

# VIG Active Beta Flexible Allocation Inv Fund

El series EUR MONTHLY report - 2024 NOVEMBER (made on: 11/30/2024)

## INVESTMENT POLICY OF THE FUND

The Fund's objective is to create an investment portfolio that is intended to achieve capital growth through active portfolio management, investing predominantly in US and European companies. Accordingly, the Fund Manager's investment portfolio is composed of developed-market equities, predominantly securities issued by US and European companies and short-term developed-market government bonds. The Fund pursues an active asset allocation policy. If the Fund Manager considers the prevailing capital market conditions to be unfavourable, it may significantly reduce equity exposure in order to protect capital. If capital market conditions appear ideal for taking equity exposure, the Fund Manager may invest the Fund's assets entirely in equities. On average over a full market cycle, the portfolio maintains an equity ratio of approximately 70%.

The Fund's investment universe includes the developed equity, bond and money markets. The Fund intends to hold liquidity related to trading needs in bank deposits or short-term developed-market government securities. As a general rule, of all the equities in the investment universe, the Fund intends to hold those that are considered the most popular among business partners, employees and investors.

The Fund Manager may significantly reduce equity exposure in the event of a break in a rising trend. In this situation, the Fund mainly holds foreign-currency money-market instruments in its portfolio. In the event of a rising market trend and increasing global risk appetite, the Fund will invest in developed-market equities as mentioned above.

The Fund invests at least 80% in assets that are issued and traded outside Hungary.

## MARKET SUMMARY

On the US stock market, November started with a rebound following a disappointing jobs report, which indicated only 12,000 jobs were added in October. Recent hurricanes and labor strikes influenced this cautious sentiment, as investors awaited the Federal Reserve's policy meeting. The Federal Reserve's decision to lower interest rates by 25 basis points was positively received, particularly benefiting technology stocks. Yet, analysts remained cautious about future rate cuts due to ongoing inflationary pressures and a significant government budget deficit. Market participants closely monitored the presidential election in early November. The election of former President Donald Trump electrified the markets, driven by optimism over potential tax cuts and deregulation. However, concerns about inflation and U.S.-China trade tensions tempered this enthusiasm and led to an increase in treasury yields. In Europe, economic activity has shown signs of weakness, with the euro area PMI indicating a contraction. This has provided the European Central Bank (ECB) with more leeway to implement rate cuts, which are anticipated to be more aggressive than those of the Fed. The geopolitical landscape, particularly the escalation of the Ukraine conflict, added complexity to the European economic outlook. The potential for structural shifts in policy, especially in light of recent elections in key countries, raises questions about future growth trajectories. The UK, in particular, faces a tepid growth outlook, prompting expectations for further rate cuts from the Bank of England. In this environment, our quantitative models suggested reducing equity risk on the European markets while maintaining exposure to the US stocks. The average weight of European shares in the Fund's portfolio was around 15% during November, while our exposure to US stock remained close to 50%. During the month, chip manufacturers (NVDA, Broadcom, ARM Holdings) negatively affected portfolio performance. On the other hand, Palo Alto Networks, Netflix and Fortinet were the best positive contributors.

## 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:                         | HU0000734629                           |
| Start:                             | 08/07/2024                             |
| Currency:                          | EUR                                    |
| Net Asset Value of the whole Fund: | 6,393,674,292 HUF                      |
| Net Asset Value of El series:      | 823,517 EUR                            |
| Net Asset Value per unit:          | 1.075215 EUR                           |

## DISTRIBUTORS

## 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          |
|-------------------------------|-----------------|
| International equities        | 62.10 %         |
| T-bills                       | 32.38 %         |
| Current account               | 4.53 %          |
| Receivables                   | 1.02 %          |
| Liabilities                   | -0.02 %         |
| <b>Total</b>                  | <b>100,00 %</b> |
| Derivative products           | 0.00 %          |
| Net corrected leverage        | 100.00 %        |
| Assets with over 10% weight   |                 |
| BTF 0 01/02/25 (French state) |                 |

## RISK PROFILE

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

← Lower risk Higher risk →

# VIG Active Beta Flexible Allocation Inv Fund

EI series EUR MONTHLY report - 2024 NOVEMBER (made on: 11/30/2024)

## NET YIELD PERFORMANCE OF THE SERIES

| Interval    | Yield of note | Benchmark yield |
|-------------|---------------|-----------------|
| From launch | 7.52 %        |                 |
| 1 month     | 4.95 %        |                 |
| 3 months    | 6.87 %        |                 |

## NET PERFORMANCE OF THE SERIES

net asset value per share, 08/07/2024 - 11/30/2024



## RISK INDICATORS

|   |            |
|---|------------|
| Annualized standard deviation of the fund's weekly yields-based on 1 year | 8.63 %     |
| Annualized standard deviation of the fund's weekly yields-based on 3 year | 8.63 %     |
| Annualized standard deviation of the fund's weekly yields-based on 5 year | 8.63 %     |
| WAM (Weighted Average Maturity)   | 0.04 years |
| WAL (Weighted Average Life)   | 0.04 years |

### 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 | alapkezeslo@am.vig | www.vigam.hu