VIG DEVELOPED MARKET GOVERNMENT BOND INVESTMENT FUND

UI series USD MONTHLY report - 2026 OCTOBER (made on: 10/31/2026)

INVESTMENT POLICY OF THE FUND

MARKET SUMMARY

In October, three mutually reinforcing forces shaped the money and capital markets: doubts about the finance ability of the investment cycle linked to artificial intelligence, persistently high real yields, and oil prices above $110 due to the escalation in the Middle East. At its October meeting, the Federal Reserve kept its benchmark interest rates unchanged, even though an interest rate hike had been priced in just a month earlier. The 10-year yield fell from a peak of 5.3% to below 5%. This was not driven by disinflation, but rather by expectations of a slowdown in AI-related bond issuance. Although the S&P 500 hit a new high early in the month, this was followed by the longest losing streak for semiconductor stocks since 2008. The main risk remains the November 3 midterm elections and the subsequent likelihood of a U.S. military strike against Iran. In Europe, inflation has remained above 3%, shifting the balance within the European Central Bank toward further tightening. The French yield spread widened to more than 170 basis points, and the 10-year yield temporarily exceeded 5%. The auto and luxury sectors were dragged down by weak Chinese demand, while AI-related electric vehicle stocks were weighed down by global market sentiment.
The Fund's value rose by 3.1% in October - outperforming the benchmark index by 37 basis points - as global bond market yields began to decline from their previous peaks. Energy prices remained persistently high ahead of the US midterm elections in November; however, investors continue to anticipate a significant correction in energy prices over the short to medium term, which could also drive bond yields lower. Regarding the Fund's composition, we reduced our exposure to 30-year UK government bonds following their strong performance in October. The Fund's positioning is moderately positive, following the significant rise in yields seen recently.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Erste Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% Bloomberg Global Treasury Majors ex Japan Total Return Index Unhedged USD
ISIN code:	HU0000732235
Start:	11/14/2024
Currency:	USD
Net Asset Value of the whole Fund:	17,113,224,263 HUF
Net Asset Value of UI series:	430,569 USD
Net Asset Value per unit:	1.057759 USD

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	73.20 %
Corporate bonds	19.12 %
Mortgage debentures	3.61 %
T-bills	1.88 %
Current account	2.21 %
Receivables	0.01 %
Liabilities	-0.01 %
Total	**100,00 %**
Derivative products	3.44 %
Net corrected leverage	100.86 %

Assets with over 10% weight

There is no such instrument in the portfolio

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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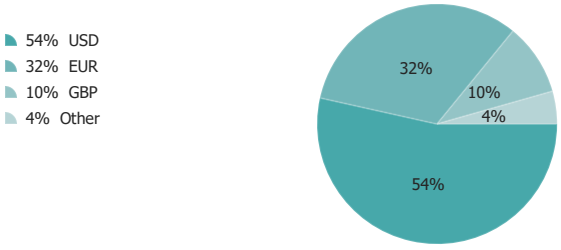
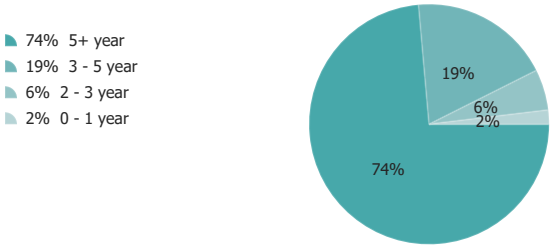
NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	-3.00 %	-2.66 %
From launch	2.90 %	2.81 %
1 month	1.72 %	1.42 %
3 months	-1.60 %	-1.32 %
2025	9.80 %	9.41 %

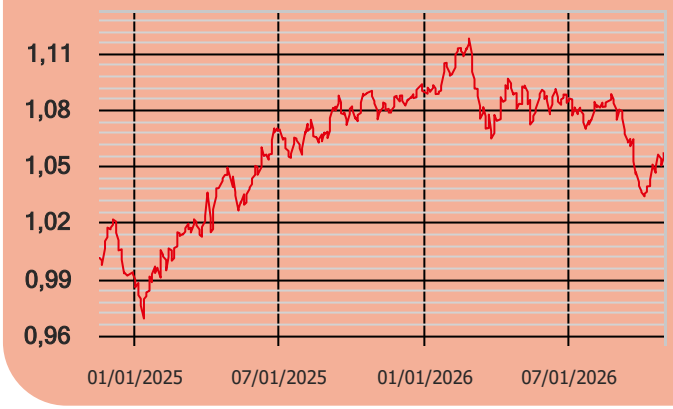
Currency exposure:



Bonds by tenor:



NET PERFORMANCE OF THE SERIES



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RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	5.35 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	4.59 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	5.43 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	5.43 %
WAM (Weighted Average Maturity)	7.08 years
WAL (Weighted Average Life)	8.81 years

TOP 10 POSITIONS

Asset	
T 4 3/4 02/15/37	9.38 %
US Államkötvény 2031/02 5,375%	9.06 %
USGB 2042/02 3,125%	7.47 %
YKBNK 7 1/4 03/03/30	6.87 %
SOCGEN 5 5/8 06/02/33	6.77 %
UKT 4,5% 12/07/42	5.85 %
USGB 2033/11 4,5%	5.74 %
BTPS 5 09/01/40	3.90 %
US Treasury 08/15/29 1,625%	3.89 %
ERSHUN 4,25% 09/15/32 call 09/15/31	3.61 %

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