# VIG Hungarian Money Market Investment Fund

A series HUF MONTHLY report - 2024 FEBRUARY (made on: 02/29/2024)



# INVESTMENT POLICY OF THE FUND

The Fund's aim is to function as a stable, low-risk form of investment, while providing investors with higher returns 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) and bonds issued by the National Bank of Hungary (MNB). The weighted average maturity (WAM) of the assets in the portfolio may not exceed 6 months and the weighted average life (WAL) of the assets may not exceed 12 months. 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 primarily in HUF, but also in other currencies. The Fund may also invest to a limited extent in government securities or guaranteed bonds issued by the OECD or a G20 country, or any debt security issued or guaranteed by the central government or a regional or local government or the central bank of any EU Member State, or by the European Union, the European Central Bank or the European Investment Bank. The weighted average maturity (WAM) of the assets in the portfolio may not exceed 6 months and the weighted average life (WAL) of the assets may not exceed 12 months. In addition, the remaining time to maturity of each security is a maximum of 2 years and a maximum of 397 days until the nearest interest-rate determination date. 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.

Aegon Moneymarket Fund is not a guaranteed investment. The risk of loss of the principal is to be borne by the investor. An investment in Aegon Moneymarket Fund is different from an investment in deposits, with particular reference to the risk that the principal invested in Aegon Moneymarket Fund is capable of fluctuation. Aegon Moneymarket Fund does not rely on external support for guaranteeing the liquidity of the fund or stabilising the NAV per unit or share.

### MARKET SUMMARY

In February, the pace of price increases continued to slow in Hungary, in spite of the 3,9% market expectations, year-on year inflation slowed to 3,7%. Although the excise tax increase in January only partially appeared in prices, February brought a noticeable increase in fuel prices, as we observed a 6,7% increase at gas stations within one month. At the second rate-setting meeting of the year, the Monetary Council continued its rate cut cycle. Market consensus was highly divided, as analysts were expecting a cut of either 75 or 100 basis points in almost equal proportions. However, the Monetary Council decided, that due to the faster-than-expected decline in inflation, they could temporarily accelerate the pace of rate cuts, thus reducing the base rate by 100 basis points to 9%. Following the decision, Barnabás Virág emphasized at the press conference that despite the decision, they still consider a base rate of 6-7% by mid-year to be realistic. The forint did not react well to the acceleration of the rate cut pace, rising above 390 against the euro after the meeting. During the month, short-term yields began to gradually decline, with a 24 basis point decrease in the 3-month T-bill auction and a 13 basis point decrease in the annual T-bill auction, allowing securities to be obtained at lower levels. Due to the expected rate path by mid-year, we continue to anticipate a decrease in short-term yields, thus favoring to keep higher duration in the portfolio going forward.

# **GENERAL INFORMATION**

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% ZMAX Index
ISIN code:	HU0000702303
Start:	09/25/2002
Currency:	HUF
Net Asset Value of the whole Fund:	27,736,357,600 HUF
Net Asset Value of A series:	15,853,825,193 HUF
Net Asset Value per unit:	2.802794 HUF

# DISTRIBUTORS

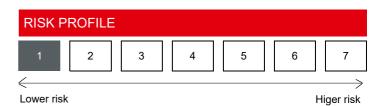
Concorde Securities Ltd., Equilor Befektetési Zrt, Erste Investment Plc., OTP Bank Nyrt., Raiffeisen Bank cPlc., SPB Befektetési Zrt., UniCredit Bank Hungary cPlc., VIG Asset Management Hungary Plc.

SUGGESTED MINIMUM INVESTMENT PERIOD						
3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr

# ASSET ALLOCATION OF THE FUND

Asset	Weight
T-bills	39.16 %
Government bonds	31.67 %
Corporate bonds	6.85 %
Current account	22.31 %
Deposit	0.35 %
Liabilities	-0.05 %
Market value of open derivative positions	-0.30 %
Total	100,00 %
Derivative products	18.25 %
Net corrected leverage	100.05 %
Assets with over 10% weight	
2024C (Államadósság Kezelő Központ)	
2024B (Államadósság Kezelő Központ)	
D240821 (Államadósság Kezelő Központ)	

D240430 (Államadósság Kezelő Központ)



# VIG Hungarian Money Market Investment Fund

A series HUF

Interval

From launch

1 month

3 months

6 months

2023

2022

2021

2020

2019

2018

2017

2016

2015

2014

YTD

MONTHLY report - 2024 FEBRUARY (made on: 02/29/2024)

#### NET YIELD PERFORMANCE OF THE SERIES Yield of note Benchmark yield 1.13 % 1.06 % 4.89 % 5.22 % 3 0.48 % 0.49 % 2,5 2.03 % 2.06 % 2 4.54 % 4.53 % 13.88 % 13.50 % 1,5 7.02 % 5.90 % 1 -0.02 % 0.39 % -0.03 % 0.44 % -0.24 % 0.05 % 0.09 % 0.05 %

0.05 %

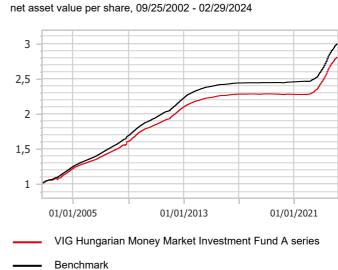
0.83 %

1.33 %

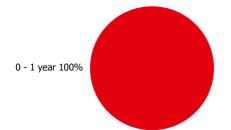
2.21 %



# NET PERFORMANCE OF THE SERIES



### Bonds by tenor:



#### **RISK INDICATORS** Annualized standard deviation of the fund's weekly yields-0.82 % based on 1 year Annualized standard deviation of the benchmark's weekly 0.81 % yields- based on 1 year Annualized standard deviation of the fund's weekly yields-0.93 % based on 3 year Annualized standard deviation of the fund's weekly yields-0.87 % based on 5 year WAM (Weighted Average Maturity) 0.32 years WAL (Weighted Average Life) 0.32 years

# TOP 10 POSITIONS

Asset	Туре	Counterparty / issuer	Maturity	
Magyar Államkötvény 2024/C	interest-bearing	Államadósság Kezelő Központ	10/24/2024	17.79 %
Magyar Államkötvény 2024/B	interest-bearing	Államadósság Kezelő Központ	06/26/2024	14.01 %
D240821	zero coupon	Államadósság Kezelő Központ	08/21/2024	12.87 %
D240430	zero coupon	Államadósság Kezelő Központ	04/30/2024	11.16 %
D240626	zero coupon	Államadósság Kezelő Központ	06/26/2024	5.26 %
BTF 0 04/17/24	zero coupon	French state	04/17/2024	4.24 %
MAEXIM 16 03/14/24	interest-bearing	Hungarian Export-Import Bank cPlc.	03/14/2024	4.16 %
D241223	zero coupon	Államadósság Kezelő Központ	12/23/2024	2.25 %
D241030	zero coupon	Államadósság Kezelő Központ	10/30/2024	1.57 %
MAEXIM 8 1/2 01/15/25	interest-bearing	Hungarian Export-Import Bank cPlc.	01/15/2025	1.47 %

0.11 %

0.81 %

1.25 %

2.46 %

# CREDIT PROFILE

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Rating*	Country	Weight		
BBB	HU	66.87 %		
BBB	HU	6.88 %		
BBB	HU	0.36 %		
AA	FR	4.24 %		
	BBB BBB BBB	BBB HU BBB HU BBB HU		

\*: Average rating of the big three credit rating agencies (S&P, Moody's, Fitch)

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbftv. 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 mult. 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, Ülői út 1. | +36 1 477 4814 | alapkezelo@am.vig | www.vigam.hu