

VIG Emerging Market ESG Equity Investment Fund

UI series USD MONTHLY report - 2024 JUNE (made on: 06/30/2024)

INVESTMENT POLICY OF THE FUND

The aim of the Fund is to share in the performance of companies benefiting from the growth of developing economies, through share price increases or dividend payments of listed companies, either directly (through investments in individual stocks) or indirectly (through ETFs or mutual Funds), while taking environmental, social and governance (ESG) criteria into account. The Fund does not directly invest in shares of Chinese companies within the emerging market universe. The geographical distribution is partly determined by the MSCI Emerging Markets Ex China Index, in which, besides a significant Asian (ex China) focus, European and Latin American companies are also heavily represented, and partly by the MSCI World with Emerging Markets (EM) Exposure Index, in which American and European companies represent the greatest weight. The use of stock and index futures is permitted in order to hedge and effectively build the Fund's portfolio. In selecting the stocks, the Fund pays special attention to the ESG compliance of individual companies; therefore, besides analysing financial factors, portfolio managers also consider environmental, social and governance factors in the investment decision process. The Fund Manager seeks to build a portfolio in which the positive ESG characteristics of companies prevail, i.e. companies with high ESG scores are overrepresented in the portfolio as compared to companies with low ESG scores.

The environmental criterion covers the elements where a business interacts with the environment. This includes, for example, the energy usage, waste management, and emission of pollutants of corporations, as well as the preservation of natural resources. Social criteria include all relations of a corporation with external partners, customers and internal employees. Corporate governance criteria include the legal conditions affecting the reliable operation of a corporation.

Due to the strategy of the Fund, it may also invest in assets denominated in foreign currency. The Fund may hedge some or all of its foreign currency risk using forward currency positions against the target currency, i.e. the settlement currency of the benchmark (USD). The Fund Manager has a discretionary right to reduce the foreign currency risk of positions denominated in a currency other than the target currency, depending on market developments, by entering into hedge transactions. In addition, the use of equity and index futures is permitted in order to effectively build the Fund's portfolio. The Fund records its assets in Hungarian forint (HUF).

MARKET SUMMARY

US equity and bond markets have been mixed recently, mainly influenced by macroeconomic data and other news. Although the pace of growth has not been strong, bond yields have fallen, suggesting that investors have turned to safer assets. There have been some worrying signs in household consumption and the labor market, but overall growth has not yet collapsed. The dollar has remained strong as the Fed still has room to cut rates but has not yet done so. News from the US technology sector had a positive impact on the futures indices, especially with announcements in the areas of artificial intelligence and technology developments.

The main event in Hungarian markets was the HNB's June interest rate decision, with analysts expecting the last rate cut. As expected, the rate was cut by 25 basis points, which temporarily strengthened the forint, but it remained volatile throughout the month. Although business confidence remained weak, the BUX index performed well and consumer confidence improved slightly, giving rise to optimism in the retail sector. The exchange rate of the forint came under pressure, partly due to the impact of political events in France and partly due to domestic inflationary concerns. In the bond markets, demand for government bonds was stable, as investors can obtain real yields in forint terms.

The Fund returned nearly 8.5% during June, slightly outperforming the benchmark index. The Fund was slightly overweight throughout the month. The Fund remained overweight mainly in the Central-Eastern European region, Turkey and the large Asian countries (India, Taiwan, South Korea), while Thailand, Malaysia and Indonesia were underweight. The positions performed quite mixed: while the Asian overweights, the underweights Indonesia, Thailand and Malaysia also had a positive impact on relative performance, the Turkish and Central-East European overweights worsened it. The Fund also started the new month with a small overweight and a similar positioning to June.

GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	70% MSCI Emerging Markets ex China Net Return USD Index + 30% MSCI World with EM Exposure Net Total Return Index
ISIN code:	HU0000729561
Start:	07/18/2022
Currency:	USD
Net Asset Value of the whole Fund:	21,709,271,740 HUF
Net Asset Value of UI series:	78,254 USD
Net Asset Value per unit:	1.254204 USD

DISTRIBUTORS

Concorde Securities Ltd.

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	58.58 %
International equities	32.71 %
T-bills	2.44 %
Hungarian equities	1.44 %
Current account	4.91 %
Liabilities	-0.12 %
Receivables	0.04 %
Market value of open derivative positions	0.00 %
Total	100.00 %
Derivative products	9.33 %
Net corrected leverage	109.31 %

Assets with over 10% weight

Lyxor MSCI Emerging Markets Ex China UCITS ETF

RISK PROFILE



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NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	12.75 %	12.64 %
From launch	12.31 %	12.96 %
1 month	5.39 %	5.34 %
3 months	5.73 %	6.26 %
2023	13.55 %	15.48 %

NET PERFORMANCE OF THE SERIES

net asset value per share, 07/18/2022 - 06/30/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	14.16 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	14.77 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	16.57 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	16.57 %
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Lyxor MSCI Emerging Markets Ex China UCITS ETF	investment note	Lyxor MSCI EM Ex China UCITS ETF	10.01 %
Lyxor MSCI Korea UCITS ETF	investment note	Lyxor MSCI Korea UCITS ETF	7.49 %
Lyxor MSCI India UCITS ETF	investment note	Lyxor MSCI India UCITS ETF	7.46 %
S&P500 EMINI FUT Sep24 Buy	derivative	Raiffeisen Hun	09/20/2024 6.11 %
NVIDIA Corp	share	NVIDIA Corporation	5.14 %
iShares MSCI Taiwan UCITS ETF	investment note	iShares MSCI Taiwan UCITS ETF	4.70 %
iShares MSCI India UCITS ETF	investment note	iShares MSCI India UCITS ETF	4.63 %
Xtrackers MSCI Taiwan UCITS ET	investment note	Xtrackers MSCI Taiwan UCITS ETF	4.60 %
iShares MSCI Emerging Markets ex China ETF	investment note	iShares MSCI Emerging Markets ex China ETF	4.01 %
Lyxor MSCI Brazil UCITS ETF	investment note	Lyxor MSCI Brazil UCITS ETF	3.70 %

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