

## INVESTMENT POLICY OF THE FUND

The Fund's aim is to function as a stable, averagely low-risk form of investment, while providing investors with higher returns over the medium term than they could expect from bank deposits. In order to ensure liquidity, the Fund intends primarily to hold in its portfolio government bonds and discount treasury bills issued by the Government Debt Management Agency (ÁKK) on behalf of the Hungarian State, and bonds issued by the National Bank of Hungary (MNB). The Fund may hold in its portfolio low-risk debt securities issued by banks and companies, which are expected to provide higher returns than government securities and are denominated in HUF. The Fund may also keep its liquid assets in bank deposits. The fund may hold a limited amount of foreign currency assets in its portfolio, but only subject to the full hedging of currency risk.

## MARKET SUMMARY

In July, disinflation continued in Hungary, year on year inflation rate decreased to 17.6%. This is the first time since August 2022 that inflation has been below 20% in Hungary. On the rate setting meeting in July, the Monetary Council cut the ON deposit rate by the expected 100 basis points, bringing it to 15%. Communication remained hawkish, in case of favorable changes in the risk assessment the acceleration of the pace of rate cuts are out of the cards, but in case of new shocks, it is possible that they will slow down or even pause the rate cut cycle. During the month, the yield curve moved slightly higher. Yields on the 3-year maturity increased by 26 basis points, and on the 10-year maturity, they rose by 39 basis points, while the belly of the curve remained relatively unchanged. The valuation of the domestic papers versus regional peers improved during the month. The technical picture also improved, and both retail and institutional issuances are progressing according to plans. The global sentiment is supportive, as developed market central banks are approaching to the end of their rate hike cycles.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% MAX Index
ISIN code:	HU0000718127
Start:	12/01/2016
Currency:	HUF
Net Asset Value of the whole Fund:	22,540,779,761 HUF
Net Asset Value of I series:	10,011,380,193 HUF
Net Asset Value per unit:	0.983511 HUF

## DISTRIBUTORS

UNION Vienna Insurance Group Biztosító Zrt., 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	83.83 %
Corporate bonds	9.64 %
T-bills	1.71 %
Current account	4.70 %
Market value of open derivative positions	0.10 %
Receivables	0.04 %
Liabilities	-0.01 %
<b>Total</b>	<b>100.00 %</b>
Derivative products	2.03 %
Net corrected leverage	100.00 %

### Assets with over 10% weight

2032A (Államadósság Kezelő Központ Zrt.)

2028A (Államadósság Kezelő Központ Zrt.)

## RISK PROFILE

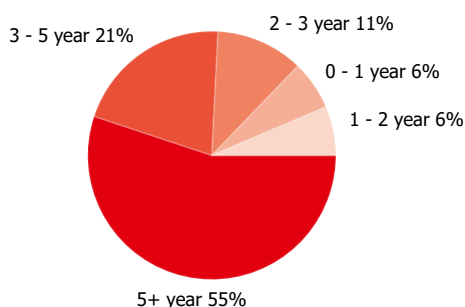
1	2	3	4	5	6	7
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← Lower risk Higher risk →

## NET YIELD PERFORMANCE OF THE SERIES

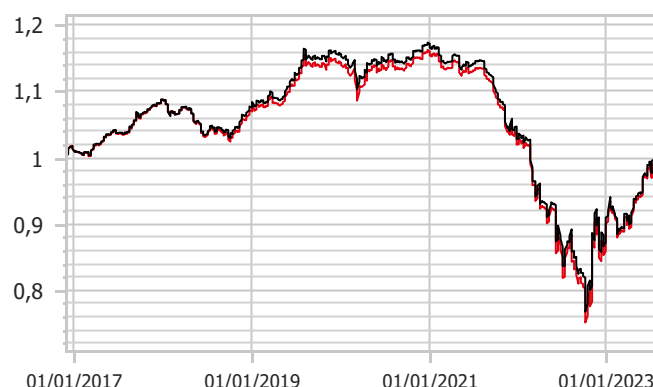
Interval	Yield of note	Benchmark yield
From start	-0.25 %	-0.13 %
1 month	-0.36 %	-0.25 %
3 months	5.88 %	6.03 %
2022	-16.66 %	-16.05 %
2021	-11.24 %	-11.36 %
2020	1.55 %	1.41 %
2019	7.23 %	7.74 %
2018	-1.51 %	-0.95 %
2017	6.28 %	6.41 %

### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 12/01/2016 - 07/31/2023



— VIG Hungarian Bond Investment Fund I series  
— Benchmark

## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	17.49 %
Annualized standard deviation of the benchmark's weekly yields-based on 1 year	16.08 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	21.53 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	23.29 %
WAM (Weighted Average Maturity)	5.42 years
WAL (Weighted Average Life)	6.22 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
Magyar Államkötvény 2032/A	interest-bearing	Államadósság Kezelő Központ Zrt.	11/24/2032	13.33 %
Magyar Államkötvény 2028/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/22/2028	12.35 %
Magyar Államkötvény 2026/D	interest-bearing	Államadósság Kezelő Központ Zrt.	12/22/2026	7.08 %
Magyar Államkötvény 2026/E	interest-bearing	Államadósság Kezelő Központ Zrt.	04/22/2026	6.93 %
Magyar Államkötvény 2038/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/27/2038	5.69 %
Magyar Államkötvény 2041/A	interest-bearing	Államadósság Kezelő Központ Zrt.	04/25/2041	5.53 %
2026F	interest-bearing	Államadósság Kezelő Központ Zrt.	08/26/2026	4.85 %
Magyar Államkötvény 2030/A	interest-bearing	Államadósság Kezelő Központ Zrt.	08/21/2030	4.76 %
Magyar Államkötvény 2027/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/27/2027	4.59 %
BSTDBK 2.52 10/19/23	interest-bearing	BLACK SEA TRADE AND DEVELOPEMENT BANK	10/19/2023	4.40 %

### 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