

AEGON DOMESTIC

BOND FUND

GENERAL INFORMATION

ISIN code: HU-0000702493

Bloomberg kód: AEGDOME HB Equity

Fund Manager: AEGON Magyarország Befektetési Alapkezelő Zrt.

Custodian: Citibank Europe plc Magyarországi fióktelepe

Main distributor: AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.

Distributors: CIB Bank Zrt.; Citibank Europe plc Magyarországi Fióktelepe; Codex Értéktár és Értékpapír Zrt.; Equilor Befektetési Zrt.; ERSTE Befektetési Zrt.; UniCredit Bank Hungary Zrt.; Raiffeisen Bank Zrt.; Magyar Takarékszövetkezeti Bank Zrt.; BNP Paribas Magyarországi Fióktelepe; Commerzbank Zrt.; Concorde Értékpapír Zrt.

Launch Date of the Fund: 16.03.1998

Currency: HUF

Benchmark: 100% MAX Index

Net Asset Value (HUF): 62 310 092 099

Net Asset Value per share: 2.993943

The asset allocation of the Fund, 31.10.2009

Hungarian Government Bonds	87.61%
Hungarian T-bills	11.59%
Current account	0.00%
Government paper repo	0.50%
Other assets	0.29%
Total investment assets	100.00%
Net corrected leverage	73.21%
Derivative products	0,56%

Investment Policy of the Fund:

Only Hungarian Government Securities, debt securities guaranteed by the Hungarian state, corporate bonds, debt securities issued by local governments can get into the portfolio of the Fund. In order to decrease the risk of the portfolio the fund manager analyses the risk factors of the securities, and confirms the decisions taking with thorough calculations. By choosing a security one of the important factors is that the security should be liquid. Thanks to the professional diversification and the active portfolio management the fund provides its investors with a low risk – high yield investment alternative.

Investment horizon:

Suggested minimum investment period

3 months
 1 year
 2 years
 3 years
 5 years

Risc Scale

very low
 moderate
 high

Market Summary:

The Fund closed another successful month this October after the yield on Hungarian government bonds further declined. The global risk appetite proved to be undiminished and the domestic demand turned out to be strong as well, which was reflected by the successful bond emission through auctions. The favorable sentiment lasted until the last days of October, when a more serious correc-

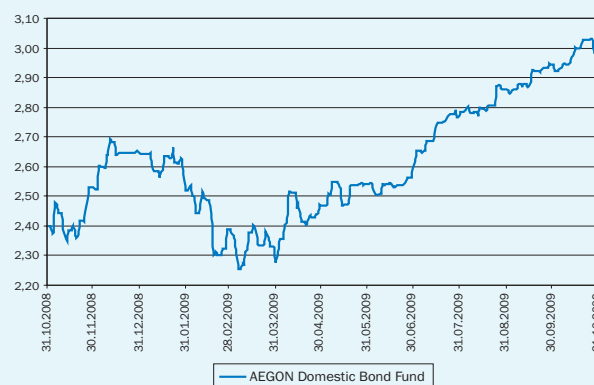
tion worsened the performance – the selling pressure from those who realized their profits became the hurdle to further appreciation. Parallel, the foreign investors's stocks of government securities decreased, partly due to a larger quantity of bonds reaching their maturities, without the owners re-investing on the domestic market. As far as the future is concerned, the supply and demand factors could provide stability to this market in the following month, although the domestic government bonds seem to stop to be extraordinarily cheap.

NET Yield Performance of the Fund:

Time horizon	12 months	2008 year	2007 year	2006 year	2005 year	2004 year
Net return of the Fund*	24.71%	2.47%	4.56%	7.06%	8.43%	13.07%
Benchmark performance**	25.17%	1.80%	4.92%	5.43%	7.45%	12.10%

* It shows the net performance of the fund until 31/10/09
The Fund was launched on 16/03/98
** The net return of the benchmark index.

THE NET PERFORMANCE OF THE FUND BASED ON THE NET ASSET VALUE PER SHARE



Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.