

# AEGON Bezpieczny Fund institutional 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% WIBID 6M Index
ISIN code:	HU0000711619
Start:	10/26/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	29,307,581 PLN
Net Asset Value of institutional series:	24,224,166 PLN
Net Asset Value per unit:	1.034095 PLN

## INVESTMENT POLICY OF THE FUND:

The Fund's goal is to offer a stable and predictable yield at a low risk level for the investors. According to this the fund is only allowed to buy (hold) fixed income securities which were issued or guaranteed by Poland or by another member of the European Union. Issuer/guarantor should have a minimum rating of BB. The fund can invest 100% of its capital in Polish government bonds. Maximum exposure to another investment grade issuer should not exceed 20%, for lower ratings the limit is 10%. Maximum allowed duration of the fund is one year, 75% of the securities in the portfolio should have a maturity of maximum 2 years. The base currency of the fund is PLN, maximum weight of FX-denominated bonds is 50%. The fund aims to completely hedge its FX exposure. The fund can also place bank deposits.

## DISTRIBUTORS

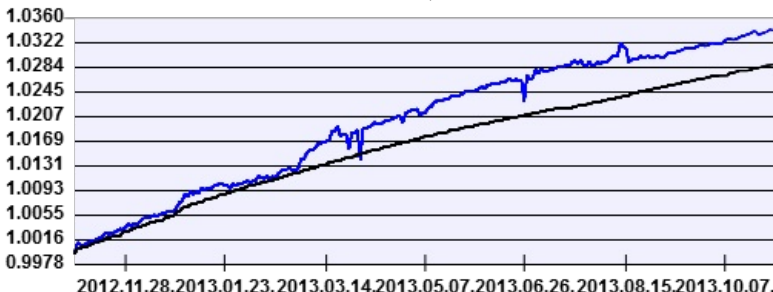
AEGON Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	3.36 %	2.95 %

## NET PERFORMANCE OF THE FUND

### NET ASSET VALUE PER SHARE, 11/01/2012 - 10/31/2013



— AEGON Bezpieczny Fund institutional 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:

On monetary policy front it has not much changed: although the Polish economy is recovering faster than expected, there is a general agreement among MPC members that the reference rate should remain unchanged. This view was supported by a temporary solution for the US budget and debt ceiling concerns and delayed FED tapering, which sparked a huge rally in emerging market space. No rate hikes over the next months mean that the short end of the Polish curve remains well anchored: 9x12 FRA and the yield of the 2Yr government bond declined further this month. In a portfolio perspective, we got significant inflows to the fund, which allows us to trade with reasonable ticket sizes, and to diversify between more papers. Before the rally, we bought some 2Yr government papers and opened a position in 1Yr Bank Gospodarstwa Krajowego paper (which is guaranteed by the state) in order to improve the return profile of our fund. As discount margins of floating rate government papers widened unreasonable much, we opened a long position in the 5Yr FRN, which was successful as well. Other parts of the inflows were invested in Polish treasury bills and papers maturing in 2014.

## ASSET ALLOCATION OF THE FUND ON 10/31/2013

Asset type	Weight
Government bonds	55.75 %
T-bills	33.42 %
Deposit	10.71 %
Current account	0.14 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.57 %

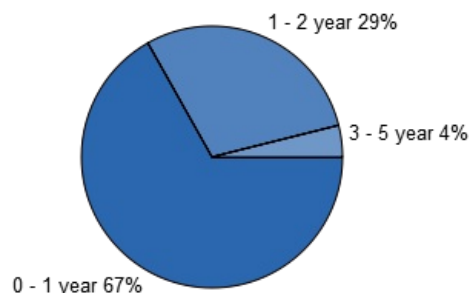
## TOP 5 POSITIONS

PLGB 2015/04 5,5% (Lengyel Állam)
PLGB 2014/01/25 0% (Lengyel Állam)
PLGB 2014/04 5,75% (Lengyel Állam)
PLGB 2014/07/25 0% (Lengyel Állam)
BGOSK 2014/10 5,75% (Bank Gospodarstwa Krajowego)

## Assets with over 10% weight

PLGB 2015/04 5,5% (Lengyel Állam)
PLGB 2014/01/25 0% (Lengyel Állam)
PLGB 2014/04 5,75% (Lengyel Állam)
PLGB 2014/07/25 0% (Lengyel Állam)

## Bonds by tenor:



## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	0.41 %
Annualized standard deviation of the benchmark's weekly yields:	0.16 %

## INVESTMENT HORIZON:

Suggested minimum investment period:

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