

VIG Hungarian Index Tracker Equity Subfund

UI series USD MONTHLY report - 2024 APRIL (made on: 04/30/2024)

INVESTMENT POLICY OF THE FUND

MARKET SUMMARY

In the US, the key market indicators remain inflation and unemployment. The Federal Reserve is confident that its relatively high Fed funds rate will bring inflation down over time, but the big headwind is that policymakers continue to run very large budget deficits. The US national debt is \$34,000bn and rising. The annual interest cost of the debt is already \$1,000bn, which is more than the US spends on defense. Against this backdrop, the Fed has a difficult task, because although it would like to lower interest rates in the face of rising interest costs, the inflation figures do not yet support this decision. The question is what the central bank will do if the unemployment rate starts to rise but inflation does not come down. Although Fed Chairman Jerome Powell believes that the most likely scenario is that the unemployment rate will remain low while inflation gradually declines, the macroeconomic numbers do not support this. Where we think the Fed chairman is wrong is that inflation is not coming from the supply side, but from excessive fiscal spending. This in turn is driven by politicians and there is no will to tighten. Here at home, the Hungarian National Bank cut its key rate by 50 basis points to 7.75% in April. The decision was unanimous, and Barnabás Virág, the bank's vice-president, said that the key rate could fall to 6.50-7.00% by the middle of the year, provided the macro data remain strong. The HNB will decide on the basis of incoming data, and inflation developments will remain an important factor in the decision. Following the rate decision, the forint strengthened slightly against the euro and stabilized around the 392 level at the end of the month.

The Fund slightly underperformed its benchmark in April. Hungary's leading stock market index, the BUX, continued its upward trend and closed April with a gain of over 4%. Blue chips all ended the month with positive performance. Following the government's announcement, fuel prices fell slightly from their previous levels, but this did not trigger a significant negative reaction in the share price. The OTP share price broke out of this year's trading range into positive territory on news of a potential bank takeover announced during the month, but there was also significant movement in the small cap market. During the month we increased our weightings in Richter and OTP and took a selective approach to small caps.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% BUX Index
ISIN code:	HU0000735022
Start:	05/03/2024
Currency:	USD
Net Asset Value of the whole Fund:	2,361,665,465 HUF
Net Asset Value of UI series:	
Net Asset Value per unit:	

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
Hungarian equities	98.91 %
T-bills	0.15 %
Liabilities	-1.31 %
Receivables	1.19 %
Current account	1.06 %
Total	100.00 %
Derivative products	5.72 %
Net corrected leverage	105.78 %

Assets with over 10% weight

OTP Bank törzsrészvény
MOL Nyrt. részvény demat
Richter Nyrt. Részv. Demat

RISK PROFILE

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

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NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From launch		
1 month		
3 months		

NET PERFORMANCE OF THE SERIES

net asset value per share, 11/09/2021 - 04/30/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	no data
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	no data
Annualized standard deviation of the fund's weekly yields-based on 3 year	no data
Annualized standard deviation of the fund's weekly yields-based on 5 year	no data
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

STRATEGIC DECISION

ASSET ALLOCATION DECISION FOR MARCH

ASSET ALLOCATION DECISION FOR APRIL

Name of the Fund	Weight (%)	Name of the Fund	Weight (%)
OTP Bank tőzsrészvény	37.7%	OTP Bank tőzsrészvény	39.2%
MOL Nyrt. részvény demat	24.5%	MOL Nyrt. részvény demat	23.5%
Richter Nyrt. Részv. Demat	22.2%	Richter Nyrt. Részv. Demat	20.8%
Magyar Telekom Nyrt. részv.	7.4%	Magyar Telekom Nyrt. részv.	7.6%
Opus Global Nyrt	2.8%	Opus Global Nyrt	2.2%
ANY Biztonsági Nyomda Nyrt.	1.4%	ANY Biztonsági Nyomda Nyrt.	1.3%
Graphisoft Park S.E új	1.2%	Graphisoft Park S.E új	1.2%
Waberer's International Nyrt	0.9%	AutoWallis Nyrt	0.9%
4iG Nyrt	0.8%	Waberer's International Nyrt	0.9%
PANNERGY (Pannonplast)	0.5%	4iG Nyrt	0.8%
AutoWallis Nyrt	0.4%	Alteo Nyrt	0.5%
D250219	0.2%	PANNERGY (Pannonplast)	0.4%
		MASTERPLAST Nyrt	0.4%
		CIG Pannonia Nyrt ÚJ	0.2%
		D250219	0.2%

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