

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

Economic growth was softer than expected, 2nd quarter QoQ GDP growth was -0.3%, the fourth consecutive quarter with economic contraction. This probably means full-year 2023 growth will be at most flat. Recessionary environment had a positive effect on the disinflation process. Headline CPI declined quicker than expected during the summer (to 17.6% yoy by July) and is forecast to fall close to 7% by the end of the year. The currency traded below 390 for most of the month. The central bank continued its gradual rate hike cycle as the disinflation process and better external accounts still support lower rates. Ten-year yields rallied back below 7% after a short lived spike while short yields remained under pressure by technical buying from local banks and limited supply in the very short segment, thus closed the month at ytd lows despite higher core market yields.

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:	HU0000702493
Start:	03/16/1998
Currency:	HUF
Net Asset Value of the whole Fund:	29,391,741,393 HUF
Net Asset Value of A series:	12,872,187,946 HUF
Net Asset Value per unit:	4.846848 HUF

DISTRIBUTORS

CIB BANK ZRT, Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., MBH Befektetési Bank Zrt, OTP Bank Nyrt., Raiffeisen Bank Zrt., Unicredit Bank Hungary 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	86.99 %
Corporate bonds	7.50 %
T-bills	1.32 %
Current account	4.10 %
Market value of open derivative positions	0.12 %
Liabilities	-0.02 %
Receivables	0.01 %
Total	100,00 %
Derivative products	1.57 %
Net corrected leverage	100.00 %

Assets with over 10% weight

2028A (Államadósság Kezelő Központ Zrt.)

2032A (Államadósság Kezelő Központ Zrt.)

RISK PROFILE

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

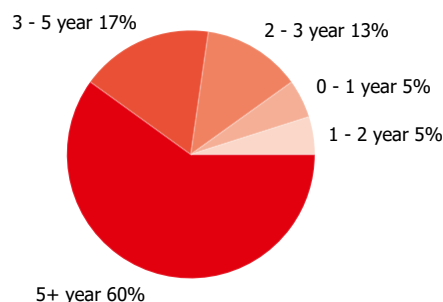
VIG Hungarian Bond Investment Fund

A series HUF MONTHLY report - 2023 AUGUST (made on: 08/31/2023)

NET YIELD PERFORMANCE OF THE SERIES

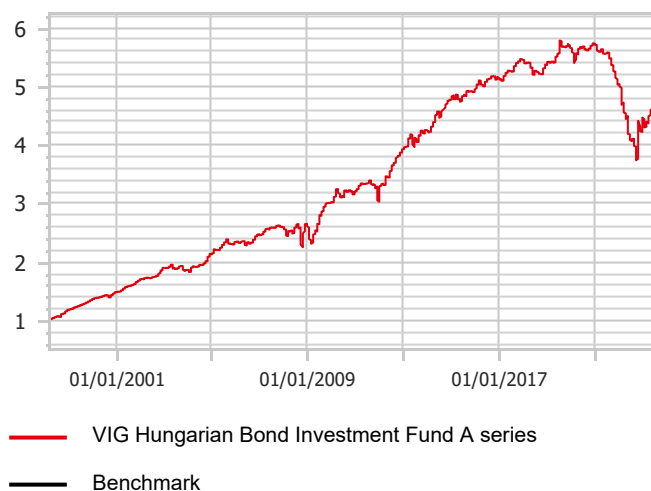
Interval	Yield of note	Benchmark yield
From start	6.40 %	3.56 %
1 month	2.25 %	2.45 %
3 months	6.40 %	7.12 %
2022	-17.45 %	-16.05 %
2021	-12.08 %	-11.36 %
2020	0.75 %	1.41 %
2019	6.42 %	7.74 %
2018	-2.24 %	-0.95 %
2017	5.49 %	6.41 %
2016	5.72 %	6.73 %
2015	3.54 %	4.48 %
2014	11.37 %	12.58 %
2013	8.83 %	10.03 %

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/16/1998 - 08/31/2023



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	16.92 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	15.67 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	21.63 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	23.34 %
WAM (Weighted Average Maturity)	5.46 years
WAL (Weighted Average Life)	6.26 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
Magyar Államkötvény 2028/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/22/2028	14.67 %
Magyar Államkötvény 2032/A	interest-bearing	Államadósság Kezelő Központ Zrt.	11/24/2032	10.44 %
Magyar Államkötvény 2030/A	interest-bearing	Államadósság Kezelő Központ Zrt.	08/21/2030	8.33 %
Magyar Államkötvény 2027/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/27/2027	5.85 %
Magyar Államkötvény 2026/D	interest-bearing	Államadósság Kezelő Központ Zrt.	12/22/2026	5.59 %
Magyar Államkötvény 2026/E	interest-bearing	Államadósság Kezelő Központ Zrt.	04/22/2026	5.46 %
Magyar Államkötvény 2038/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/27/2038	5.35 %
Magyar Államkötvény 2029/A	interest-bearing	Államadósság Kezelő Központ Zrt.	05/23/2029	4.50 %
Magyar Államkötvény 2041/A	interest-bearing	Államadósság Kezelő Központ Zrt.	04/25/2041	4.37 %
2026H	interest-bearing	Államadósság Kezelő Központ Zrt.	10/21/2026	3.92 %

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