

INVESTMENT POLICY OF THE FUND

The purpose of the investment fund is to create an equity fund that seeks to benefit from innovation in various industries. The Fund aims to achieve long-term capital growth by investing in global companies that are at the forefront of the use of disruptive technologies and can thus play a leading role in their industries. Disruptive technology refers to innovations or developments that significantly change or disrupt existing industries, business models, products or services. Such trends include, for example, big data (artificial intelligence, cyber security, quantum computers), e-mobility (electric cars and related battery technologies), digitisation and related entertainment (metaverse, e-sports) and, last but not least, fintech and robotics industry breakthroughs.

The Fund aims to achieve its objectives through equity-type instruments, primarily exchange-traded funds (ETFs), equities and open-ended public investment funds. The Fund takes a forward-looking approach and actively seeks companies in industries that show potential for growth through technological innovation. Investments are made in companies that have strong fundamentals and are capable of long-term value creation and achieving competitive advantage through innovation. The investment philosophy is based on the belief that innovation is a key driver of long-term business success and shareholder value. Trends related to technological innovation are long-term processes that extend beyond normal economic cycles and are generally global and affect the entire world. Consequently, the Fund is not subject to any geographical restrictions. Since the Fund aims to profit from long-term growth and has significant exposure to the equity market, we recommend the Fund to investors who want to invest in the longer term and have a relatively high willingness to take risk.

MARKET SUMMARY

In the US, inflation and unemployment remain the most important market indicators. At its May meeting, the US Federal Reserve left its key interest rate unchanged and Fed Chairman Jerome Powell said at the press conference that there was a high probability that there will be no more rate hikes in the future. Monthly unemployment data was weaker than expected, supporting the Fed chairman's decision, but year-on-year inflation did not fall. The question that has been asked repeatedly is what the Fed will do if inflation stabilizes at a higher than expected level but unemployment starts to rise, threatening a possible recession. The US national debt is increasing from month to month, so it would be in the interest of fiscal policy makers to keep the Fed funds rates low, thereby reducing the amount of interest paid on the debt, but if inflation does not fall and new rate cut cycle is initiated, the US economy could easily enter a stagflationary environment.

In Hungary, the Hungarian National Bank cut its key interest rate by a further 50 basis points to 7.25% in May. The decision was unanimous, with the bank's deputy governor, Barnabás Virág, saying that the key rate could fall to 6.75%-7.00% by mid-year if macroeconomic data remain favorable. However, inflation has started to rise again, albeit slightly, which will limit the National Bank's room for maneuver. The forint strengthened to a three-month high against the euro during the month, but started to weaken after the rate cut, approaching the 390 level by the end of the month.

The Fund's strategy is to benefit from innovation in a variety of industries. Artificial intelligence companies are currently one of the most prominent themes in the portfolio. Equity markets continue to experience a very concentrated market rally, with the AI story at the heart of it. Nvidia's latest quarterly results confirmed our view that AI could be one of the most influential technology megatrends of the decade. We are also investing in technology and innovation-related megatrends such as e-mobility (electric cars and related battery technologies), digitalization and related entertainment (metaverse, e-sports), fintech and robotics. The most recent quarterly reporting season was once again dominated by the outperformance of the largest market cap technology stocks, the so-called Magnificent 7 (Apple, Microsoft, Alphabet, Amazon, Nvidia, Tesla, Meta). Their double-digit earnings growth was well above the market average, without which the S&P 500's first quarter EPS growth would have been negative. The upbeat reports did not go unnoticed, with the Nasdaq 100 reaching a new all-time high for the month, while small caps continued to underperform.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Erste Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Fund has no benchmark
ISIN code:	HU0000733001
Start:	05/02/2024
Currency:	CZK
Net Asset Value of the whole Fund:	778,248 USD
Net Asset Value of CI series:	256,231 CZK
Net Asset Value per unit:	1.024925 CZK

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
Collective securities	63.27 %
International equities	29.73 %
Current account	6.64 %
Receivables	0.39 %
Liabilities	-0.07 %
Market value of open derivative positions	0.04 %
Total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

Assets with over 10% weight

There is no such instrument in the portfolio

RISK PROFILE

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

VIG InnovationTrend ESG Equity Investment Fund

CI series CZK MONTHLY report - 2024 MAY (made on: 05/31/2024)

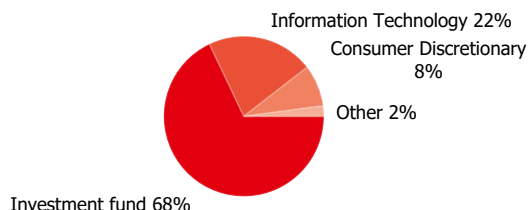
NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From launch	2.49 %	

1 month

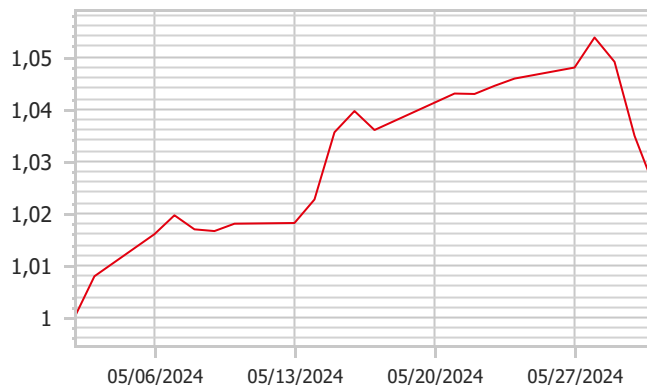
3 months

Stocks by sectors



NET PERFORMANCE OF THE SERIES

net asset value per share, 05/02/2024 - 05/31/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	3.48 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	3.48 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	3.48 %
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Invesco QQQ Trust Series 1 ETF	investment note	Invesco QQQ Trust Series 1 ETF	8.80 %
Xtrackers MSCI World I T UCITS ETF	investment note	Xtrackers MSCI World Information Tech UCITS ETF	8.36 %
Xtrackers MSCI World Consumer D UCITS ETF	investment note	Xtrackers MSCI World Consumer D UCITS ETF	7.69 %
Lyxor MSCI World Information Tech EUR TR UCITS ETF	investment note	Lyxor MSCI World Information Tech EUR TR UCITS ETF	6.41 %
Invesco Nasdaq-100 ESG UCITS ETF Acc	investment note	Invesco Nasdaq-100 ESG UCITS ETF	5.76 %
iShares S&P 500 Information Technology Sector UCITS ETF	investment note	iShares S&P 500 Information TechSector UCITS ETF	4.71 %
Xtrackers AI & Big Data UCITS ETF	investment note	Xtrackers AI & Big Data UCITS ETF	4.24 %
Xtrackers MSCI USA Information Technology UCITS ETF	investment note	Xtrackers MSCI USA Information Tech UCITS ETF	4.17 %
Invesco EQQQ Nasdaq-100 UCITS ETF	investment note	Nasdaq ETF Funds PLC	4.08 %
Microsoft Corp	share	Microsoft Corp	4.05 %

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