

AEGON EMMA EMERGING MARKETS

BOND FUND

GENERAL INFORMATION

ISIN code: HU-0000705256

Fund Manager: AEGON Magyarország Befektetési Alapkezelő Zrt.

Custodian: UniCredit Bank Hungary Zrt.

Main distributor: AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.

Distributors: CIB Bank Zrt.; 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: 11.05.2007

Currency: HUF

Benchmark: 100% JP Morgan Global Emerging Market Bond Index

Net Asset Value (HUF): 786 429 259

Net Asset Value per share: 0.855328

The asset allocation of the Fund, 31.12.2008

Hungarian T-bills	0.00%
Hungarian Government Bonds	40.98%
International Bonds	36.71%
Government paper repo	16.13%
Current account	2.85%
Other assets	3.33%
Total investment assets	100.00%
Net corrected leverage	18.72%
Derivative products	0.00%

Investment Policy of the Fund:

The AEGON Fund Management Co. launched the AEGON EMMA Emerging Markets Bond Fund, so potential investors could profit from the high-yield environment of those developing countries in which the fund invests. Although these countries are developing ones, but their macroeconomic background is stable, and they are on a growth path. The anticipatory yield of the Fund is higher than the yield of a domestic bond fund, but the risk is also a bit bigger. A high yield, or "junk bond" is a bond issued by a country or a company that is considered to have higher credit risks. The credit rating of a high yield bond is considered "speculative grade", or below "investment grade". This means that the chance of default with high yield bonds is higher than for other bonds. Their higher credit risk means that "junk bond" yields are higher than bonds of better credit quality. Studies have demonstrated that portfolios of high yield bonds have higher returns than other bond portfolios, suggesting that the higher yields more than compensate for their additional default risk. The investment possibilities of the Fund are very wide, so the portfolio manager has a widespread financial leeway to build up an optimal portfolio. We target the utmost yield by taking the lowest risk. By taking investment decisions we use fundamental and technical analysis, and we certainly keep an eye on the market sentiment as well. Our investment decisions are supported by a special investment-planning model, which is filled up with all the important macroeconomical data and indicators, like the anticipated level of inflation in these countries, their GDP growth, their credit ratings and so on. The portfolio manager generates a so-called risk - yield map, by focusing on the anticipated macroeconomic environment, the anticipated yield curve, and the above-mentioned model. When the map is ready, those risk-yield pairs will be chosen out which are considered to be safe and offer relative high yield at the same time.

Investment horizon:

Suggested minimum investment period



3 months



1 year



2 years



3 years



5 years

Risc Scale



very low



moderate



high

Market Summary:

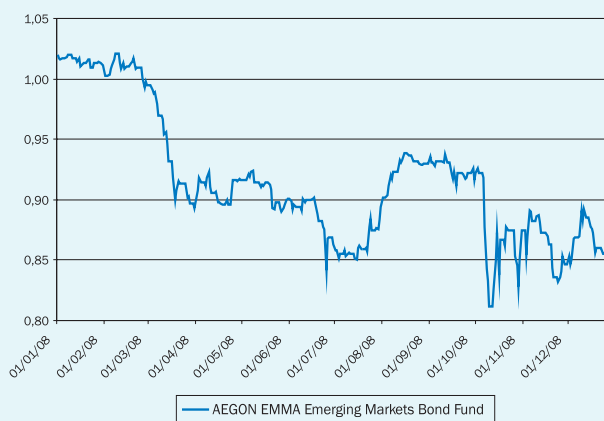
Our emerging bond fund gained only a little (1.04%) in December, which came from two factors. On one had there was a big yield drop in the Hungarian and the Indonesian bond market, but on the other hand the emerging currencies (BRL, MXN, IDR) depreciated against the HUF, what lowered the accessible gain.

NET Yield Performance of the Fund:

Time horizon	12 months*
Net return of the Fund*	-16.10%
Benchmark performance**	-3.70%

* It shows the net performance of the fund until 31/12/08
The Fund was launched on 11/05/07
** 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.