

# VIG Ozon Annual Capital Protected Investment Fund

I series HUF MONTHLY report - 2024 NOVEMBER (made on: 11/30/2024)

## INVESTMENT POLICY OF THE FUND

The Fund aims to achieve a higher return than that of short-term bonds by investing in bonds of low volatility and limited-risk profile issued or guaranteed by certain specified states, quasi-sovereign corporations, national banks or supranational institutions. The Fund invests most of its available assets in low-risk instruments, i.e. bonds issued or guaranteed by the Hungarian state or states with a credit rating at least equal to or better than the latter's latest rating (or by their debt management agencies), quasi-sovereign companies, national banks or supranational institutions. The Fund may hold bank deposits, or cash, and enter into repo and reverse repo transactions. The maximum interest rate risk with respect to the Fund as a whole (i.e. its duration) is 3 years, while the weighted average maturity of the individual securities is a maximum of 10 years. For bonds denominated in currencies other than Hungarian forint, the asset manager seeks to fully hedge the foreign exchange risk, and may only deviate from this at the expense of risky assets (i.e. in the case of foreign exchange under/over-hedging). The Fund uses a small portion of its available assets to purchase risky instruments – domestic and foreign equities, equity indexes, higher risk bonds, foreign exchange, commodity market products and collective investment securities on the spot and futures markets. The Fund may enter into both long and short trades. Based on the approach followed when purchasing risky assets, the Fund is an absolute return fund: it selects investment options with the best possible expected return/risk ratio from the options available to it on the domestic and international money and capital markets. There is no possibility for making individual investor decisions in respect of the Fund.

## MARKET SUMMARY

Donald Trump's victory in the US presidential election has been a major factor in the markets' performance. As neither the US NFP data helped the bond markets (although it turned out to be rather weak) nor the Republican sweep, we sold our 5-year Polish government bonds at a loss of a few basis points (although yields surprisingly fell slightly in the later half of the month). Accordingly, we sold our position in the Polish WIG20 equity index above the 2200 level, after which the index fell by more than 5%, but later corrected. In the gold market, we had been looking for a good entry point for some time, we tried to enter after a fall of over 5% after the election, as the previous fundamentals remained in place, but the price fell further, so we exited due to tight risk management. Commodities did not perform well, so we also sold our copper position ahead of a major fall. In a soft or no landing scenarios commodities are very cheap especially against equities, there is easing in China which could give a boost to this asset class, however Trump's election victory and the expected tariff war did not help, at the same time the expected gigantic Chinese fiscal easing did not arrive, so investors were rather disappointed and sold their Chinese and commodities exposure. We have also taken a short USD/BRL position in the Fund, as the Brazilian real has weakened to an extreme extent this year, despite better than expected economic growth. With the central bank starting to raise interest rates again (while the rest of the world is more on the side of rate cuts), investor positioning has also turned rather pessimistic. And this starting position is typically a good entry point, however, we also closed this position near to our entry level as the USD strengthening driven by Trump's victory did not help the position, nor that the expected adjustment measures on the local front to reduce the public deficit did not arrive. This proved to be a good decision in the end, as the announcement later disappointed and the currency cross weakened further by almost 5%.

During the month, the foreign currency exposure that had been taken on earlier helped the most: the forint weakened further significantly. After the announcement of the details of the domestic bank and insurance tax, Hungarian government bond yields, especially around the 5-year maturity, started to fall significantly, so there may be room for further gains as we approach the end of the year.

Overall, during the month, the search for direction and market volatility knocked out stop loss levels for a number of positions, which significantly reduced the Fund's performance this month. We have reduced our exposure to risky assets as a result of the uncertainty, with the highest conviction positions remaining in the Fund, giving preference to a more stable price appreciation until clearer trends emerge or we identify another high conviction investment opportunity with an outstanding risk/return ratio.

## GENERAL INFORMATION

Fund Manager:	VIG Investment Fund Management Hungary
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	VIG Investment Fund Management Hungary
Benchmark composition:	Fund has no benchmark
ISIN code:	HU0000731385
Start:	01/02/2023
Currency:	HUF
Net Asset Value of the whole Fund:	8,467,899,301 HUF
Net Asset Value of I series:	6,221,677,295 HUF
Net Asset Value per unit:	1.222964 HUF

## DISTRIBUTORS

VIG Asset Management Hungary Plc.

## 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
T-bills	33.47 %
Government bonds	21.40 %
Corporate bonds	9.66 %
Deposit	36.81 %
Liabilities	-1.84 %
Current account	0.76 %
Market value of open derivative positions	-0.26 %
<b>Total</b>	<b>100.00 %</b>
Derivative products	15.60 %
Net corrected leverage	100.29 %

### Assets with over 10% weight

D250821 (Government Debt Management Agency Pte. Ltd.)

2025B (Government Debt Management Agency Pte. Ltd.)

## RISK PROFILE

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

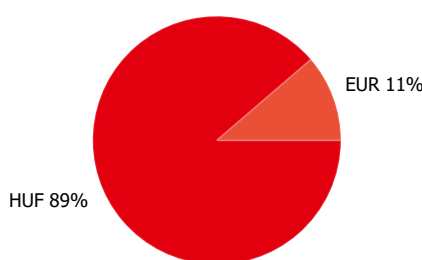
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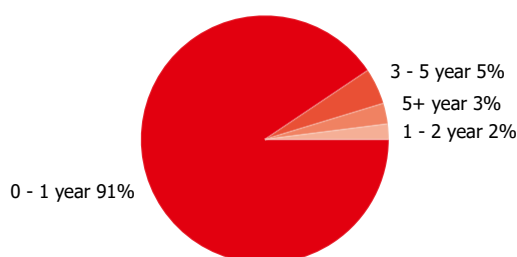
## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	5.76 %	6.25 %
From launch	11.12 %	11.37 %
1 month	-0.08 %	
3 months	0.33 %	0.61 %

### Currency exposure:

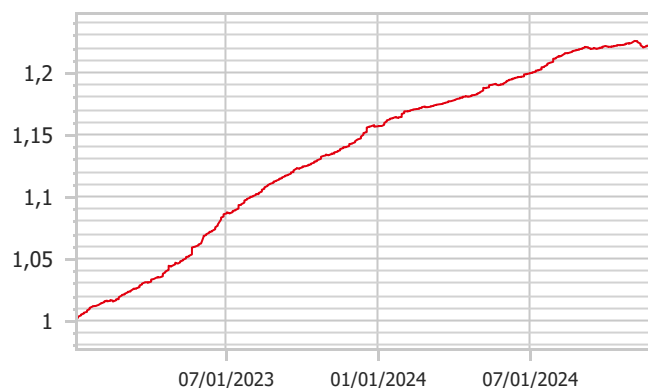


### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 01/02/2023 - 11/30/2024



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	0.95 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	0.92 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	1.18 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	1.18 %
WAM (Weighted Average Maturity)	0.54 years
WAL (Weighted Average Life)	0.55 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
HUF deposit	deposit	OTP Bank	12/05/2024	27.17 %
D250821	zero coupon	Government Debt Management Agency Pte. Ltd.	08/21/2025	15.89 %
Magyar Államkötvény 2025/B	interest-bearing	Government Debt Management Agency Pte. Ltd.	06/24/2025	15.34 %
PLN deposit	deposit	OTP Bank	12/03/2024	9.69 %
MNB241205	zero coupon	Hungarian National Bank Plc.	12/05/2024	9.67 %
BTF 0 01/02/25	zero coupon	French state	01/02/2025	6.08 %
D250430	zero coupon	Government Debt Management Agency Pte. Ltd.	04/30/2025	5.77 %
D250625	zero coupon	Government Debt Management Agency Pte. Ltd.	06/25/2025	4.57 %
Magyar Államkötvény 2029/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	05/23/2029	3.06 %
Magyar Államkötvény 2031/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	10/22/2031	1.77 %

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