

VIG Developed Market Short Term Bond Investment Fund

E series EUR MONTHLY report - 2024 MARCH (made on: 03/31/2024)



INVESTMENT POLICY OF THE FUND

The aim of the Fund is to increase the euro savings held in the Fund, while assuming low interest-rate and credit risk. The Fund mainly buys short-term, euro-denominated bonds of investment-grade issuers, and aims to generate a return for investors through interest income and price gains on them. The Fund Manager invests the savings held in the Fund in short-term bonds denominated in euros. The Fund Manager assumes a low interest-rate risk; the modified duration of the portfolio is more than 6 months, but may not be higher than 2.5 years. The Fund also follows a cautious strategy in terms of assuming credit risk, investing a maximum of just 10% of its assets in bonds of non-investment grade or non-credit rated issuers. The Fund primarily invests in developed-market government securities, but this can also be supplemented by credit-institution, corporate and/or municipal bonds, as well as by term deposits and repo transactions. The Fund can also invest a small part of its portfolio in emerging markets. In addition, the Fund may invest in collective investment forms, and can fine-tune the design of its portfolio through the use of derivatives (stock-exchange and OTC transactions). The Fund invests exclusively in securities denominated in euros, and may hold currency assets in bank deposits or bank accounts only for the purpose of liquidity management and currency hedging. It is not possible to make individual investor decisions in the Fund. No individual investor's decisions can be made in the Fund.

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. We didn't make meaningful changes in the fund's composition and stayed positive towards asset class overall.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Fund has no benchmark
ISIN code:	HU0000731963
Start:	08/22/2023
Currency:	EUR
Net Asset Value of the whole Fund:	32,842,244 EUR
Net Asset Value of E series:	3,325,427 EUR
Net Asset Value per unit:	1.009986 EUR

DISTRIBUTORS

Conseq Investment Management, a.s., VIG Asset Management Hungary Plc.

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	93.58 %
T-bills	4.70 %
Corporate bonds	1.18 %
Liabilities	-2.67 %
Current account	2.03 %
Receivables	1.17 %
Market value of open derivative positions	0.01 %
Total	100,00 %
Derivative products	32.51 %
Net corrected leverage	121.30 %

Assets with over 10% weight

PGB 2,875 10/15/25 (Portuguese State)
BTPS 3.4 03/28/25 (Italian State)
SPGB 2026/04/30 1,95% (Spanish State)
EU 07/04/25 0,8% (European Union)
FRGB 2025/10 6,00% (French state)
FRTR 2,5% 09/24/26 (French state)

SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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RISK PROFILE

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

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NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	-0.65 %	
From launch	1.00 %	
1 month	0.27 %	
3 months	-0.65 %	
6 months	1.01 %	

NET PERFORMANCE OF THE SERIES

net asset value per share, 08/22/2023 - 03/31/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	1.13 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	1.13 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	1.13 %
WAM (Weighted Average Maturity)	1.80 years
WAL (Weighted Average Life)	1.84 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
Short Euro-BTP Fu Jun24 Buy	derivative	Raiffeisen Hun	06/06/2024	19.34 %
EURO-SCHATZ FUT Jun24 Buy	derivative	Raiffeisen Hun	06/06/2024	13.20 %
PGB 2,875 10/15/25	interest-bearing	Portuguese State	10/15/2025	11.70 %
BTPS 3.4 03/28/25	interest-bearing	Italian State	03/28/2025	11.56 %
SPGB 2026/04/30 1,95%	interest-bearing	Spanish State	04/30/2026	11.38 %
EU 07/04/25 0,8%	interest-bearing	European Union	07/04/2025	11.15 %
Francia Államkötvény 2025/10 6,00%	interest-bearing	French state	10/25/2025	10.45 %
FRTR 2,5% 09/24/26	interest-bearing	French state	09/24/2026	10.10 %
FRTR 1% 11/25/25	interest-bearing	French state	11/25/2025	6.21 %
SPGB 2025/10/31 2,15%	interest-bearing	Spanish State	10/31/2025	4.54 %

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 | alapkezel@am.vig | www.vigam.hu