

AEGON Domestic Bond Fund

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% MAX Index
ISIN code:	HU0000702493
Start:	03/16/1998
Currency:	HUF
Total Net Asset Value of the whole Fund:	45,987,164,182 HUF
Net Asset Value of HUF series:	45,987,164,182 HUF
Net Asset Value per unit:	4.150380 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 Alapkezelő Zrt., 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	9.59 %	10.26 %
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, 10/01/2012 - 09/30/2013



— AEGON Domestic Bond Fund — Benchmark

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 market was waiting for the Fed in September. Bond markets traded continuously stronger since the start of the month which was down to mixed US data and lower core yields. As the US 10-year bond yields came down from 3% so did local bonds strengthen: yields came down 50-60 bps ahead of the Fed decision amid short covering. The Fed finally decided not to taper surprising markets and igniting a huge relief rally intra-day (23A traded at 5.3% at one point). The market quickly corrected though and yields stabilised at close to pre-Fed levels and traded sideways till the end of the month. The Fed decision probably extends the room for rate cuts which also drove short yields lower but the curve flattened in September. We increased some risk after the Fed but remained in a neutral position.

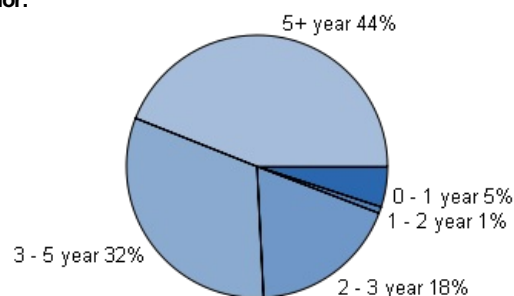
ASSET ALLOCATION OF THE FUND ON 09/30/2013

Asset type	Weight
Government bonds	92.64 %
Corporate bonds	7.06 %
T-bills	0.11 %
Liabilities	-1.81 %
Current account	1.02 %
Receivables	0.84 %
Market value of open derivative positions	0.15 %
total	100.00 %
Derivative products	16.44 %
Net corrected leverage	99.78 %

Assets with over 10% weight

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

Bonds by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 6.82 %
Annualized standard deviation of the benchmark's weekly yields: 6.43 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

