

VIG Emerging Europe Bond Investment Fund

PI series PLN MONTHLY report - 2023 MAY (made on: 05/31/2023)

INVESTMENT POLICY OF THE FUND

The Fund aims to achieve capital growth by investing in bonds of emerging European countries and state-owned companies. The Fund does not apply credit rating restrictions: it may purchase securities of any country or company with any long-term credit rating. The Fund aims for the highest possible capital growth alongside reasonable risk-taking. The Fund primarily purchases foreign currency emerging market bonds, in addition to which it holds Hungarian local currency short-term and long-term bonds for diversification and liquidity management purposes. The bond portfolio may also include short-term, long-term, fixed or floating-rate, structured and convertible bonds issued by mortgage credit institutions, other credit institutions, local governments or other business entities. The core of the Fund's investments is Central Eastern Europe (Hungary, Croatia, Poland, Romania, Slovakia, Ukraine), South East Europe (Serbia, Turkey), the Baltics (Latvia, Lithuania) and the Commonwealth of Independent States (Azerbaijan, Belarus, Kazakhstan, Russia, Georgia, Armenia) and bonds of majority state-owned companies, in addition to which the Fund holds short-term and long-term Hungarian government securities for diversification and liquidity management purposes. The target weight for bond exposures in the Fund in the 16 countries listed (target countries) is 95%. We do not set a limit on debt classification in the Fund. The Fund may only conclude derivative transactions for hedging purposes, or in the interest of establishing an efficient portfolio. The Fund may also hold non-leveraged bond-type collective investment forms. The Fund may also take on significant foreign currency exposure, which is normally covered 100% by the Fund Manager in the target currency (USD), but depending on market conditions, the Fund may also hold open foreign currency positions.

MARKET SUMMARY

The US suspended the government's debt ceiling through Jan 1st, 2025. Fed Governor Philip Jefferson (who has been nominated to Vice Chair) indicated the FOMC will likely pause at its 13-14 June meeting. In the Eurozone, headline inflation fell sharply, to 6.1% YoY last month, with core CPI down moderately, to 5.3% YoY, amid broad-based disinflation. China official PMIs softened in May as the reopening boost slowed down. EGBs and USTs saw a pronounced rally, while European investment grade corporate credit risk premia moved range bound, although high yield and subordinated debt spreads saw a slight increase in volatility. In FX, the USD was ultimately forced to give back some of its early gains, allowing EUR-USD to recover back to around 1.0750.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	The fund has no benchmark
ISIN code:	HU0000724273
Start:	12/29/2020
Currency:	PLN
Net Asset Value of the whole Fund:	2,979,457 EUR
Net Asset Value of PI series:	PLN
Net Asset Value per unit:	0.646968 PLN

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka, VIG Befektetési Alapkezelő Magyarország Zrt.

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	68.94 %
Corporate bonds	6.47 %
Receivables	23.68 %
Liabilities	-5.74 %
Current account	3.43 %
Market value of open derivative positions	3.27 %
Total	100,00 %
Derivative products	0.00 %
Net corrected leverage	99.99 %

Assets with over 10% weight

There is no such instrument in the portfolio

RISK PROFILE



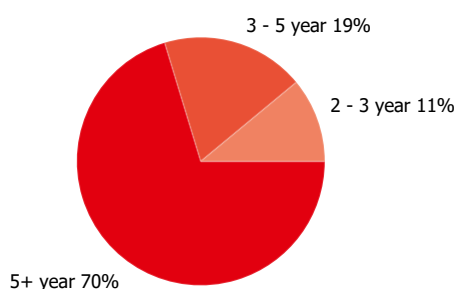
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NET YIELD PERFORMANCE OF THE SERIES

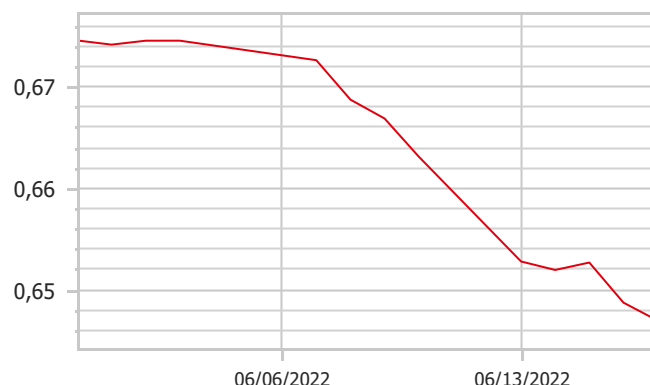
Interval	Yield of note	Benchmark yield
From start	-16.47 %	
1 month	0.00 %	
3 months	0.00 %	
2022	-33.48 %	
2021	-5.06 %	

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 05/31/2022 - 05/31/2023



— VIG Emerging Europe Bond Investment Fund PI series
— Benchmark

RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	2.68 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	29.09 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	29.09 %
WAM (Weighted Average Maturity)	6.31 years
WAL (Weighted Average Life)	8.16 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
TURKEY 6 03/25/27	interest-bearing	Török Állam	03/25/2027	8.53 %
TURKEY 04/14/26 4.25% USD	interest-bearing	Török Állam	04/14/2026	8.32 %
ROMANI USD 2044/01/22 6,125%	interest-bearing	Román Állam	01/22/2044	6.62 %
REPHUN 2032/09/22 6,25% USD	interest-bearing	Államadósság Kezelő Központ Zrt.	09/22/2032	6.49 %
MHP SA 6 1/4 09/19/29	interest-bearing	MHP Lux S.A.	09/19/2029	6.48 %
TURKEY 6 5/8 02/17/45	interest-bearing	Török Állam	02/17/2045	5.90 %
Republic of HUNGARY 2041/03/29 7,625% USD	interest-bearing	Államadósság Kezelő Központ Zrt.	03/29/2041	5.66 %
UKRAIN 9 3/4 11/01/28	interest-bearing	Ukrán állam	11/01/2028	5.07 %
ROMANI USD 2034/05/25 6%	interest-bearing	Román Állam	05/25/2034	4.66 %
REPHUN 2028/05/22 6,125% USD	interest-bearing	Államadósság Kezelő Központ Zrt.	05/22/2028	3.28 %

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 | alapkezelo@am.vig | www.vigam.hu