

# VIG Opportunity Developed Markets Equity Investment Fund

B series EUR MONTHLY report - 2024 FEBRUARY (made on: 02/29/2024)



## INVESTMENT POLICY OF THE FUND

The Fund aims to profit from the returns on global equity market investments through stock prices and dividend income. According to the intentions of the Fund Manager, the bulk of the Fund's portfolio is made up of shares of foreign companies issued through public offerings, but the Fund may also invest in shares issued by Hungarian companies. The proportion of shares that can be held in the Fund at any given time may reach the prevailing legal maximum. 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

In the US, the most important market event remains the Federal Reserve's interest rate meeting and the subsequent press conference. Investors will be trying to guess when the Fed will cut rates for the first time and how many rate cuts there will be in 2024. 2023 has ended with the idea that this year the economy will either land hard, meaning a recession, or soft, meaning the economy will slow but there will be no recession. At the rate-setting meeting, it was decided not to cut interest rates just yet as inflation is falling, but there are signs that inflation could rise again in the future. According to the central bank president, "it would be inappropriate to lower interest rates before there is greater certainty that inflation is on a sustainable path towards the 2% target".

The Hungarian National Bank cut its key interest rate by 100 basis points to 9.00% in January. The decision was not unanimous, but according to the bank's vice-president Barnabas Virág, a large majority supported the higher rate cut. The decision was heavily influenced by the fact that inflation has fallen faster than market and central bank expectations, and that although global political risks remain, but these have not led to an increase in energy prices. The Hungarian economy is experiencing strong and widespread disinflation. Consumer prices rose by 3.8% year-on-year in January, bringing inflation within the central bank's tolerance band. According to the Vice-President's forecast, the key interest rate will be lowered to 6-7% by the end of the first half of the year. Following the rate decision, the forint weakened against the euro, rising above the 390 level.

The Fund generated a positive return but underperformed its benchmark. The main reason for the underperformance was the short position in Nvidia, which was closed at the beginning of the month. Nvidia shares rallied sharply after the first 2024 quarterly report and we shorted them again after the rally. We believe that although artificial intelligence will be very important in the future, the company's share price performance has far exceeded the most optimistic expectations. We also bought gold and silver mining stocks in several tranches during the month, as we believe that precious metals should perform well in the current economic environment.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Erste Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% MSCI World Net Total Return USD Index
ISIN code:	HU0000705918
Start:	10/29/2007
Currency:	EUR
Net Asset Value of the whole Fund:	40,100,444,436 HUF
Net Asset Value of B series:	8,591,487 EUR
Net Asset Value per unit:	1.879631 EUR

## ASSET ALLOCATION OF THE FUND

Asset	Weight
Collective securities	78.54 %
T-bills	15.57 %
International equities	1.94 %
Current account	4.27 %
Liabilities	-0.42 %
Receivables	0.11 %
<b>Total</b>	<b>100.00 %</b>
Derivative products	20.59 %
Net corrected leverage	122.25 %

### Assets with over 10% weight

iShares Edge MSCI World Quality Factor UCITS ETF

## DISTRIBUTORS

Concorde Securities Ltd., MBH Befektetési Bank Zrt, OTP Bank Nyrt., Raiffeisen Bank oPc., SC Aegon ASIGURARI DE VIATA SA, 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
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← Lower risk Higher risk →

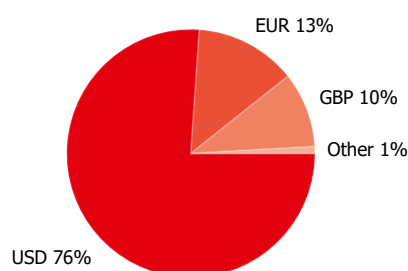
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## NET YIELD PERFORMANCE OF THE SERIES

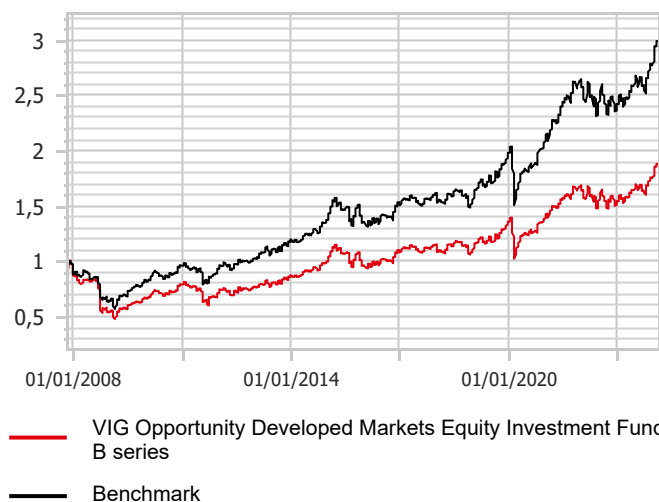
Interval	Yield of note	Benchmark yield
YTD	6.84 %	7.42 %
From launch	3.72 %	6.71 %
1 month	3.55 %	3.96 %
3 months	10.79 %	11.42 %
2023	18.40 %	19.36 %
2022	-12.77 %	-12.95 %
2021	25.29 %	32.03 %
2020	3.05 %	5.85 %
2019	26.31 %	31.21 %
2018	-8.02 %	-7.89 %
2017	5.23 %	5.42 %
2016	5.44 %	5.02 %
2015	5.14 %	7.08 %
2014	12.79 %	13.34 %

### Currency exposure:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 10/29/2007 - 02/29/2024



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	11.25 %
Annualized standard deviation of the benchmark's weekly yields-based on 1 year	11.28 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	13.53 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	17.40 %
WAM (Weighted Average Maturity)	0.07 years
WAL (Weighted Average Life)	0.07 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
iShares Edge MSCI World Quality Factor UCITS ETF	investment note	iShares Edge MSCI World Quality	14.69 %
S&P500 EMINI FUT Mar24 Buy	derivative	Erste Bef. Hun	03/15/2024 14.32 %
iShares MSCI World UCITS ETF	investment note	iShares MSCI World UCITS ETF	9.39 %
SPDR MSCI World UCITS ETF	investment note	SPDR MSCI World UCITS ETF	9.32 %
iShares Core MSCI World UCITS	investment note	iShares Core MSCI World UCITS ETF	8.60 %
XMWO-DB MXWO ETF	investment note	XMWO-DB MXWO ETF	8.23 %
US T-Bill 05/02/24	zero coupon	USA	05/02/2024 7.80 %
US T-Bill 10/31/24	zero coupon	USA	10/31/2024 7.79 %
iShares MSCI World ETF USD	investment note	iShares MSCI World ETF	6.37 %
Invesco MSCI World UCITS ETF	investment note	Invesco MSCI World UCITS ETF	4.35 %

### 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 | alapkezezo@am.vig | www.vigam.hu