

# VIG Ozon Annual Capital Protected Investment Fund

A series HUF MONTHLY report - 2024 DECEMBER (made on: 12/31/2024)

## 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

The US equity market had an average performance in December, influenced by rising bond yields and mixed economic data. Although the S&P 500 and the Nasdaq index reached new all-time highs, led mainly by the technology sector, the year-end Santa Claus rally did not deliver the expected results. The ISM services sector index showed a solid growth picture, while labor market data indicated a balanced economy. The Fed's 25 basis point interest rate decision in December was in line with expectations, but Powell's speech suggested less rate cuts next year than expected. This caused a sell-off, that markets have not been able to recover from since. Some sectors, such as semiconductors, did not perform well for other reasons, partly explained by market overpricing and sector-specific uncertainties. In Europe, the German DAX index rose to a new high, supported by a favorable yield environment and expected interest rate cuts by the European Central Bank. But the German market also fell back by the end of December, caused by a political crisis like the one in France. The French market was held back by fiscal uncertainty and tensions around political conflicts, in particular a motion of no confidence in the government. Although weak PMI data indicated a slowdown in the Eurozone economy, investment stimulus statements and expected monetary easing improved sentiment in the cyclical sectors. During December, markets were rather choppy lacking any direction. In the US, the yields began to rise again and regional bond yields did not perform well either, on fears of a tariff war. Accordingly, we have reduced our positions, by decreasing the duration of the domestic bond positions as domestic short yields have come down to around 5.3-5.4%, but we expect a pullback early in the year due to issuance pressures. The focus remained on more stable rate hikes.

## 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:	HU0000705157
Start:	03/19/2007
Currency:	HUF
Net Asset Value of the whole Fund:	10,455,806,384 HUF
Net Asset Value of A series:	2,189,655,665 HUF
Net Asset Value per unit:	2.093048 HUF

## DISTRIBUTORS

CIB BANK ZRT, Concorde Securities Ltd., Equilor Befektetési Zrt, Erste Investment Plc., MBH Befektetési Bank Zrt, OTP Bank Nyrt., Raiffeisen Bank cPlc., SPB Befektetési Zrt., UniCredit Bank Hungary cPlc., 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	33.64 %
Government bonds	16.15 %
Corporate bonds	9.43 %
Current account	40.79 %
Market value of open derivative positions	0.06 %
Liabilities	-0.05 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	4.70 %
Net corrected leverage	100.01 %

### 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 →

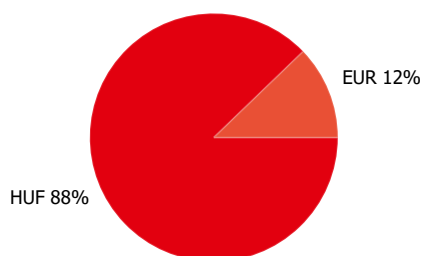
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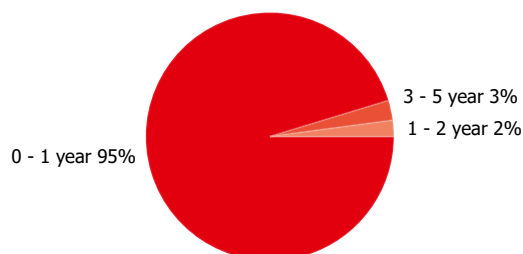
## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	5.17 %	6.25 %
From launch	4.24 %	4.65 %
1 month	0.36 %	
3 months	0.32 %	
2024	5.17 %	6.25 %
2023	14.66 %	15.77 %
2022	5.54 %	3.53 %
2021	-1.17 %	-0.10 %
2020	0.89 %	0.92 %
2019	0.50 %	0.74 %
2018	0.08 %	0.81 %
2017	0.30 %	0.22 %
2016	1.14 %	1.22 %
2015	1.74 %	1.50 %
2014	3.75 %	3.31 %

### Currency exposure:

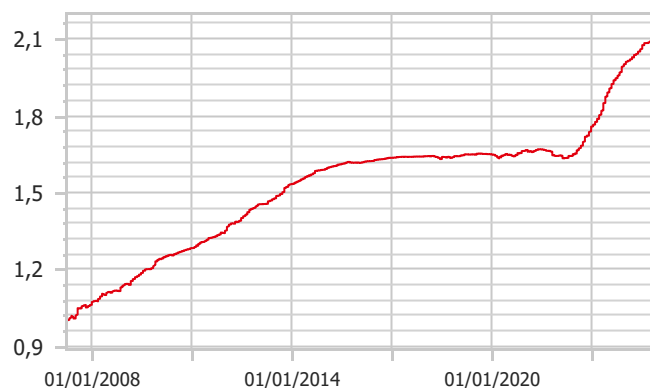


### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 03/19/2007 - 12/31/2024



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields- based on 1 year	0.83 %
Annualized standard deviation of the benchmark's weekly yields- based on 1 year	0.49 %
Annualized standard deviation of the fund's weekly yields- based on 3 year	1.28 %
Annualized standard deviation of the fund's weekly yields- based on 5 year	1.66 %
WAM (Weighted Average Maturity)	0.24 years
WAL (Weighted Average Life)	0.25 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	Weight
D250821	zero coupon	Government Debt Management Agency Pte. Ltd.	08/21/2025	12.95 %
Magyar Államkötvény 2025/B	interest-bearing	Government Debt Management Agency Pte. Ltd.	06/24/2025	10.82 %
MNB250109	zero coupon	Hungarian National Bank Plc.	01/09/2025	7.64 %
BTF 0 01/02/25	zero coupon	French state	01/02/2025	4.90 %
D250430	zero coupon	Government Debt Management Agency Pte. Ltd.	04/30/2025	4.70 %
D250625	zero coupon	Government Debt Management Agency Pte. Ltd.	06/25/2025	3.73 %

Magyar Államkötvény 2029/A	interest-bearing	Government Debt Management Agency Pte. Ltd.	05/23/2029	1.23 %
2026H	interest-bearing	Government Debt Management Agency Pte. Ltd.	10/21/2026	1.03 %
BTF 0 05/07/25	zero coupon	French state	05/07/2025	0.97 %

#### 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