

# AEGON Polish Bond Fund HUF series

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% TBSP Index
ISIN code:	HU0000705256
Start:	05/11/2007
Currency:	HUF
Total Net Asset Value of the whole Fund:	940,412,464 HUF
Net Asset Value of HUF series:	440,086,132 HUF
Net Asset Value per unit:	1.325382 HUF

## INVESTMENT POLICY OF THE FUND:

The aim of launching the investment fund was to give investors access to the Polish bond market, and for it to function as a relatively stable, medium-risk investment in the long term, offering our customers higher yields than those attainable on bank deposits without the need for them to tie up their savings for a fixed period. The investment opportunities available to the fund are wide-ranging, so the portfolio manager has a broad remit and there is scope to build up the optimal portfolio. We aim to achieve the highest return at the lowest risk. When making investment decisions we make equal use of fundamental analysis and technical analysis tools, and always take into account the prevailing mood of investors in the market. The portfolio manager determines the potential investment opportunities on the basis of the macroeconomic forecasts, the likely yield curve and the expected return on the curve and market volatility, then selects the investments that can be regarded as safe and that ensure a relatively high yield in return for the undertaken risk.

## DISTRIBUTORS

AEGON Magyarország Befektetési Alapkezelő Zrt., CIB Közép-Európai Nemzetközi Bank Zrt., Codex Értéktár és Értékpapír Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., 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	4.51 %	8.70 %
2012	12.10 %	15.01 %
2011	8.99 %	9.57 %
2010	11.80 %	14.15 %
2009	16.47 %	28.27 %
2008	-16.10 %	-2.99 %

## NET PERFORMANCE OF THE FUND

### NET ASSET VALUE PER SHARE, 10/01/2012 - 09/30/2013



— AEGON Polish Bond Fund HUF series — 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:

September was a particularly eventful month for Polish bonds. The reshuffling of the mandatory pension system was announced in a very vulnerable emerging bond market sentiment ahead of the Fed decision. Bond holdings of the funds will go back to the state and be cancelled thus reducing gross debt. This unorthodox step did not have the same effects as in Hungary three years ago but yields still edged higher. The market quickly refocused on the pure facts and tried to take sides based on the expected growth in foreign participation, less liquidity but better debt metrics. Yields came lower gradually later in the month with high correlation to core rates. All in all the curve looks almost unchanged compare to early September. We decreased duration after the pension announcement but bought back the risk ahead of the Fed decision which proved to be a good decision.

## ASSET ALLOCATION OF THE FUND ON 09/30/2013

Asset type	Weight
Government bonds	76.24 %
Corporate bonds	15.61 %
T-bills	0.75 %
Current account	7.57 %
Liabilities	-0.07 %
Market value of open derivative positions	-0.06 %
total	100.00 %
Derivative products	15.86 %
Net corrected leverage	116.04 %

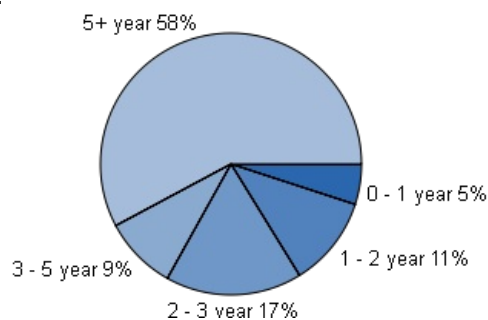
## TOP 5 POSITIONS

PLGB 2020/10 5,25% (Lengyel Állam)
PLGB 2019/10 5,50% (Lengyel Állam)
PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2015/04 5,5% (Lengyel Állam)
BOS BANK 2016/05/11 6% (BOS Finance AB, Sweden)

## Assets with over 10% weight

PLGB 2020/10 5,25% (Lengyel Állam)
PLGB 2019/10 5,50% (Lengyel Állam)
PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2015/04 5,5% (Lengyel Állam)

## Bonds by tenor:



## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	9.88 %
Annualized standard deviation of the benchmark's weekly yields:	9.79 %

## INVESTMENT HORIZON:

Suggested minimum investment period:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 months	6 months	1 year	2 years	3 years	4 years	5 years

Risk and Reward Profile:

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
very low	low	moderate	intermediate	significant	high	very high