

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 whole Fund:	48,268,229,480 HUF
Net Asset Value of HUF series:	48,268,229,480 HUF
Net Asset Value per unit:	4.112186 HUF

INVESTMENT POLICY OF THE FUND:

The fund is intended to serve as a stable, moderately low-risk form of investment, and to offer investors higher returns than bank deposits over the medium term. The portfolio elements are selected in accordance with the above principles. To ensure liquidity, the fund primarily aims to hold bonds and discount treasury bills issued by the State Debt Management Centre on behalf of the State of Hungary, as well as bonds issued by the National Bank of Hungary. The fund has a low risk profile, but its portfolio may also contain forint-denominated debt securities issued by banks and corporations, which are expected to yield a higher return than government securities. The fund may also keep its liquid assets in bank deposits. Besides this, the fund may hold a limited proportion of foreign-currency instruments in its portfolio, but only subject to the full hedging of currency risk.

DISTRIBUTORS

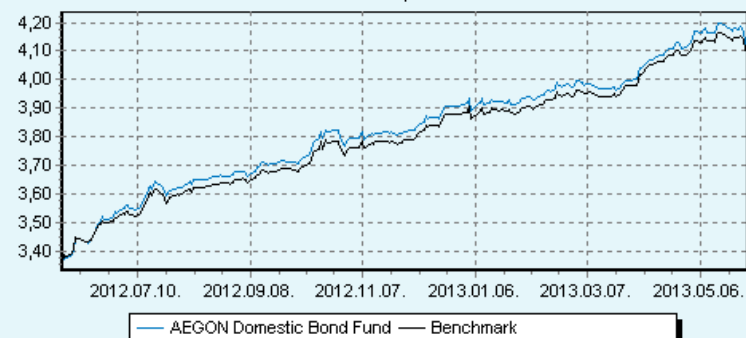
AEGON Magyarország Befektetési Jegy Forgalmazó Zrt., BNP-Paribas Magyarországi Fióktelepe, CIB Közép-Európai Nemzetközi Bank Zrt., Citibank Europe plc Magyarországi Fióktelepe, Codex Értéktár és Értékpapír Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt.,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

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	9.74 %	10.39 %
2012	23.83 %	21.90 %
2011	0.46 %	1.64 %
2010	6.34 %	6.40 %
2009	11.72 %	15.44 %
2008	2.47 %	2.59 %
2007	4.56 %	6.11 %
2006	7.06 %	6.96 %
2005	8.43 %	8.76 %
2004	13.07 %	14.02 %
2003	1.19 %	-0.31 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 2012.06.01 - 2013.05.31



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:

We have experienced a clash of two forces this month. The local positive newsflow kept the market going in the first half of the month but fears about QE tapering deteriorated market sentiment by the end of the month. US 10 year yields quickly rose above 2,1% which discounted the attractiveness of EM bonds and put local markets under pressure. Higher bond yields and depreciating currencies were a nationwide phenomenon, local newsflow did not attract too much attention. We kept neutral duration during May. A cautious strategy is reasonable, but at somewhat higher yields we might consider adding risk to the fund. Outflows from EM bond funds amid negative returns are the main risks on our market now.

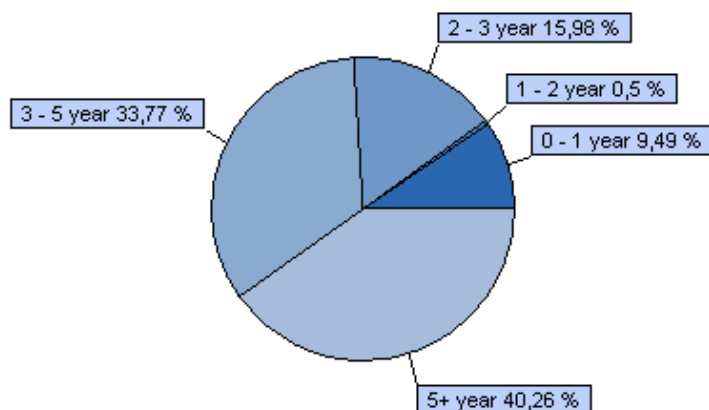
ASSET ALLOCATION OF THE FUND ON 05/31/2013

Asset type	Weight
Government bonds	91.11 %
Corporate bonds	7.30 %
T-bills	1.83 %
Liabilities	-0.86 %
Current account	0.53 %
Market value of open derivative positions	0.06 %
Repos	0.05 %
total	100,00 %
Derivative products	18.02 %
Net corrected leverage	99.67 %

Assets with over 10% weight

2017B (Államadósság Kezelő Központ Zrt.)
 2017A (Államadósság Kezelő Központ Zrt.)
 2019A (Államadósság Kezelő Központ Zrt.)
 2022A (Államadósság Kezelő Központ Zrt.)

Bondy by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 4.98 %
 Annualized standard deviation of the benchmark's weekly yields: 4.62 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

