

# VIG BondMaxx Total Return Bond Investment Fund

P series PLN MONTHLY report - 2024 MARCH (made on: 03/31/2024)



## INVESTMENT POLICY OF THE FUND

The Fund is a total return investment fund that aims to create a portfolio consisting of bond-type assets through active portfolio management that achieves annualised capital growth for investors higher than the benchmark over a 3-year time horizon. It intends to achieve this objective primarily through asset allocation in global bond markets.

The Fund invests exclusively in bond-type instruments. The Fund's investment universe focuses on developed market government bonds, developed market corporate bonds, local currency emerging market government bonds and hard currency emerging market government and corporate bonds. The primary source of return for the Fund is asset allocation across bond-type asset classes. The asset allocation is based on an "investment clock" approach that uses economic data analysis to determine the position of major regions within a growth cycle. This is complemented by the forecasting of expected movements in real interest rates and inflation expectations, which are also crucial for the allocation across bond markets. Portfolio managers use all these as the basis for making allocation decisions, overweighting the best performing bond asset class in any current economic cycle based on experience and expectations. In the investment process, portfolio managers optimise the interest rate and credit risk of the overall fund and of the exposures to individual bond markets in order to achieve the investment objective.

## MARKET SUMMARY

Last month, the U.S. inflation data came in stronger-than-expected for a second consecutive month, indicating a slowdown in the pace of disinflation. The Bank of Japan made a historical move of ending an era of negative interest rates with a hike and removed yield-curve-control. Meanwhile, Bank of England sounded more convinced to lower rates, while the SNB surprisingly cut. ECB's Lagarde suggested that June remains the most likely timing for the first rate cut. Jerome Powell restated that the Fed has a room to assess the data before deciding to cut rates later this year. The ISM manufacturing index surprisingly moved back above the 50 threshold in March, while services one declined somewhat. OPEC members confirmed their output cuts for the second quarter of the year. EGB and UST yields increased, curves steepened, on strong US data. BTPs recovered their initial weakness, with the 10Y spread to Bund moving back to 140bp. Equity indices returned weak. In the European corporate credit market, senior investment grade spreads tightened slightly, while high yield spreads widened a tad. In FX, EUR-USD rallied back above 1.08, while the JPY and the CNY are still lagging. Brent prices jumped above \$90/bbl as geopolitical tensions in the Middle East escalated. The fund still keeps its Ukrainian exposure (despite being decreased a bit on very strong YtD performance), and waits for improvement in the Ukrainian-Russia war; no significant changes to the fund's composition were made, except for switching to the Croatian from Ukrainian Eurobonds, further intention to keep the current exposure to the core rates markets while decreasing Hungarian risk stays in place.

## 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 6%
ISIN code:	HU0000712401
Start:	08/12/2013
Currency:	PLN
Net Asset Value of the whole Fund:	16,498,344,442 HUF
Net Asset Value of P series:	14,330,067 PLN
Net Asset Value per unit:	1.138701 PLN

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka, ERSTE Group Bank AG Austria

## 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	40.99 %
Collective securities	26.34 %
Corporate bonds	18.58 %
T-bills	10.65 %
Mortgage debentures	1.30 %
Current account	3.74 %
Liabilities	-0.36 %
Receivables	0.10 %
Market value of open derivative positions	-1.33 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	126.68 %
Net corrected leverage	117.40 %

### Assets with over 10% weight

iShares USD TIPS UCITS ETF

## RISK PROFILE

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

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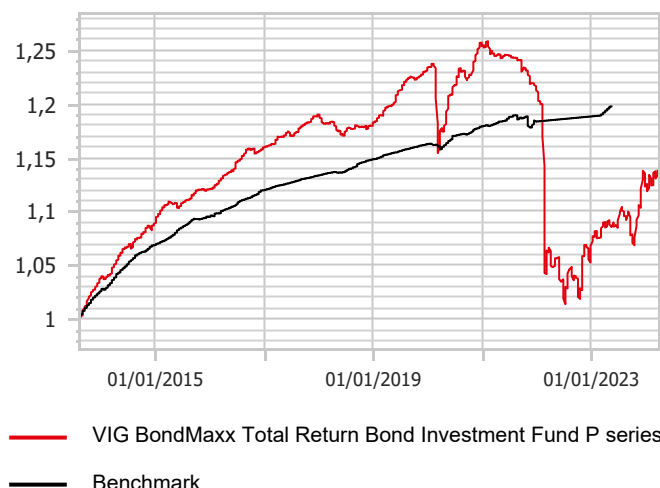
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## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	0.41 %	1.49 %
From launch	1.23 %	2.08 %
1 month	1.06 %	0.46 %
3 months	0.41 %	1.49 %
2023	7.79 %	3.23 %
2022	-13.53 %	0.40 %
2021	-3.20 %	0.40 %
2020	2.16 %	1.42 %
2019	4.31 %	1.25 %
2018	-0.71 %	1.31 %
2017	2.62 %	1.20 %
2016	3.37 %	2.23 %
2015	3.07 %	2.52 %
2014	5.13 %	4.34 %

## NET PERFORMANCE OF THE SERIES

net asset value per share, 08/12/2013 - 03/31/2024



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	4.39 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	0.18 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	6.80 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	5.92 %
WAM (Weighted Average Maturity)	3.68 years
WAL (Weighted Average Life)	4.71 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
US 5YR NOTE (CBT) Jun24 Buy	derivative	Raiffeisen Hun	06/28/2024	14.53 %
iShares USD TIPS UCITS ETF	investment note	iShares USD TIPS UCITS ETF		10.24 %
LONG GILT FUTURE Jun24 Buy	derivative	Raiffeisen Hun	06/26/2024	7.01 %
US 10YR NOTE (CBT)Jun24 Buy	derivative	Raiffeisen Hun	06/18/2024	5.92 %
iShares Core EUR Corp Bond UCITS ETF	investment note	iShares Core EUR Corp Bond UCITS ETF		5.48 %
US LONG BOND(CBT) Jun24 Buy	derivative	Raiffeisen Hun	06/18/2024	5.36 %
iShares USD Corp Bond UCITS ETF	investment note	iShares USD Corp Bond UCITS ETF		5.13 %
US T-Bill 10/31/24	zero coupon	USA	10/31/2024	4.98 %
iShares USD Short Duration Corp Bond UCITS ETF	investment note	iShares USD Short Duration Corp Bond UCITS ETF		4.41 %
OTPHB 2,875 07/15/29 visszahívható 2024	interest-bearing	OTP Bank Nyrt.	07/15/2024	4.24 %

### 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