

# VIG MoneyMaxx Emerging Market Total Return Investment Fund

P series PLN MONTHLY report - 2023 JULY (made on: 07/31/2023)



## INVESTMENT POLICY OF THE FUND

The aim of the Fund is to create an investment portfolio through asset allocation between and within asset classes that achieves annualised capital growth for investors higher than the benchmark over a 3-year time horizon. The Fund seeks investment opportunities primarily in emerging markets. In order to realise the investment objectives, the asset groups in the Fund's portfolio may be freely varied without having to adhere to any predetermined risk profile. The Fund is a "total return" fund, which can invest in several asset classes, i.e. instead of focusing on just one sub-sector of the money or capital market, it concentrates its investments within a combination of assets that promises the highest possible return at any given time. The Fund does not aim to track a fixed benchmark, nor does it adhere to a fixed equity-to-bond portfolio ratio, but seeks to vary this ratio within broad boundaries, with the composition of the portfolio changing dynamically in order to achieve the Fund's return target. The Fund's investments focus on emerging markets. The Fund primarily allocates its assets between emerging-market local currency government securities, hard currency government and corporate bonds, and equity markets, in accordance with the latest market expectations. The Fund may thus assume interest rate risk, currency risk, credit risk, as well as equity market risk. The Fund may take positions in other regions and markets (e.g. commodity markets) besides the emerging markets. The Fund hedges most of its currency positions, but it may also take open currency positions. In the interest of efficient portfolio design, the Fund may also assume forward and futures positions.

## MARKET SUMMARY

Global growth is running below-trend this year but considering the size and extent of recent headwinds (real rate shock, monetary tightening) is holding up relatively well. Underneath this resilient global picture there continues to be a marked divergence between strong services and weak manufacturing sectors. As a result, manufacturing-intensive economies like China and Germany are struggling while more services-based ones like the United States are outperforming. We still see a disinflationary environment. While goods inflation has fallen notably, services inflation is still running high across a wide range of economies.

We continued to reduce EM duration by halving our Romanian exposure. At the same time, we increased USD duration further, we continue to use yield spikes to increase core market duration. In the equity book we increased total equity weight above 20% US index futures and cut China weight later in the month. We use EUR/HUF spikes above 385 to buy the HUF, we were already able to take profits on this trade. We think carry is still extremely high and compensates for fiscal and political risks.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Hurdle rate, annual 4.4%
ISIN code:	HU0000712385
Start:	07/29/2013
Currency:	PLN
Net Asset Value of the whole Fund:	14,783,201,259 HUF
Net Asset Value of P series:	456,772 PLN
Net Asset Value per unit:	1.060577 PLN

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka, ERSTE Group Bank AG Austria

## 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	28.97 %
Corporate bonds	26.74 %
T-bills	16.81 %
Collective securities	9.47 %
Hungarian equities	3.41 %
Market value of open derivative positions	6.33 %
Current account	4.91 %
Receivables	4.34 %
Liabilities	-0.98 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	90.28 %
Net corrected leverage	124.60 %

### Assets with over 10% weight

There is no such instrument in the portfolio

## RISK PROFILE

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

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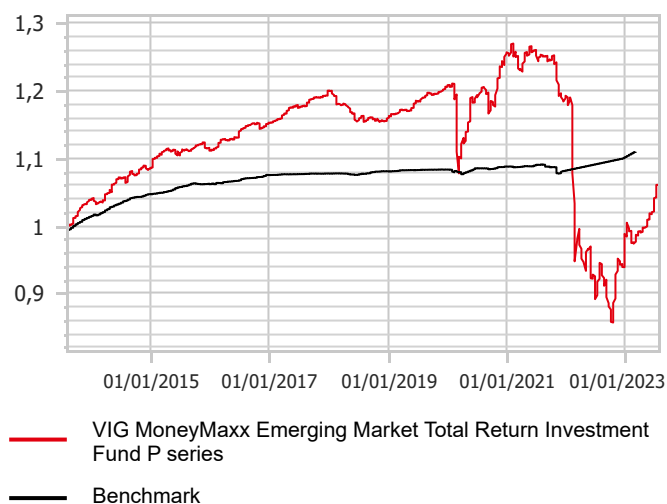


## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From start	0.59 %	1.21 %
1 month	3.98 %	0.37 %
3 months	6.46 %	1.14 %
2022	-20.72 %	1.71 %
2021	-5.29 %	-0.60 %
2020	3.89 %	0.41 %
2019	4.12 %	0.23 %
2018	-3.06 %	0.31 %
2017	3.59 %	0.20 %
2016	3.27 %	1.22 %
2015	2.82 %	1.50 %
2014	4.39 %	3.31 %

## NET PERFORMANCE OF THE SERIES

net asset value per share, 07/29/2013 - 07/31/2023



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	8.74 %
Annualized standard deviation of the benchmark's weekly yields-based on 1 year	0.21 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	20.63 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	23.00 %
WAM (Weighted Average Maturity)	2.51 years
WAL (Weighted Average Life)	3.85 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
MSCI EmgMkt Sep23 Buy	derivatív	Raiffeisen Hun	09/15/2023	9.96 %
EUR/HUF 23.09.05 Forward Sell	derivatív	Erste Bank Hun	09/05/2023	7.82 %
US 5YR NOTE (CBT) Sep23 Buy	derivatív	Raiffeisen Hun	09/29/2023	6.05 %
USD/HUF 24.01.22 Forward Sell	derivatív	Unicredit Hun	01/22/2024	5.20 %
BSTDBK 2.52 10/19/23	interest-bearing	BLACK SEA TRADE AND DEVELOPEMENT BANK	10/19/2023	4.36 %
OTPHB 2,875 07/15/29 visszahívható 2024	interest-bearing	Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	07/15/2024	4.12 %
LONG GILT FUTURE Sep23 Buy	derivatív	Raiffeisen Hun	09/27/2023	4.08 %
OTP alárendelt kötvény PERP FRN	interest-bearing	Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	11/07/2049	3.93 %
Magyar Államkötvény 2034/A	interest-bearing	Államadósság Kezelő Központ Zrt.	06/22/2034	3.92 %
2026H	interest-bearing	Államadósság Kezelő Központ Zrt.	10/21/2026	3.85 %

### 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 | alapkezelelo@am.vig | www.vigam.hu