

VIG Developed Markets Government Bond Investment Fund

A series HUF MONTHLY report - 2024 APRIL (made on: 04/30/2024)

INVESTMENT POLICY OF THE FUND

The objective of the Fund is to create a highly defensive investment portfolio for its Investors, which typically invests in developed-market government bonds and related exchange-traded derivatives. According to the intentions of the Fund Manager, the bulk of the Fund's portfolio is made up of bonds issued by foreign states and foreign companies through public offerings. With regard to foreign securities, the Fund only purchases publicly traded securities listed on a foreign stock exchange. It keeps the planned share of non-investment grade securities low. The proportion of bonds that can be held in the Fund at any given time may reach the prevailing legal maximum. In order to ensure liquidity, the Fund may purchase Hungarian government securities (primarily discount treasury bills) and MNB bonds. The Fund Manager has the option, at its own discretion, of hedging all or part of its foreign exchange risks using forward currency positions subject to observing the applicable legal requirements.

MARKET SUMMARY

Early April, Fed Chair Powell admitted a "lack of further progress" on inflation this year, suggesting that rate cuts are likely to come rather later while ECB speakers confirmed that a first rate reduction is likely to occur in June. Raising tensions in the Middle East spooked volatility in energy markets. China's GDP growth slightly increased to 5.3% YoY in the first quarter thanks to a solid quarterly performance which, however, is unlikely to be sustainable. The advance estimate of US Q1 24 GDP showed solid growth of 1.6% annualized, while core PCE inflation rose more than expected to 3.7% annualized. The April Eurozone composite PMI and German Ifo Business Climate Index both showed further improvement, supporting expectations of a modest recovery in economic activity. Government bond markets saw a continuation of the most recent bear trend across the board as US rate-cut expectations were pushed back. The Fed left key rates unchanged, announced it would slow the pace of QT and re-affirmed that rates cuts are likely to be delayed. At the end of a volatile month, 10Y EGBs and USTs yields trade around 5-10bp below last Friday's levels. Equities continued the decline started in early April, while credit spreads stayed range bound with no meaningful differentiation between financials, corporates or high yield. EUR-USD remains above 1.07, while likely intervention by the BoJ drove USD-JPY below 155 from peaks above 160. The upward shift in interest-rate expectations and signs of economic recovery lifted CEE currencies. We didn't make meaningful changes in the fund's composition amid being positioned long core government bonds.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Erste Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary 80% Bloomberg Global Treasury Majors ex Japan Total Return Index Unhedged USD + 20% ZMAX Index
Benchmark composition:	
ISIN code:	HU0000702477
Start:	04/21/1999
Currency:	HUF
Net Asset Value of the whole Fund:	20,067,337,201 HUF
Net Asset Value of A series:	2,998,098,754 HUF
Net Asset Value per unit:	2.204642 HUF

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	64.38 %
T-bills	27.85 %
Corporate bonds	8.04 %
Liabilities	-0.68 %
Current account	0.42 %
Market value of open derivative positions	0.00 %
Total	100.00 %
Derivative products	22.24 %
Net corrected leverage	104.62 %
Assets with over 10% weight	
There is no such instrument in the portfolio	

DISTRIBUTORS

CIB BANK ZRT, Concorde Securities Ltd., Equilor Befektetési Zrt, Erste Investment Plc., MBH Bank Nyrt., MBH Befektetési Bank Zrt, MKB Bank Nyrt. 0789, OTP Bank Nyrt., Raiffeisen Bank cPlc., UniCredit Bank Hungary cPlc., 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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RISK PROFILE

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

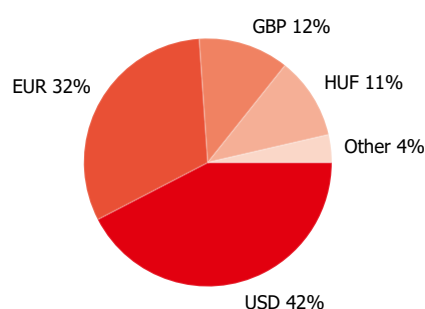
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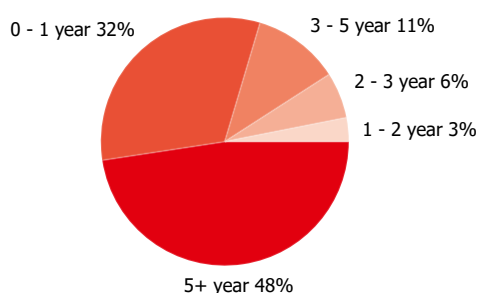
NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	0.82 %	1.06 %
From launch	3.21 %	2.98 %
1 month	-2.53 %	-2.42 %
3 months	-0.28 %	-0.22 %
2023	-0.95 %	1.59 %
2022	-3.20 %	-2.82 %
2021	2.26 %	2.81 %
2020	8.04 %	9.76 %
2019	5.82 %	9.57 %
2018	3.34 %	5.25 %
2017	-5.90 %	-4.07 %
2016	1.07 %	2.24 %
2015	3.72 %	4.09 %
2014	21.94 %	22.76 %

Currency exposure:



Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 04/21/1999 - 04/30/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	7.32 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	7.24 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	13.00 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	11.35 %
WAM (Weighted Average Maturity)	5.63 years
WAL (Weighted Average Life)	7.04 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
US T-Bill 10/31/24	zero coupon	USA	10/31/2024	6.54 %
USGB 2026/04 0,75%	interest-bearing	USA	04/30/2026	6.04 %
USGB 2044/11/15 3%	interest-bearing	USA	11/15/2044	5.86 %
USGB 2028/02 2,75%	interest-bearing	USA	02/15/2028	5.44 %
US Államkötvény 2031/02 5,375%	interest-bearing	USA	02/15/2031	5.28 %
US 10YR NOTE (CBT)Jun24 Buy	derivative	Raiffeisen Hun	06/18/2024	4.69 %
UKTB 0% 05/20/24	zero coupon	United Kingdom	05/20/2024	4.66 %
DB 1,75 11/19/30	interest-bearing	Deutsche Bank Frankfurt	11/19/2030	4.28 %
BTPS 4.1 02/01/29	interest-bearing	Italian State	02/01/2029	4.15 %
GGB 4,25% 06/15/33	interest-bearing	Greek State	06/15/2033	3.85 %

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