

# AEGON Polish Money Market 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 1M Index
ISIN code:	HU0000711619
Start:	10/26/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	17,887,202 PLN
Net Asset Value of institutional series:	300,019 PLN
Net Asset Value per unit:	1.060404 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 hold fixed income securities, which were primarily issued or guaranteed by Poland. To a limited extent it is allowed to buy bonds issued by the European Union (and its institutions), the European Central Bank, or the European Investment Bank, if the security is denominated in PLN and its credit rating is at least equal to Poland's rating. Securities issued or guaranteed by Poland can be held regardless of the credit rating up to 100% of the NAV. Maximum allowed duration of the fund is 0.5 year, while maximum weighted average maturity of the portfolio is 1 year. The Fund must limit investment in securities to those with a residual maturity until the legal redemption date of less than or equal to 2 years, provided that the time remaining until the next interest rate reset date is less than or equal to 397 days. To ensure liquidity the fund can also place bank deposits. All of the assets held by the fund are denominated in PLN.

## DISTRIBUTORS

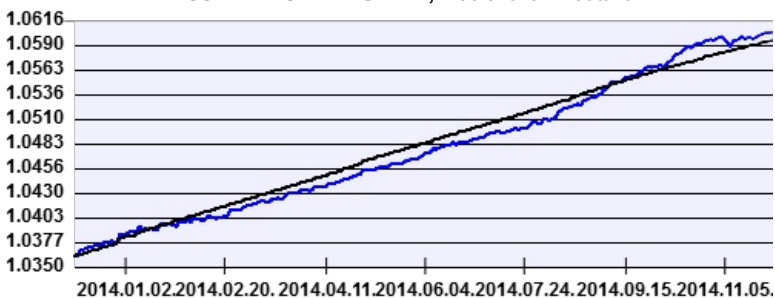
AEGON Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	2.84 %	2.62 %
2013	3.10 %	2.71 %

## NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 12/01/2013 - 11/30/2014



— AEGON Polish Money Market 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.

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	0.20 %
Annualized standard deviation of the benchmark's weekly yields:	0.06 %

## MARKET SUMMARY:

Most important event of the month was the rate setting meeting held on 5 November. Consensus expectation was 25 bp cut for this Wednesday, but altogether even more was priced in. The NBP surprised markets by keeping rates on hold despite deflation threat and GDP growth was revised downwards according to the new NBP staff projections, making the decision to halt easing very difficult to understand. The NBP also cut 2016 average CPI inflation expectation to just 1.5% from 2.3%, which corresponds to the bottom of the 1.5-3.5% target band. Not surprisingly, as the decision took the market by huge surprise, the yield of all short-term papers surged. Although in the first weeks after the decision most analysts kept the forecast for a 25bp rate cut at the December meeting, and some voted for a further cut in 2015, the base rate probably will be kept at 2% in December. Although we got mixed statements from MPC members, it is obvious that the MPC is quite cautious and given the emphasis the MPC is putting on economic activity, after the latest, better than expected data (GDP growth, industrial output, retail sales) it will be difficult to justify a rate cut. However, the debate between doves and hawks within the MPC will be probably heated, so nothing can be ruled out. As we decreased duration before the November meeting the performance of our Fund was quite resilient.

## ASSET ALLOCATION OF THE FUND ON 11/30/2014

Asset type	Weight
Government bonds	52.02 %
Current account	42.45 %
Deposit	5.60 %
Receivables	0.06 %
Liabilities	-0.04 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

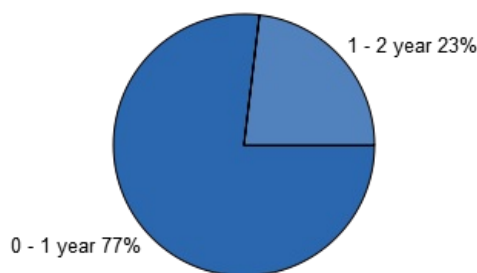
## TOP 5 POSITIONS

PLGB 2015/04 5,5% (Lengyel Állam)
PLGB 2016/04/25 5% (Lengyel Állam)
BGOSK 2015/02 FRN (Bank Gospodarstwa Krajowego)
PLGB 2015/01/25 FRN (Lengyel Állam)

## Assets with over 10% weight

PLGB 2015/04 5,5% (Lengyel Állam)
PLGB 2016/04/25 5% (Lengyel Állam)

## Bonds by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

