

VIG InnovationTrend ESG Equity Investment Fund

A series USD MONTHLY report - 2024 JULY (made on: 07/31/2024)

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

Earlier this month, the US stock market responded to news of an economic slowdown by again favouring AI and large technology stocks as they are more resilient and may offer long-term structural growth potential over cyclical stocks. However, the tide turned in the middle of the month, with a significant rotation towards small cap stocks. With significant short positions in the Russell 2000 index, algorithmic buyers reacted strongly to the unusually high drop in yields. Lower interest costs have fundamentally helped small capitalization companies with higher debt, while this year's outperforming and overweighted growth/momentum stocks have seen significant profit realization, resulting in the Russell 2000 index almost completely erasing this year's lag against the Nasdaq index by the end of the half. The technology sector has faced difficulties over the past month, with investors questioning the growth prospects of AI. A key question is how much spending in the AI investment wave can be raised on a trend basis even above current levels, and what kind of return these investments will generate in the first place. The IT sector's monthly underperformance relative to the S&P 500 index was extreme, at levels not seen since 2016, with the semiconductor sector, the number one beneficiary of the AI story, also suffering a significant fall. This month, we managed to capture this move in the Fund ahead of the larger fall, moving away from the IT sector and into the communications services industry. Artificial intelligence companies still make up one of the most dominant themes in the Fund's portfolio, but within this we have shifted away from hardware companies and towards the software industry.

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: | HU0000732938 |
| Start: | 03/11/2024 |
| Currency: | USD |
| Net Asset Value of the whole Fund: | 7,934,837 USD |
| Net Asset Value of A series: | 85,780 USD |
| Net Asset Value per unit: | 1.043951 USD |

DISTRIBUTORS

Conseq Investment Management, a.s., VIG Asset Management Hungary Plc.

SUGGESTED MINIMUM INVESTMENT PERIOD

| | | | | | | |
|--------|--------|------|------|------|------|------|
| 3 mths | 6 mths | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr |
|--------|--------|------|------|------|------|------|

ASSET ALLOCATION OF THE FUND

| Asset | Weight |
|---|-----------------|
| Collective securities | 74.88 % |
| International equities | 31.47 % |
| Liabilities | -19.53 % |
| Current account | 12.94 % |
| Receivables | 0.25 % |
| Market value of open derivative positions | -0.01 % |
| Total | 100,00 % |
| Derivative products | 11.94 % |
| Net corrected leverage | 109.66 % |

Assets with over 10% weight

There is no such instrument in the portfolio

RISK PROFILE

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

← Lower risk → Higher risk

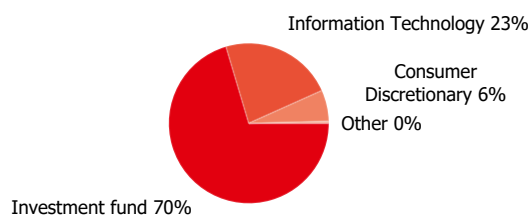
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NET YIELD PERFORMANCE OF THE SERIES

| Interval | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| From launch | 4.40 % | |
| 1 month | -1.84 % | |
| 3 months | 6.57 % | |

Stocks by sectors



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/11/2024 - 07/31/2024



RISK INDICATORS

| | |
|---|------------|
| Annualized standard deviation of the fund's weekly yields-based on 1 year | 10.85 % |
| Annualized standard deviation of the fund's weekly yields-based on 3 year | 10.85 % |
| Annualized standard deviation of the fund's weekly yields-based on 5 year | 10.85 % |
| WAM (Weighted Average Maturity) | 0.00 years |
| WAL (Weighted Average Life) | 0.00 years |

TOP 10 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity |
|---|-----------------|--|-------------------|
| Xtrackers MSCI World I T UCITS ETF | investment note | Xtrackers MSCI World Information Tech UCITS ETF | 9.50 % |
| Xtrackers MSCI World Communication Services Index UCITS ETF | investment note | Xtrackers MSCI World Comm Services Index UCITS ETF | 9.36 % |
| Xtrackers MSCI World Consumer D UCITS ETF | investment note | Xtrackers MSCI World Consumer D UCITS ETF | 9.36 % |
| SPDR MSCI World Consumer Discretionary UCITS ETF | investment note | SPDR MSCI World Consumer Discretionary UCITS ETF | 7.03 % |
| NASDAQ 100 E-MINI Sep24 Buy | derivative | Erste Bef. Hun | 09/20/2024 4.92 % |
| NASDAQ 100 E-MINI Sep24 Buy | derivative | Erste Bef. Hun | 09/20/2024 4.92 % |
| Alphabet Inc | share | Alphabet Inc | 4.48 % |
| Lyxor MSCI World Information Tech EUR TR UCITS ETF | investment note | Lyxor MSCI World Information Tech EUR TR UCITS ETF | 4.44 % |
| Xtrackers AI & Big Data UCITS ETF | investment note | Xtrackers AI & Big Data UCITS ETF | 4.38 % |
| SPDR MSCI World Communications Service UCITS ETF | investment note | SPDR MSCI World Communications Service UCITS ETF | 4.29 % |

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