

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 March, the pace of price increases in Hungary slowed further, but consumer prices have risen above the market expectations by 3.6% over the year. This means that for the third consecutive month this year, domestic inflation has remained within the central bank's tolerance range. During the March rate setting meeting, the central bank returned to a 75 basis point rate cut, bringing the base rate down to 8.25%. Barnabás Virág, Deputy Governor of the central bank emphasized in his communication that a phase of monetary easing had concluded, and from April onwards, rate cuts would proceed at a slower pace. The slowdown of rate cuts is mainly due to the risk of inflation rising again. The expected level of the base rate for mid-year has also shifted somewhat higher, with the central bank currently seeing a base rate between 6.5-7% as realistic. According to the new Inflation report published by the Central Bank, average inflation for 2024 can be between 3.5% and 5%, but GDP growth is expected between 2-3%. During the month, apart from short-term yields, we observed a weakening across the yield curve. Yields rose by 60 basis points at the 3-year maturity, by 70 basis points at the 5-year maturity, and by 43 basis points at the 10-year maturity. Consequently, the valuation of domestic bonds further improved. According to official data, the budget deficit amounted to 6.7% of GDP last year, marking the fourth consecutive year when the deficit in Hungary exceeded 6%. The deficit target for this year has also been revised, with the 2024 figure raised to 4.5% of GDP. As a result, the Government Debt Management Agency (ÁKK) has also adjusted its financing plan. The net financing requirement for 2024 will be 3,982 billion forints, which is 1,467 billion forints higher than the plan announced in December.

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:	HU0000718127
Start:	12/01/2016
Currency:	HUF
Net Asset Value of the whole Fund:	45,028,768,150 HUF
Net Asset Value of I series:	29,710,801,778 HUF
Net Asset Value per unit:	1.069941 HUF

DISTRIBUTORS

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	90.43 %
Corporate bonds	6.61 %
T-bills	1.07 %
Current account	2.43 %
Liabilities	-0.40 %
Market value of open derivative positions	-0.14 %
Total	100.00 %
Derivative products	5.62 %
Net corrected leverage	100.00 %

Assets with over 10% weight

2026D (Államadósság Kezelő Központ)

2032A (Államadósság Kezelő Központ)

RISK PROFILE

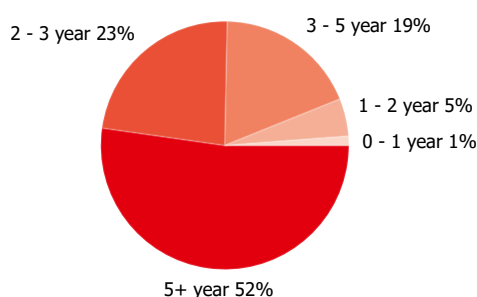
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← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

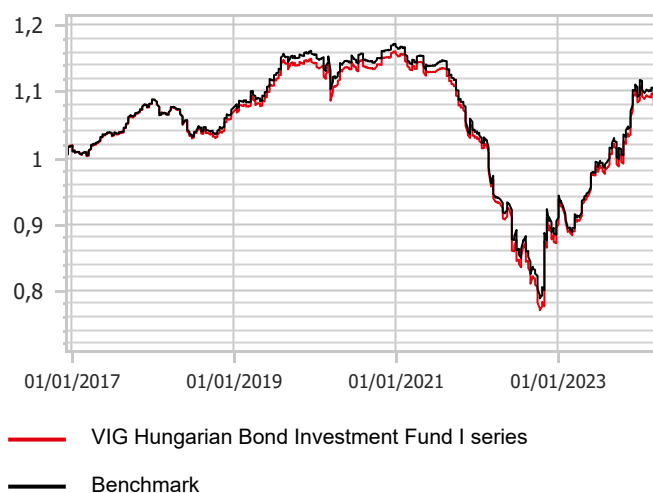
Interval	Yield of note	Benchmark yield
YTD	-2.50 %	-2.32 %
From launch	0.93 %	1.06 %
1 month	-1.90 %	-1.87 %
3 months	-2.50 %	-2.32 %
2023	27.87 %	26.82 %
2022	-16.66 %	-16.05 %
2021	-11.24 %	-11.36 %
2020	1.55 %	1.41 %
2019	7.23 %	7.74 %
2018	-1.51 %	-0.95 %
2017	6.28 %	6.41 %

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 12/01/2016 - 03/31/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	9.32 %
Annualized standard deviation of the benchmark's weekly yields-based on 1 year	8.85 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	13.16 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	10.90 %
WAM (Weighted Average Maturity)	5.68 years
WAL (Weighted Average Life)	6.53 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
Magyar Államkötvény 2026/D	interest-bearing	Államadósság Kezelő Központ	12/22/2026	11.18 %
Magyar Államkötvény 2032/A	interest-bearing	Államadósság Kezelő Központ	11/24/2032	10.21 %
Magyar Államkötvény 2028/A	interest-bearing	Államadósság Kezelő Központ	10/22/2028	9.10 %
Magyar Államkötvény 2030/A	interest-bearing	Államadósság Kezelő Központ	08/21/2030	7.43 %
Magyar Államkötvény 2027/A	interest-bearing	Államadósság Kezelő Központ	10/27/2027	7.10 %
Magyar Államkötvény 2026/E	interest-bearing	Államadósság Kezelő Központ	04/22/2026	6.01 %
2035A	interest-bearing	Államadósság Kezelő Központ	10/24/2035	5.87 %
Magyar Államkötvény 2038/A	interest-bearing	Államadósság Kezelő Központ	10/27/2038	5.01 %
Magyar Államkötvény 2041/A	interest-bearing	Államadósság Kezelő Központ	04/25/2041	4.72 %
Magyar Államkötvény 2029/A	interest-bearing	Államadósság Kezelő Központ	05/23/2029	4.53 %

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