

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 July, Polish bonds experienced a stronger month: on the 3-year maturity yields decreased by 30-, on the 5 year maturity by 37-, and on the 10 year maturity by 39 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, stating that they are unlikely to begin the rate-cutting cycle before 2026 because inflation, due to the government's decision to normalize energy prices, will start rising again. Currently the inflation is 4,2% year on year in July according to the preliminary estimates, which was already a big rebound from the previous month 2.6%, but came below the market expectations of 4,4%. The higher price increase was mainly driven by the aforementioned normalization of energy prices. According to a Bloomberg survey in July, the Polish economy may have grown by 2.8% in the second quarter, and next year's GDP growth forecast was revised up from 3.5% to 3.8%. The Purchasing Managers' Index (PMI) rose to 47.3 in July from the previous month's 45 arriving above market expectations. While the indicator is still below the 50 threshold, the latest value was above the trend line, indicating that although the subcomponents still show a decline, the pace is slower than measured in the previous month. Industrial production posted an increase of 0.3% in the fifth month of the year, thus arrived above market expectations. As for the state budget, the government generated a deficit of 16,794.3 million PLN in the sixth month of the year, bringing the 12-month rolling budget deficit to 4.13% of GDP. Polish long bond yields peaked on th 5th of July YTD, before we gradually increased duration, which added to the performance of the 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:	HU0000713565
Start:	03/28/2014
Currency:	PLN
Net Asset Value of the whole Fund:	16,068,555,087 HUF
Net Asset Value of P series:	54,814,314 PLN
Net Asset Value per unit:	1.098476 PLN

DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

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
Government bonds	60.92 %
Corporate bonds	38.41 %
Current account	0.78 %
Liabilities	-0.36 %
Receivables	0.23 %
Market value of open derivative positions	0.03 %
Total	100,00 %
Derivative products	1.68 %
Net corrected leverage	100.00 %
Assets with over 10% weight	
POLGB 2032/04/25 1,75% (Polish State)	
POLGB 2029/07/25 4,75% (Polish State)	
BGOSK 07/03/25 1.25% (Bank Gospodarstwa Krajowego)	

RISK PROFILE

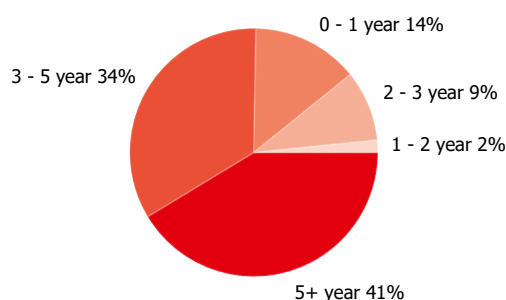
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← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

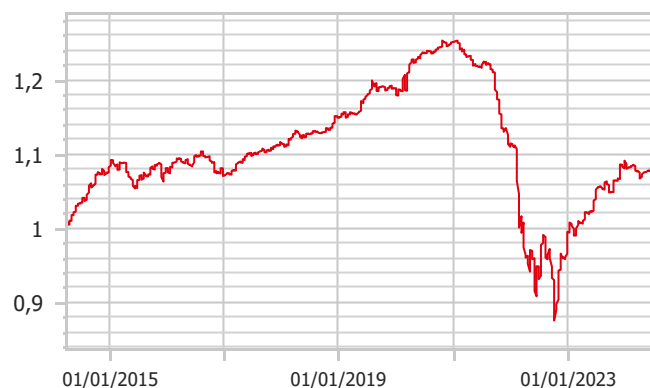
Interval	Yield of note	Benchmark yield
YTD	1.44 %	2.51 %
From launch	0.91 %	2.77 %
1 month	1.62 %	1.50 %
3 months	2.69 %	2.77 %
2023	12.73 %	12.80 %
2022	-13.69 %	-5.03 %
2021	-10.96 %	-9.74 %
2020	5.35 %	6.42 %
2019	3.10 %	3.94 %
2018	3.55 %	4.67 %
2017	3.56 %	4.77 %
2016	-0.38 %	0.25 %
2015	0.22 %	1.68 %

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 03/28/2014 - 07/31/2024



RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	3.16 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	3.29 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	8.07 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	6.63 %
WAM (Weighted Average Maturity)	4.41 years
WAL (Weighted Average Life)	5.09 years

TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
POLGB 2032/04/25 1,75%	interest-bearing	Polish State	04/25/2032	20.74 %
POLGB 2029/07/25 4,75%	interest-bearing	Polish State	07/25/2029	18.26 %
BGOSK 07/03/25 1.25%	interest-bearing	Bank Gospodarstwa Krajowego	07/03/2025	13.84 %
POLGB 2028/07/25 7,5%	interest-bearing	Polish State	07/25/2028	9.95 %
BGOSK 2030/06/05 2,125%	interest-bearing	Bank Gospodarstwa Krajowego	06/05/2030	6.79 %
BGOSK 2027/04/27 1,875%	interest-bearing	Bank Gospodarstwa Krajowego	04/27/2027	5.26 %
BGOSK Float 06/12/31	interest-bearing	Bank Gospodarstwa Krajowego	06/12/2031	5.16 %
POLGB 2027/05/25 3,75%	interest-bearing	Polish State	05/25/2027	3.91 %
BGOSK 2033/07/21 2,25%	interest-bearing	Bank Gospodarstwa Krajowego	07/21/2033	3.52 %
POLGB 2033/10/25 6%	interest-bearing	Polish State	10/25/2033	3.13 %

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbfv. 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 | alapkezo@am.vig | www.vigam.hu