

# AEGON Domestic Bond Fund

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Befektetési Jegy Forgalmazó Zrt.
Benchmark composition:	100% MAX Index
ISIN code:	HU0000702493
Start:	1998.03.16
Currency:	HUF
Total Net Asset Value of the Fund:	50,396,722,697 HUF
Net Asset Value per unit:	3.342233 HUF

## 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. When choosing a security, one of the most important factors is that the security should be liquid. Due to the professional diversification and the active portfolio management the Fund provides its investors with a low risk – high yield investment alternative.

## DISTRIBUTORS

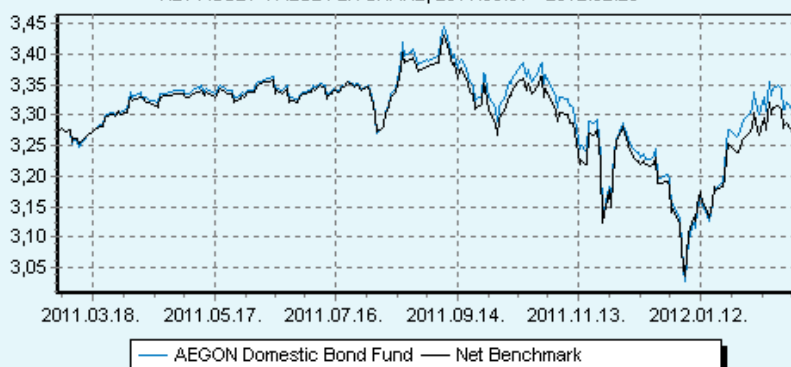
AEGON Magyarország Befektetési Jegy Forgalmazó Zrt., BNP-Paribas Magyarországi Fióktelepe, CIB Közép-Európai Nemzetközi Bank Zrt., Citibank Europe plc Magyarországi Fióktelepe, Codex Értéktár és Értékpapír Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

## NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months	2011 year	2010 year	2009 year	2008 year	2007 year
Investment note	2.08 %	0.46 %	6.34 %	11.72 %	2.47 %	4.56 %
Net benchmark	0.91 %	0.02 %	4.70 %	13.57 %	0.96 %	4.41 %

## NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2011.03.01 - 2012.02.29



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.

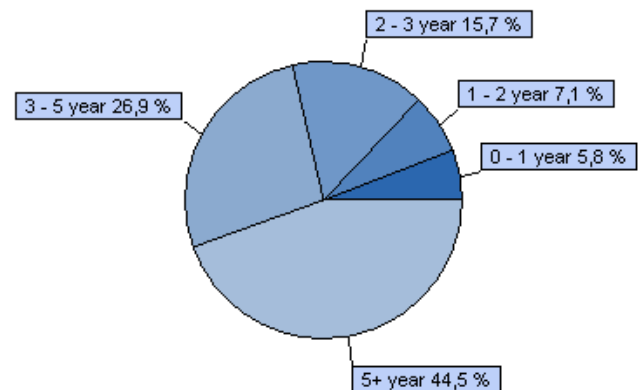
## MARKET SUMMARY:

The fund closed a very strong month once again (+2.3%) and also outperformed the market. Yields were driven lower by favourable international market sentiment in combination with attractive initial valuation levels. The generalised optimism on investors' side was supported by incoming data signalling the turn of the economic cycle in most economies, as well as a more forceful and coordinated monetary easing than ever. The healing of European bank balance sheet thanks to the ECB's 3-year LTRO brings relief to the CEE region in particular. There was silence on the local front with the market patiently waiting for the start of talks between the government and international lenders. Investors also welcome the more reconciliatory tone of the government of late. The picture was negatively affected, however, by the envisaged suspension of part of the cohesion funds as of 2013 as the excessive deficit procedure against Hungary moved into a new phase despite the marked fiscal effort to bring the deficit below 3% in 2012. Looking ahead, we expect HGB's to perform well given their attractive yield levels.

## ASSET ALLOCATION OF THE FUND ON 02/29/2012

Asset type	Weight
treasury bonds	89.35 %
Corporate bonds	7.96 %
T-bills	3.31 %
Mortgage debentures	0.19 %
Liabilities	-1.14 %
Repos	0.12 %
Market value of open derivative positions	0.10 %
Current account	0.09 %
Receivables	0.00 %
total	100.00 %
Derivative products	18.67 %
Net corrected leverage	99.94 %

## Bondy by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:



Risc Scale:

