

# VIG Opportunity Developed Markets Equity Investment Fund

I series HUF MONTHLY report - 2023 OCTOBER (made on: 10/31/2023)

## INVESTMENT POLICY OF THE FUND

The Fund aims to profit from the returns on global equity market investments through stock prices and dividend income. According to the intentions of the Fund Manager, the bulk of the Fund's portfolio is made up of shares of foreign companies issued through public offerings, but the Fund may also invest in shares issued by Hungarian companies. The proportion of shares that can be held in the Fund at any given time may reach the prevailing legal maximum. The Fund Manager has the option, at its own discretion, of hedging all or part of its foreign exchange risks using forward currency positions subject to observing the applicable legal requirements.

## 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.

In October, the fund had a negative return but outperformed the benchmark index. The negative return was due to a sell-off in developed markets. High interest rates started to have an impact on equity markets and investors reduced the risk in their portfolios. We approached this by trying to buy stocks that had fallen unduly. We therefore continued to increase our exposure to a silver mining company, which we sold after a rally. We bought Disney shares at the end of the month when the price fell below \$80. In October, we sold all remaining Hungarian DKJ exposure, so now the fund is immune to forint movements.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Erste Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% MSCI World Net Total Return USD Index
ISIN code:	HU0000712393
Start:	08/15/2013
Currency:	HUF
Net Asset Value of the whole Fund:	32,912,641,880 HUF
Net Asset Value of I series:	26,735,438,140 HUF
Net Asset Value per unit:	2.780540 HUF

## DISTRIBUTORS

Raiffeisen Bank Zrt., Unicredit Bank Hungary Zrt., UNION Vienna Insurance Group Biztosító Zrt.

## SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
--------	--------	------	------	------	------	------

## ASSET ALLOCATION OF THE FUND

Asset	Weight
Collective securities	78.27 %
T-bills	17.87 %
International equities	0.27 %
Current account	3.38 %
Receivables	0.94 %
Liabilities	-0.74 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	21.27 %
Net corrected leverage	120.12 %

### Assets with over 10% weight

US T-Bill 11/30/23 (Amerikai Egyesült Államok)

iShares Edge MSCI World Quality Factor UCITS ETF

iShares MSCI World ETF USD

## RISK PROFILE

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

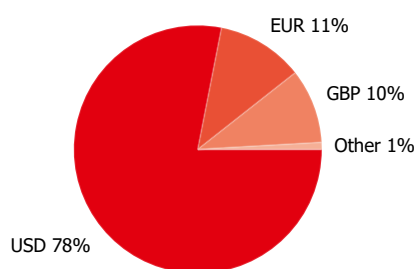
# VIG Opportunity Developed Markets Equity Investment Fund

I series HUF MONTHLY report - 2023 OCTOBER (made on: 10/31/2023)

## NET YIELD PERFORMANCE OF THE SERIES

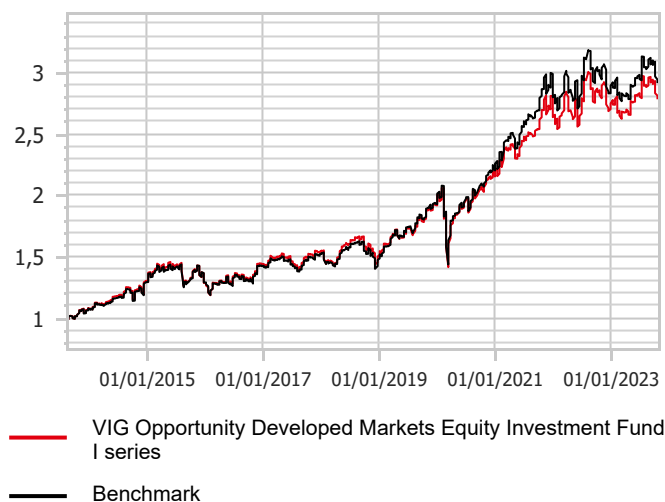
Interval	Yield of note	Benchmark yield
From launch	10.53 %	11.04 %
1 month	-5.39 %	-5.60 %
3 months	-6.30 %	-6.87 %
2022	-4.44 %	-5.58 %
2021	27.89 %	33.43 %
2020	14.94 %	16.93 %
2019	31.10 %	34.89 %
2018	-3.90 %	-4.51 %
2017	5.77 %	5.12 %
2016	5.54 %	4.31 %
2015	5.57 %	6.48 %
2014	20.66 %	20.20 %

### Currency exposure:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 08/15/2013 - 10/31/2023



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	15.80 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	16.39 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	16.96 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	19.39 %
WAM (Weighted Average Maturity)	0.01 years
WAL (Weighted Average Life)	0.01 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
US T-Bill 11/30/23	zero coupon	Amerikai Egyesült Államok	11/30/2023	17.88 %
iShares Edge MSCI World Quality Factor UCITS ETF	investment note	iShares Edge MSCI World Quality		14.45 %
iShares MSCI World ETF USD	investment note	iShares MSCI World ETF		13.80 %
iShares MSCI World UCITS ETF	investment note	iShares MSCI World UCITS ETF		9.40 %
SPDR MSCI World UCITS ETF	investment note	SPDR MSCI World UCITS ETF		9.28 %
iShares Core MSCI World UCITS	investment note	iShares Core MSCI World UCITS ETF		8.57 %
XMWO-DB MXWO ETF	investment note	XMWO-DB MXWO ETF		8.25 %
S&P500 EMINI FUT Dec23 Buy	derivatív	Erste Bef. Hun	12/15/2023	7.11 %
S&P500 EMINI FUT Dec23 Buy	derivatív	Erste Bef. Hun	12/15/2023	5.74 %
BNP Paribas Easy S&P 500 UCITS ETF	investment note	BNP Paribas Easy S&P 500 UCITS ETF		3.56 %

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