

## INVESTMENT POLICY OF THE FUND

The aim of the Fund is to create an investment portfolio that achieves annualised capital growth for investors higher than the benchmark over a 3-year time horizon while achieving the Fund's Sustainability Objectives. With a view to achieving these objectives, the Fund may invest in a variety of instruments, i.e. it holds primarily equity and bond-type instruments, while it may also invest in collective securities and enter into derivative transactions, subject in each case to the relevant investment limits. The fund does not have a geographical specification. In order to realise the investment objectives, the asset groups in the Fund's portfolio may be varied freely, without having to adhere to a predetermined risk profile.

The Fund's investment strategy is based on sustainable value creation, aiming to build an actively managed and sufficiently diverse portfolio that takes into account both sustainability criteria and the fundamentals of the assets held. The Fund's asset allocation strategy is based on the asset allocation model used by the Fund Manager, the Investment Clock, used by the Fund Manager to determine the asset mix with the best risk to return potential at a given point of the economic cycle. In addition to asset allocation, the Fund Manager aims to achieve the financial and sustainability objectives of the Fund through active stock and bond selection policies. Stock selection is based on sustainable growth, through the selection of stocks of companies able to achieve outstanding performance both financially and in terms of ESG risks, thus creating long-term shareholder value. When selecting bonds, the Fund Manager seeks to maximise the proportion of green bond issues, taking into account existing market constraints.

## MARKET SUMMARY

In October, the Hamas-Israel war caused oil prices to rise 10%, but as the chances of the war not turning into a wider Middle East crisis diminished, oil prices fell back to pre-conflict levels. The US Federal Reserve is still communicating a very tight monetary policy, but markets are becoming immune because the accepted view is that a recession will come sooner or later and then the Fed is expected to cut interest rates. Currently, bond markets are pricing in the first rate cut in May by next year, with an 80 basis point cut priced in for 2024. The Hungarian National Bank has decided to cut its base rate by 75 basis points in October, slowing from the previous 100 basis point rate cut. The decision came as some surprise as the consensus had expected only a 50 basis point cut. In the statement released, the MNB indicated that strong disinflation and the reduction in the country's vulnerabilities allow for a continuation of the normalization of monetary conditions by lowering the base rate, while rising external risks justify maintaining a cautious approach and continuing to cut interest rates at a slower pace than before. Vice-President Barnabas Virág said that the decision would be taken in a step-by-step, cautious and data-driven manner, depending on the factors affecting the inflation path and the evolution of the risk environment. The forint strengthened against the euro throughout October, but weakened slightly after the rate decision meeting.

The Fund moved sideways during the month, despite a weak month for both the long maturity bonds and equity markets. Central European equities and European bonds were positive contributors to performance, while US assets detracted from the Fund's performance on both the bond and equity sides. Equity exposure increased slightly during the month, reaching 30% by the end of the month. We realized our exposure to the German real estate company Vonovia, while at the same time significantly increasing our weight in Polish equities and slightly increasing our weight in Greek equities. On the bond side, we continued selling Hungarian long bonds (2032/G) and buying US short bonds.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Hurdle rate, annual 1.6%
ISIN code:	HU0000729587
Start:	07/21/2022
Currency:	USD
Net Asset Value of the whole Fund:	16,759,769,386 HUF
Net Asset Value of UI series:	58,088 USD
Net Asset Value per unit:	1.088578 USD

## DISTRIBUTORS

Conseq Investment Management, a.s.

## ASSET ALLOCATION OF THE FUND

Asset	Weight
T-bills	24.70 %
Government bonds	22.23 %
Collective securities	19.15 %
Corporate bonds	13.38 %
Hungarian equities	9.76 %
International equities	5.75 %
Current account	2.69 %
Market value of open derivative positions	2.27 %
Receivables	0.21 %
Liabilities	-0.13 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	82.11 %
Net corrected leverage	108.04 %

### Assets with over 10% weight

US T-Bill 02/08/24 (Amerikai Egyesült Államok)

OBL 0 10/10/25 (Német Állam)

## SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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## RISK PROFILE

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

# VIG Maraton ESG Multi Asset Investment Fund

UI series USD MONTHLY report - 2023 OCTOBER (made on: 10/31/2023)

## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From launch	6.86 %	1.53 %
1 month	-0.27 %	0.14 %
3 months	-1.19 %	0.40 %

## NET PERFORMANCE OF THE SERIES

net asset value per share, 07/21/2022 - 10/31/2023



— VIG Maraton ESG Multi Asset Investment Fund UI series  
— Benchmark

## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	6.85 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	0.05 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	7.22 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	7.22 %
WAM (Weighted Average Maturity)	2.11 years
WAL (Weighted Average Life)	2.39 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
US T-Bill 02/08/24	zero coupon	Amerikai Egyesült Államok	02/08/2024	12.44 %
OBL 0 10/10/25	zero coupon	Német Állam	10/10/2025	12.29 %
iShares Core MSCI World UCITS	investment note	iShares Core MSCI World UCITS ETF		7.34 %
OTP HB 5,5% 07/13/25	interest-bearing	Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	07/13/2025	7.30 %
FRTR 1,75% 06/25/39	interest-bearing	Francia Állam	06/25/2039	6.02 %
Adventum MAGIS Zártkörű Alapok Alapja	investment note	Adventum MAGIS Zártkörű Alapok		5.46 %
BTPS 4 10/30/31	interest-bearing	Olasz Állam	10/30/2031	4.00 %
Magyar Telekom Nyrt. részv.	share	Magyar Telekom Távközlési Nyrt. (Budapest)		3.65 %
MFB 2025/06/24 1,375% EUR	interest-bearing	Magyar Fejlesztési Bank Zrt.	06/24/2025	3.24 %
USD/HUF 24.01.19 Forward Sell	derivatív	OTP Bank	01/19/2024	3.10 %

## 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