

# AEGON Polish Bond Fund

## P 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:	HU0000713565
Start:	03/28/2014
Currency:	PLN
Total Net Asset Value of the whole Fund:	1,949,345,114 HUF
Net Asset Value of P series:	1,702,864 PLN
Net Asset Value per unit:	1.057050 PLN

### INVESTMENT POLICY OF THE FUND:

The aim of the investment fund is to give investors access to the Polish bond market and to function as a relatively stable, medium-risk investment already medium term, offering our customers stable real returns without the need to tie up their savings for a fixed period. The fund primarily invests into Zloty denominated Polish government bonds but the portfolio manager has some room to use other fixed income investments. We aim to maximise returns with the given risk level. Our investment decisions are based on fundamental research extended by technical research while we also take into account global market sentiment. Expected shifts in the yield curve based on our macro expectations are at the core of our investment process. Risk/return characteristics are also considered when we select suitable and safe investments. We aim to totally hedge any currency risk in the fund.

### DISTRIBUTORS

AEGON Towarzystwo Ubezpieczen na Zycie Spolka

### NET PERFORMANCE OF THE FUND

#### NET ASSET VALUE PER SHARE, 03/28/2014 - 09/30/2014



— AEGON Polish Bond Fund P 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

### INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



### MARKET SUMMARY:

The rate cut rally continued in September. Although rising US yields caused some weakness on the long end, direction is still down. The market now prices an easing of 75 bps as the ten year bond traded below 3% albeit closing the month higher. ECB measures help: both the surprise rate cut and the planned ABS program support the bond market. Deteriorating Eurozone growth can be another worry for the decision makers besides the Ukraine-Russia conflict, we tend to believe easing can be even more than currently priced, but the curve starts to look less and less cheap.

### ASSET ALLOCATION OF THE FUND ON 09/30/2014

Asset type	Weight
Government bonds	81.96 %
Corporate bonds	15.18 %
Current account	3.70 %
Liabilities	-0.88 %
Market value of open derivative positions	0.07 %
total	100.00 %
Derivative products	14.91 %
Net corrected leverage	115.31 %

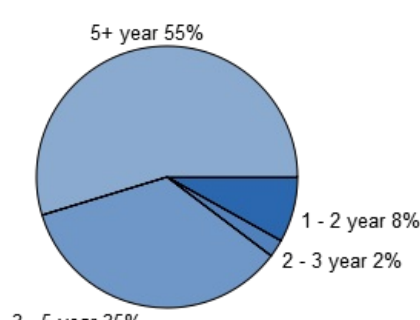
### TOP 5 POSITIONS

PLGB 2018/04/25 3,75% (Lengyel Állam)
PLGB 2022/09 5,75% (Lengyel Állam)
PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2020/10 5,25% (Lengyel Állam)
PLGB 2019/10 5,50% (Lengyel Állam)

### Assets with over 10% weight

PLGB 2018/04/25 3,75% (Lengyel Állam)
PLGB 2022/09 5,75% (Lengyel Állam)
PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2020/10 5,25% (Lengyel Állam)

### Bonds by tenor:



### NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	5.70 %	6.15 %
1 month	0.75 %	0.86 %
3 months	2.36 %	2.60 %
6 months	5.73 %	6.21 %

### RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 1.91 %  
Annualized standard deviation of the benchmark's weekly yields: 1.69 %