

# VIG Global Emerging Market Bond Investment Fund

B series HUF MONTHLY report - 2025 FEBRUARY (made on: 02/28/2025)

## INVESTMENT POLICY OF THE FUND

The Fund aims to achieve capital growth by investing in bonds of emerging European countries and state-owned companies. The Fund does not apply credit rating restrictions: it may purchase securities of any country or company with any long-term credit rating. The Fund aims for the highest possible capital growth alongside reasonable risk-taking. The Fund primarily purchases foreign currency emerging market bonds, in addition to which it holds Hungarian local currency short-term and long-term bonds for diversification and liquidity management purposes. The bond portfolio may also include short-term, long-term, fixed or floating-rate, structured and convertible bonds issued by mortgage credit institutions, other credit institutions, local governments or other business entities. The core of the Fund's investments is Central Eastern Europe (Hungary, Croatia, Poland, Romania, Slovakia, Ukraine), South East Europe (Serbia, Turkey), the Baltics (Latvia, Lithuania) and the Commonwealth of Independent States (Azerbaijan, Belarus, Kazakhstan, Russia, Georgia, Armenia) and bonds of majority state-owned companies, in addition to which the Fund holds short-term and long-term Hungarian government securities for diversification and liquidity management purposes. The target weight for bond exposures in the Fund in the 16 countries listed (target countries) is 95%. We do not set a limit on debt classification in the Fund. The Fund may only conclude derivative transactions for hedging purposes, or in the interest of establishing an efficient portfolio. The Fund may also hold non-leveraged bond-type collective investment forms. The Fund may also take on significant foreign currency exposure, which is normally covered 100% by the Fund Manager in the target currency (USD), but depending on market conditions, the Fund may also hold open foreign currency positions.

## MARKET SUMMARY

Core rates rallied last month with a pronounced outperformance of US rates, driven by weaker US sentiment data, softer Euro area core inflation figures and a renewed investor focus on tariff concerns leading to a global risk-off move. In the Eurozone, market reaction to the German election was quite subdued at the start of the last week of the month with a modest steepening of the German curve following news of a possible near-term debt brake reform and/or special fund for defence before the new Parliament takes office. The US Dollar struggled last month, ultimately ending 0.7% down as tariff fatigue and lower US yields weighed heavily on the currency. EURUSD was up 0.2% in February, but fared comparatively poorly against GBP with EURGBP down 1.3%. The currency pairs started the month in the red after President Trump announced that tariffs on the EU "will definitely happen" but managed to regain their footing through the next few weeks. GBPUSD ended February up 1.5% as positive risk sentiment and domestic data releases pushed the currency pair higher. Gold climbed, ending the month up 2.2%. Bullion kicked off the month with flair as President Trump's tariff rhetoric spurred safe-haven demand. Following a strong start to the year in January (up 3.2%, MoM), global equities showed clear signs of fading price momentum in February (down 0.8%), which could mainly be attributed to a weakness in the US equity market (down 1.5%).

Last month, we decreased exposure to Argentina on very strong recent performance and moved to more neutral stance towards Mexico, increased exposure to Ecuador and Poland along with adjusted down positions in Turkey and South Africa, we initiated positions in Angola, we favour Europe over other regions on the regional level as well as more positive towards high-yielders amid being positioned mostly in the long-dated papers; further extension of positions in LatAm, Africa and Asia being envisaged.

## 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:	HU0000724240
Start:	12/29/2020
Currency:	HUF
Net Asset Value of the whole Fund:	23,118,938 EUR
Net Asset Value of B series:	34,434,928 HUF
Net Asset Value per unit:	0.825971 HUF

## DISTRIBUTORS

Erste Investment Plc., OTP Bank Nyrt., Raiffeisen Bank 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
Government bonds	96.84 %
Corporate bonds	1.33 %
T-bills	0.55 %
Receivables	1.30 %
Liabilities	-1.27 %
Market value of open derivative positions	1.09 %
Current account	0.16 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	0.00 %
Net corrected leverage	100.00 %

Assets with over 10% weight

There is no such instrument in the portfolio

## RISK PROFILE

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

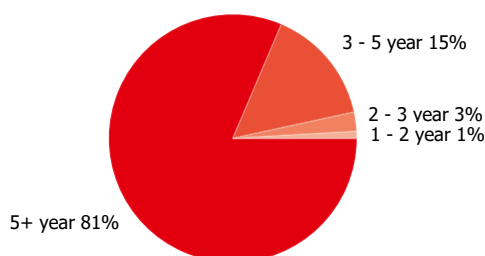
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## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
YTD	2.77 %	
From launch	-4.49 %	
1 month	1.56 %	
3 months	0.80 %	
2024	5.88 %	
2023	14.72 %	
2022	-30.82 %	
2021	-4.22 %	

### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 12/29/2020 - 02/28/2025



## RISK INDICATORS

Annualized standard deviation of the fund's weekly yields-based on 1 year	5.22 %
Annualized standard deviation of the fund's weekly yields-based on 3 year	18.74 %
Annualized standard deviation of the fund's weekly yields-based on 5 year	16.24 %
WAM (Weighted Average Maturity)	8.65 years
WAL (Weighted Average Life)	13.66 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity	
TURKEY 2029/03/14 9,375% USD	interest-bearing	Turkish State	03/14/2029	4.53 %
ARGENT 4 1/8 07/09/35 sinkable 2024/11/08	interest-bearing	Argentína	07/09/2035	3.54 %
PANAMA 6 7/8 01/31/36 visszahívható 2035/10/31	interest-bearing	Panamai Köztársaság	01/31/2036	3.26 %
KSA 5 3/4 01/16/54	interest-bearing	Saudi Arabian	01/16/2054	3.07 %
BRAZIL 6 1/4 03/18/31	interest-bearing	Brazil Állam	03/18/2031	2.99 %
CHILE 4.85 01/22/29 visszahívható2028	interest-bearing	Chilei Állam	01/22/2029	2.93 %
INDON 3.05 03/12/51	interest-bearing	Indonesian State	03/12/2051	2.71 %
KSA 3 5/8 03/04/28	interest-bearing	Saudi Arabian	03/04/2028	2.67 %
PHILIP 5 1/4 05/14/34	interest-bearing	Fülöp-szigeteki Köztársaság	05/14/2034	2.54 %
ECUA 5 1/2 07/31/35 sinkable 2031/01/31	interest-bearing	Ecuador	07/31/2035	2.38 %

### 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