

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 November, disinflation continued in Hungary, with headline inflation arriving at 7,9% below the market expectations of 8%. During the month, fuel prices continued to decrease, which had a positive impact on disinflation. In December 2022, due to supply problems, the government abolished the fuel price cap, so next month the lower base will be excluded from the calculations, which will have a positive impact on the year-on-year inflation. At the November rate setting meeting the Monetary Council reduced the base interest rate by 75 basis points, bringing the benchmark rate to 11.5%, which was in line with market expectations. The Monetary Council considered several scenarios again when making the decision, but in the communication of the Deputy Governor of the NBH, Barnabás Virág, it was projected that they would proceed with 75 basis points steps until February, by when the base rate will reach the single digit territory. This is intended to maintain a higher real interest rate in the economy. The Hungarian Debt Management Agency presented the financing plan for next year at the beginning of December, indicating that the net financing requirement of the central budget will be 2515 bn HUF. The institutional issuance will be cut back significantly, which could lead to a downward trajectory in yields in the coming year. Bond yields decreased during the month, regarding the 3-5-10 year maturity, yields closed the month 78-72-68 basis points lower, respectively. As a result of the decrease in yields, the valuation of domestic securities somewhat deteriorated in a regional context. With more and more rate cuts are being priced in in the developed markets, the global environment has become more supportive again, but caution is warranted due to the deterioration in valuations.

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:	34,629,022,649 HUF
Net Asset Value of A series:	14,467,043,928 HUF
Net Asset Value per unit:	5.026263 HUF

DISTRIBUTORS

CIB BANK ZRT, Commerzbank Zrt., Concorde Securities Ltd., Equilor Befektetési Zrt, Erste Investment Plc., MBH Befektetési Bank Zrt, OTP Bank Nyrt., Raiffeisen Bank cPlc., UniCredit Bank Hungary cPlc., VIG Asset Management Hungary Plc.

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	88.45 %
Corporate bonds	6.74 %
T-bills	0.31 %
Current account	4.51 %
Liabilities	-0.18 %
Market value of open derivative positions	0.14 %
Receivables	0.03 %
Total	100,00 %
Derivative products	3.55 %
Net corrected leverage	100.02 %

Assets with over 10% weight

2032A (Government Debt Management Agency Pte. Ltd.)
2028A (Government Debt Management Agency Pte. Ltd.)

RISK PROFILE

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

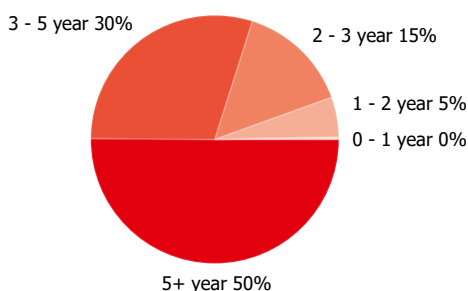
VIG Hungarian Bond Investment Fund

A series HUF MONTHLY report - 2023 NOVEMBER (made on: 11/30/2023)

NET YIELD PERFORMANCE OF THE SERIES

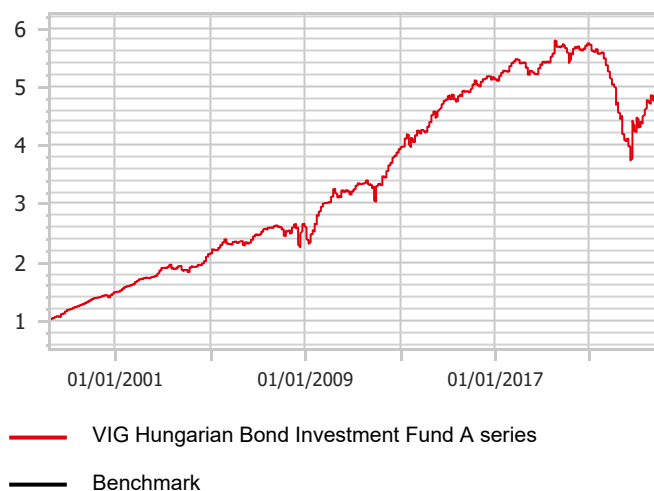
Interval	Yield of note	Benchmark yield
YTD	20.85 %	21.31 %
From launch	6.48 %	3.69 %
1 month	4.16 %	4.08 %
3 months	3.70 %	4.13 %
2022	-17.45 %	-16.05 %
2021	-12.08 %	-11.36 %
2020	0.75 %	1.41 %
2019	6.42 %	7.74 %
2018	-2.24 %	-0.95 %
2017	5.49 %	6.41 %
2016	5.72 %	6.73 %
2015	3.54 %	4.48 %
2014	11.37 %	12.58 %
2013	8.83 %	10.03 %

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/16/1998 - 11/30/2023



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	13.22 %
Annualized standard deviation of the benchmark's weekly yields-based on 1 year	12.51 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	12.70 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	10.58 %
WAM (Weighted Average Maturity)	5.78 years
WAL (Weighted Average Life)	6.56 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
Magyar Államkötvény 2032/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	11/24/2032	12.47 %
Magyar Államkötvény 2028/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	10/22/2028	12.05 %
Magyar Államkötvény 2030/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	08/21/2030	7.57 %
Magyar Államkötvény 2027/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	10/27/2027	7.44 %
Magyar Államkötvény 2026/D	interest-bearing	Government Debt Management Agency Pte. Ltd.	12/22/2026	6.81 %
Magyar Államkötvény 2041/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	04/25/2041	5.70 %
Magyar Államkötvény 2038/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	10/27/2038	5.36 %
Magyar Államkötvény 2026/E	interest-bearing	Government Debt Management Agency Pte. Ltd.	04/22/2026	5.11 %
Magyar Államkötvény 2029/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	05/23/2029	4.81 %
Magyar Államkötvény 2031/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	10/22/2031	4.04 %

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbfv. 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 | alapkezero@am.vig | www.vigam.hu