# VIG DEVELOPED MARKET SHORT TERM BOND INVESTMENT FUND

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

## 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, 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 0.45% in October as yields in the Eurozone began to decline from their previous peaks. Following a rate hike in September, the European Central Bank kept its key interest rate unchanged in October, while inflation in the Eurozone accelerated to 3.8% in September. Tensions remain high in the French bond market due to the fiscal situation, with the yield spread between 10-year French and German bonds hovering around 150 basis points. 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: | 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: | 12,943,738 EUR |
| Net Asset Value of U series: | 441,104 USD |
| Net Asset Value per unit: | 1.111027 USD |

## ASSET ALLOCATION OF THE FUND

| Asset | Weight |
|---|---|
| Government bonds | 82.65 % |
| Corporate bonds | 13.70 % |
| Current account | 3.55 % |
| Market value of open derivative positions | 0.09 % |
| Receivables | 0.06 % |
| Liabilities | -0.02 % |
| **Total** | **100,00 %** |
| Derivative products | 0.00 % |
| Net corrected leverage | 100.00 % |

### Assets with over 10% weight

BTPS 6 1/2 11/01/27 (Italian State)
SPGB 2 1/2 05/31/27 (Spanish 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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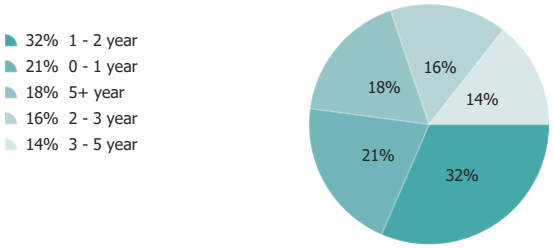
## NET YIELD PERFORMANCE OF THE SERIES

| Interval | Yield of note | Benchmark yield |
|---|---|---|
| YTD | 0.49 % | |
| From launch | 3.48 % | |
| 1 month | 0.46 % | |
| 3 months | -0.25 % | |
| 2025 | 4.14 % | |
| 2024 | 3.14 % | |

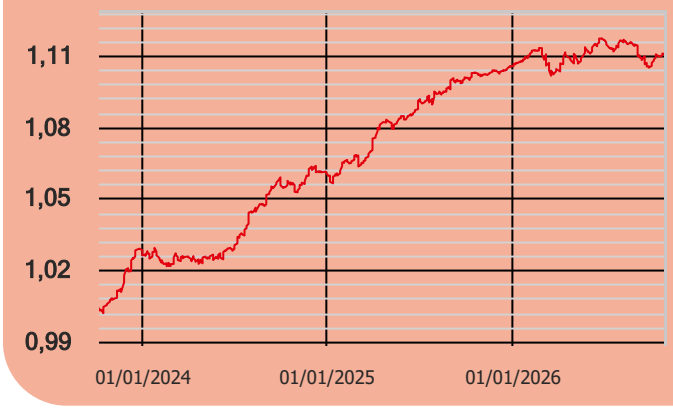
### Currency exposure:




### Bonds by tenor:




## NET PERFORMANCE OF THE SERIES




VIG DEVELOPED MARKET SHORT TERM BOND INVESTMENT FUND U series USD

## 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 | 1.45 % |
| Annualized standard deviation of the fund's weekly yields-based on 5 year | 1.44 % |
| WAM (Weighted Average Maturity) | 2.13 years |
| WAL (Weighted Average Life) | 2.51 years |

## TOP 10 POSITIONS

| Asset | |
|---|---|
| BTPS 6 1/2 11/01/27 | 24.42 % |
| SPGB 2 1/2 05/31/27 | 10.51 % |
| BTPS 4.1 02/01/29 | 9.72 % |
| FRTR 2 3/4 02/25/30 | 6.06 % |
| SLOVGB 3 02/07/28 | 5.90 % |
| TELSER 6 3/4 05/18/33 call 05/18/29 | 5.84 % |
| LATVIA 3 7/8 03/25/27 | 5.56 % |
| BGARIA 4 1/8 09/23/29 | 5.50 % |
| OTPHB 4 1/2 09/30/31 visszahívható 09/30/30 | 5.12 % |
| GGB 4,25% 06/15/33 | 4.79 % |

**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