

VIG BondMaxx Total Return Bond Investment Fund

PI series PLN MONTHLY report - 2024 FEBRUARY (made on: 02/29/2024)

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 Eurozone composite PMI rose supported by a stronger services sector, while the contraction in German manufacturing deepened. The Ifo index improved somewhat, also supported by services. EU CPI in February decelerated less than forecasted amid sticky services prices, while the US core PCE deflator for January marked its strongest monthly rise over a year. Both data reinforce market's view that the ECB and the Fed are less likely to cut rates before June. In Japan, inflation data supported expectations that the BoJ is close to exiting negative rates. 10Y EGB yields were up around 10bp on the last week of February. Italy sold around EUR 18 billion of new BTP Valore Mar30, with robust demand from retail investors supporting the whole BTP market. EUR IG and HY spreads widened moderately amid strong supply. Equity markets were mixed. In FX, EUR-USD steadied close to 1.08, while the USD-JPY break below 150 was short-lived. In CEE, the HUF underperformed given the acceleration in NBH rate cuts and disputes over central bank independence. The fund still keeps its Ukrainian exposure, and waits for improvement in the Ukrainian-Russia war; no significant changes to the fund's composition were made, except for switching to the EU from German government bonds, further intention to raise 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: | HU0000727391 |
| Start: | 09/14/2021 |
| Currency: | PLN |
| Net Asset Value of the whole Fund: | 17,528,352,309 HUF |
| Net Asset Value of PI series: | 16,832 PLN |
| Net Asset Value per unit: | 0.878842 PLN |

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

SUGGESTED MINIMUM INVESTMENT PERIOD

| | | | | | | |
|--------|--------|------|------|------|------|------|
| 3 mths | 6 mths | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr |
|--------|--------|------|------|------|------|------|

ASSET ALLOCATION OF THE FUND

| Asset | Weight |
|---|-----------------|
| Government bonds | 36.17 % |
| Collective securities | 24.37 % |
| T-bills | 20.05 % |
| Corporate bonds | 17.27 % |
| Mortgage debentures | 1.22 % |
| Current account | 3.04 % |
| Liabilities | -1.13 % |
| Receivables | 1.11 % |
| Market value of open derivative positions | -2.10 % |
| Total | 100,00 % |
| Derivative products | 126.19 % |
| Net corrected leverage | 116.21 % |

Assets with over 10% weight

There is no such instrument in the portfolio

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 | -0.19 % | 1.02 % |
| From launch | -5.12 % | 1.76 % |
| 1 month | -0.96 % | 0.48 % |
| 3 months | 2.64 % | 1.33 % |
| 2023 | 2.34 % | 3.23 % |
| 2022 | -12.67 % | 0.40 % |

NET PERFORMANCE OF THE SERIES

net asset value per share, 09/14/2021 - 02/29/2024



— VIG BondMaxx Total Return Bond Investment Fund PI series
— Benchmark

RISK INDICATORS

| | |
|---|------------|
| Annualized standard deviation of the fund's weekly yields- based on 1 year | 6.10 % |
| Annualized standard deviation of the benchmark's weekly yields- based on 1 year | 0.20 % |
| Annualized standard deviation of the fund's weekly yields- based on 3 year | 7.93 % |
| Annualized standard deviation of the fund's weekly yields- based on 5 year | 7.93 % |
| WAM (Weighted Average Maturity) | 3.34 years |
| WAL (Weighted Average Life) | 4.28 years |

TOP 10 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity | |
|--|-----------------|--|------------|---------|
| US 5YR NOTE (CBT) Jun24 Buy | derivative | Raiffeisen Hun | 06/28/2024 | 13.51 % |
| US T-Bill 10/31/24 | zero coupon | USA | 10/31/2024 | 9.86 % |
| iShares USD TIPS UCITS ETF | investment note | iShares USD TIPS UCITS ETF | | 9.45 % |
| LONG GILT FUTURE Jun24 Buy | derivative | Raiffeisen Hun | 06/26/2024 | 6.43 % |
| US 10YR NOTE (CBT)Jun24 Buy | derivative | Raiffeisen Hun | 06/18/2024 | 5.49 % |
| iShares Core EUR Corp Bond UCITS ETF | investment note | iShares Core EUR Corp Bond UCITS ETF | | 5.06 % |
| US LONG BOND(CBT) Jun24 Buy | derivative | Raiffeisen Hun | 06/18/2024 | 4.94 % |
| iShares USD Corp Bond UCITS ETF | investment note | iShares USD Corp Bond UCITS ETF | | 4.76 % |
| BTF 0 04/17/24 | zero coupon | French state | 04/17/2024 | 4.59 % |
| iShares USD Short Duration Corp Bond UCITS ETF | investment note | iShares USD Short Duration Corp Bond UCITS ETF | | 4.08 % |

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