companies listed on U.S. exchanges and engaged in semiconductor design, manufacturing, distribution, and sales) has only traded this far above its 200-day moving average twice before: in 1995 and at the peak of the 2000 tech bubble. Analysts have consistently revised upward their capital expenditure (capex) forecasts for AI-related companies. At the same time, an increasing share of these investments is being financed through debt. Meanwhile, the energy price shock is weighing heavily on the macroeconomic outlook. Inflation readings for April and May came in consistently above expectations. Expectations for interest rate cuts have largely disappeared, and market participants are increasingly pricing in the possibility of rate hikes instead. A June rate hike by the European Central Bank has become increasingly likely, although wage growth has so far remained under control. The automotive sector, which plays a key role in the economy, presents a mixed picture. Overall vehicle sales have been on an upward trend for three consecutive months, while the electric vehicle (EV) market continues to expand. The technical ratification of the EU– US trade agreement was completed at the end of May, although the effective tariff levels applicable to several sectors remain the subject of ongoing negotiations and debate.

In May, the Hungarian forint strengthened by more than 2% against the U.S. dollar and by nearly 3% against the euro. As a result, the value of the hard-currency bonds held in the Fund declined further when expressed in forints. Yields on U.S. dollar-denominated bonds continued to rise over the past month, and with inflation rates increasing, a growing number of investors expect interest rate hikes in the United States this year. In the euro area, the market is clearly pricing in rate hikes as well, with the first 25-basis-point increase potentially occurring as early as June. Regarding the Fund's composition, we used available liquidity to purchase Serbian telecom bonds. In addition, we took advantage of the rise in UK government bond yields driven by domestic political risks in the United Kingdom and purchased bonds maturing in 2054.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Erste Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary 100% Bloomberg Global Treasury Majors ex Japan Total Return Index Unhedged USD
Benchmark composition:	Majors ex Japan Total Return Index Unhedged USD
ISIN code:	HU0000702477
Start:	04/21/1999
Currency:	HUF
Net Asset Value of the whole Fund:	15,944,795,939 HUF
Net Asset Value of A series:	2,447,054,226 HUF
Net Asset Value per unit:	2.022195 HUF

## ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	76.92 %
Corporate bonds	21.51 %
Current account	1.69 %
Liabilities	-0.11 %
Receivables	0.00 %
<b>Total</b>	<b>100.00 %</b>
Derivative products	3.54 %
Net corrected leverage	100.88 %
Assets with over 10% weight	
There is no such instrument in the portfolio	

## DISTRIBUTORS

CIB BANK ZRT, Concorde Securities Ltd., Equilor Befektetési Zrt, Erste Investment Plc., MBH Bank Nyrt., MBH Befektetési Bank Zrt, MKB Bank Nyrt. 0789, OTP Bank Nyrt., Raiffeisen Bank cPlc., SPB Befektetési Zrt., UniCredit Bank Hungary cPlc., 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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## RISK PROFILE

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

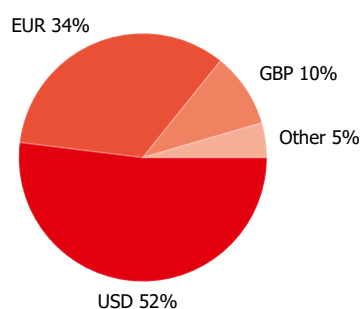
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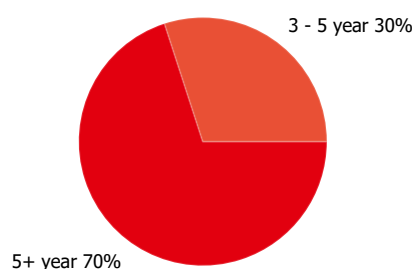
## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	-7.41 %	-6.98 %
From launch	2.63 %	2.46 %
1 month	-2.10 %	-2.33 %
3 months	-6.81 %	-6.19 %
2025	-9.11 %	-8.71 %
2024	9.89 %	10.42 %
2023	-0.95 %	1.59 %
2022	-3.20 %	-2.82 %
2021	2.26 %	2.81 %
2020	8.04 %	9.76 %
2019	5.82 %	9.57 %
2018	3.34 %	5.25 %
2017	-5.90 %	-4.07 %
2016	1.07 %	2.24 %

### Currency exposure:



### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 04/21/1999 - 05/31/2026



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	9.43 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	10.05 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	8.45 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	11.60 %
WAM (Weighted Average Maturity)	7.45 years
WAL (Weighted Average Life)	9.21 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
US Államkötvény 2031/02 5,375%	interest-bearing	USA	02/15/2031	9.34 %
US Treasury 08/15/29 1,625%	interest-bearing	USA	08/15/2029	7.85 %
USGB 2042/02 3,125%	interest-bearing	USA	02/15/2042	7.80 %
SOCGEN 5 5/8 06/02/33	interest-bearing	SOCIETE GENERALE	06/02/2033	7.65 %
YKBNK 7 1/4 03/03/30	interest-bearing	Yapi ve Kredi Bankasi	03/03/2030	7.07 %
UKT 4,5% 12/07/42	interest-bearing	United Kingdom	12/07/2042	6.05 %
USGB 2033/11 4,5%	interest-bearing	USA	11/15/2033	5.81 %
T 4 3/4 02/15/37	interest-bearing	USA	02/15/2037	4.98 %
SERBIA 03/03/33 1,65% EUR	interest-bearing	Serbian State	03/03/2033	4.97 %
BTPS 5 09/01/40	interest-bearing	Italian State	09/01/2040	4.38 %

**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 | alapkezezo@am.vig | www.vigam.hu