

## INVESTMENT POLICY OF THE FUND

The fund aims to profit from global megatrends that extend beyond economic cycles. Such trends may include demographic changes (ageing society, developing markets), efficiency gains due to scarce resources (renewable resources, energy efficiency), urbanisation, or even technological innovation. The fund aims to achieve its objectives through equity-type instruments, primarily exchange-traded funds (ETFs), equities and open-ended public investment funds. Megatrends are long-term changes that have a lasting impact on our social and economic environment. The fund aims to share in the profit growth of companies that could be winners in these processes. Megatrends are long-term processes that extend beyond normal economic cycles, are usually global and affect the whole world. Consequently, the fund does not have a geographical specification. As the fund aims to profit from long-term growth and has significant exposure to stock markets, it is recommended for risk-taking investors with a long-term investment horizon. The Fund holds its assets in euro. The Fund invests only in investments where the expense ratio remains below 2.5%, but always aims to keep the average fees charged on the underlying collective investment instruments below 1%. The fund also does not have a geographical specification, and thus no typical currency composition. The target currency of the Fund is therefore the settlement currency of the benchmark index (USD). Due to the strategy of the Fund, it may also invest in assets denominated in foreign currency. The Fund may hedge some or all of its foreign currency risk using forward currency positions against the target currency, i.e. the settlement currency of the benchmark (USD). The Fund Manager has a discretionary right to reduce the foreign currency risk of positions denominated in a currency other than the target currency, depending on market developments, by entering into hedge transactions. In addition, the use of equity and index futures is permitted in order to effectively build the Fund's portfolio.

## MARKET SUMMARY

In the US, the most important market event remains the Federal Reserve's interest rate meeting and the subsequent press conference. Investors will be trying to guess when the Fed will cut rates for the first time and how many rate cuts there will be in 2024. 2023 has ended with the idea that this year the economy will either land hard, meaning a recession, or soft, meaning the economy will slow but there will be no recession. At the rate-setting meeting, it was decided not to cut interest rates just yet as inflation is falling, but there are signs that inflation could rise again in the future.

The Hungarian National Bank cut its key interest rate by 100 basis points to 9.00% in January. The decision was not unanimous, but according to the bank's vice-president Barnabas Virág, a large majority supported the higher rate cut. The decision was heavily influenced by the fact that inflation has fallen faster than market and central bank expectations, and that although global political risks remain, but these have not led to an increase in energy prices. The Hungarian economy is experiencing strong and widespread disinflation. Consumer prices rose by 3.8% year-on-year in January, bringing inflation within the central bank's tolerance band. According to the Vice-President's forecast, the key interest rate will be lowered to 6-7% by the end of the first half of the year. Following the rate decision, the forint weakened against the euro, rising above the 390 level.

Equity markets continued to rise in February, with both US and European equity indices reaching new all-time highs, and the Fund performed well during the month. Both the S&P 500 and the Nasdaq 100 indexes rose by more than 5% in dollar terms in February, ending an almost unprecedented streak of 18 to 16 positive weeks for both indices, but the number of rising stocks continued to narrow. The so-called Magnificent 7 stocks (Apple, Amazon, Alphabet, Meta Platforms, Microsoft, Nvidia and Tesla) have already diverged significantly in 2024, after Apple, Tesla and Alphabet all underperformed significantly this year. Artificial intelligence (AI) remains the megatrend with the biggest impact on the market, with the chip sector being the strongest. In mid-February, Nvidia, which is well positioned with its market-leading AI chip products, released its quarterly report, which set new records in almost every respect and far exceeded analyst expectations. Its datacenter business generated \$18.4bn in revenue in the fourth quarter, more than five times the revenue it generated a year earlier. The fund's most prominent theme remains AI-related, but we also have confidence in cybersecurity, infrastructure, water management, innovative healthcare and uranium mining companies.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% MSCI AC World Daily Total Return Net USD Index
ISIN code:	HU0000729603
Start:	07/25/2022
Currency:	USD
Net Asset Value of the whole Fund:	65,196,607 EUR
Net Asset Value of UI series:	105,534 USD
Net Asset Value per unit:	1.193126 USD

## DISTRIBUTORS

## 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
Collective securities	66.07 %
International equities	20.17 %
T-bills	11.12 %
Current account	1.95 %
Receivables	1.03 %
Liabilities	-0.30 %
Market value of open derivative positions	-0.03 %
<b>Total</b>	<b>100.00 %</b>
Derivative products	12.26 %
Net corrected leverage	113.28 %

### Assets with over 10% weight

US T-Bill 05/02/24 (USA)

## RISK PROFILE

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

# VIG MegaTrend Equity Investment Fund

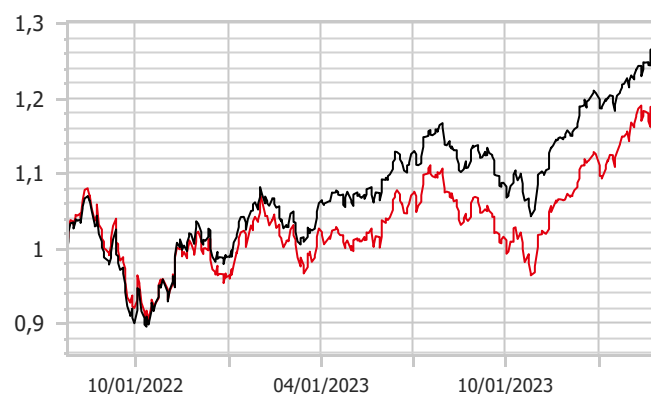
UI series USD MONTHLY report - 2024 FEBRUARY (made on: 02/29/2024)

## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	6.03 %	4.90 %
From launch	11.69 %	15.90 %
1 month	4.47 %	4.29 %
3 months	12.02 %	9.94 %
2023	17.16 %	22.20 %

## NET PERFORMANCE OF THE SERIES

net asset value per share, 07/25/2022 - 02/29/2024



— VIG MegaTrend Equity Investment Fund UI series  
— Benchmark

## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	14.61 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	12.44 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	16.36 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	16.36 %
WAM (Weighted Average Maturity)	0.02 years
WAL (Weighted Average Life)	0.02 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
US T-Bill 05/02/24	zero coupon	USA	05/02/2024	11.09 %
NASDAQ 100 E-MINI Mar24 Buy	derivative	Erste Bef. Hun	03/15/2024	9.71 %
L&G Artificial Intelligence UCITS ETF	investment note	L&G Artificial Intelligence UCITS ETF		5.72 %
Global X Social Media ETF	investment note	Global X Social Media ETF		3.98 %
Global X US Infrastructure Dev UTICTS ETF	investment note	Global X U.S. Infrastructure Development ETF		3.92 %
Invesco EQQQ Nasdaq-100 UCITS ETF	investment note	Nasdaq ETF Funds PLC		3.73 %
L&G Clean Water UCITS ETF	investment note	L&G Clean Water UCITS ETF		3.72 %
EuroPE 600 Stoxx Insurance ETF	investment note	EuroPEstoxx 600 Insurance ETF		3.70 %
SPDR S&P Insurance ETF	investment note	SPDR S&P Insurance ETF		3.60 %
First Trust Nasdaq Cybersecurity UCITS ETF Acc	investment note	First Trust Nasdaq Cybersecurity UCITS ETF		3.36 %

## 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