

INVESTMENT POLICY OF THE FUND

The objective of the investment fund is to make the Polish bond market accessible to the investors, and to function as a relatively stable, medium-risk investment form bringing steady real yields to our Clients on middle term already, without having to tie down their money for a fixed period of time. The Fund mainly invests in Polish government securities issued in zloty, however, the portfolio manager has some room to complement the portfolio with other bond-type investments. Our goal is to achieve the highest yield while taking the lowest risk. To make investment decisions we use the tools of both fundamental and technical analysis, and we take into consideration the investor sentiment on the markets at all times. The portfolio manager seeks out potential investment opportunities based on the macro-economical expectations, the expected yield curve, the return expected on the curve and the market volatility, and selects investments that are considered to be safe and bring relatively high yields in exchange for the risks taken. The Fund strives for complete exchange risk coverage of foreign currency exposure for the target currency.

MARKET SUMMARY

In March, Polish bonds experienced a weak month: the yield curve moved higher, yields on the 3 year maturity increased by 14-, on the 5 year maturity 18 -, and on the 10 year maturity 19 basis points. At the beginning of the month, the Polish central bank kept the base rate unchanged, so it remained at 5.75% in line with market expectations. The communication from the central bank governor remained hawkish. However, the expected inflation for this year has been revised downwards from the previous 4.6% to 3.6%. Two scenarios were outlined regarding inflation: if anti-inflation measures are prolonged, inflation could reach the central bank's target next year; however, if anti-inflation are removed, inflation could return to 8% in the second half of the year and only gradually reach the central bank's target in 2026. Adam Glapinski, governor of the central bank expects inflation to evolve somewhere between these two scenarios. Moving on with the economic data, in February, the pace of price increases slowed to 1.9%, falling below market expectations of 2.2%. The Purchasing Managers' Index (PMI) increased to 48 in March from the previous month's 47.9. The index is still below the 50 threshold, indicating a contraction, as both output and new orders continued to decline due to the uncertain economic environment. Industrial production posted a growth of 3.3% in the second month of the year, thus arrived above market expectations. As for the state budget, the government generated a deficit of 20,523.1 million PLN in the second month of the year, bringing the 12-month rolling budget deficit to 2.7% of GDP. Despite the fact that long core market bond yields increased already close to 50 bps this year, that is comparable to the first disappointment in 1995, which was the perfect playbook for soft landing in modern US history, so valuation and levels of bond yields could be marked as attractive, even more if we taking quite dovish FED during the last meeting into account, however latest macro data, increase in global commodity prices and breaking higher than 4,35% for the US10Yr yield makes us more cautious, so we decreased the modified duration of our Fund.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	100% TBSP Index
ISIN code:	HU0000710942
Start:	08/07/2012
Currency:	PLN
Net Asset Value of the whole Fund:	15,609,756,015 HUF
Net Asset Value of I series:	111,658,807 PLN
Net Asset Value per unit:	1.244275 PLN

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	57.49 %
Corporate bonds	39.44 %
T-bills	2.18 %
Receivables	6.18 %
Liabilities	-6.02 %
Current account	0.72 %
Market value of open derivative positions	0.03 %
Total	100,00 %
Derivative products	10.42 %
Net corrected leverage	102.12 %

Assets with over 10% weight

POLGB 2032/04/25 1,75% (Polish State)
POLGB 2027/05/25 3,75% (Polish State)
BGOSK 07/03/25 1.25% (Bank Gospodarstwa Krajowego)
POLGB 2028/07/25 7,5% (Polish State)

SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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RISK PROFILE

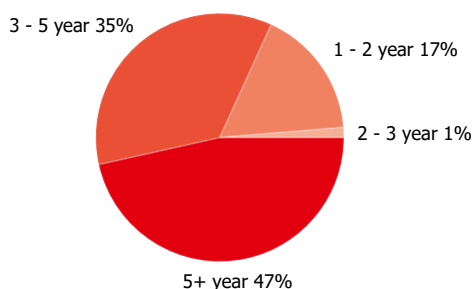
1	2	3	4	5	6	7
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← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	-0.04 %	0.24 %
From launch	1.89 %	3.09 %
1 month	-0.14 %	0.03 %
3 months	-0.04 %	0.24 %
2023	13.52 %	12.80 %
2022	-13.09 %	-5.03 %
2021	-10.34 %	-9.74 %
2020	6.00 %	6.42 %
2019	3.73 %	3.94 %
2018	4.17 %	4.67 %
2017	4.17 %	4.77 %
2016	0.22 %	0.25 %
2015	0.83 %	1.68 %
2014	9.56 %	9.45 %

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 08/07/2012 - 03/31/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	3.52 %
Annualized standard deviation of the benchmark's weekly yields-based on 1 year	3.62 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	8.14 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	6.67 %
WAM (Weighted Average Maturity)	4.29 years
WAL (Weighted Average Life)	5.05 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
POLGB 2032/04/25 1,75%	interest-bearing	Polish State	04/25/2032	21.21 %
POLGB 2027/05/25 3,75%	interest-bearing	Polish State	05/25/2027	16.24 %
BGOSK 07/03/25 1.25%	interest-bearing	Bank Gospodarstwa Krajowego	07/03/2025	14.10 %
POLGB 2028/07/25 7,5%	interest-bearing	Polish State	07/25/2028	10.66 %
BGOSK 2030/06/05 2,125%	interest-bearing	Bank Gospodarstwa Krajowego	06/05/2030	6.95 %
US 10YR NOTE (CBT)Jun24 Buy	derivative	Raiffeisen Hun	06/18/2024	6.52 %
POLGB 2033/10/25 6%	interest-bearing	Polish State	10/25/2033	5.64 %
BGOSK 2027/04/27 1,875%	interest-bearing	Bank Gospodarstwa Krajowego	04/27/2027	5.39 %
BGOSK Float 06/12/31	interest-bearing	Bank Gospodarstwa Krajowego	06/12/2031	5.35 %
BGOSK 2033/07/21 2,25%	interest-bearing	Bank Gospodarstwa Krajowego	07/21/2033	3.64 %

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