

# Aegon International 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:	80% Merrill Lynch Global Government Bond Index II ex-Japan USD + 20% ZMAX Index
ISIN code:	HU0000702477
Start:	04/21/1999
Currency:	HUF
Total Net Asset Value of the whole Fund:	2,101,778,126 HUF
Net Asset Value of HUF series:	2,101,778,126 HUF
Net Asset Value per unit:	1.968362 HUF

## INVESTMENT POLICY OF THE FUND:

The fund aims to create an explicitly defensive investment portfolio for its investors, and typically invests in developed-market government bonds, and related exchange-traded derivative transactions, in the interest of achieving the highest possible return with the assumption of currency risk. The fund primarily aims for a portfolio consisting of the publicly issued bonds of foreign governments and foreign-domiciled companies. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. Accordingly, when purchasing international securities the fund only selects publicly issued securities that are listed on foreign stock exchanges. The proportion of non-investment-grade securities is maintained at a low level, and if the planned ratio is overstepped due to the downgrading of a given issuer the fund restores it under the conditions stipulated by the relevant legal provisions. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term. In the course of its operation, however, the fund is managed on the premise that when compiling the portfolio, it is bonds that determine the nature of the fund. Accordingly, the proportion of bonds that may be kept in the fund at any given moment may reach the prevailing statutory maximum. When compiling the bond portfolio, taking into account the macroeconomic environment of the investment markets, the aim is to build up a long-term investment portfolio primarily on the basis of fundamental analyses. To ensure liquidity, the fund may purchase Hungarian government securities (primarily discount treasury bills) and MNB bonds; however, in accordance with the current statutory regulations the proportion of foreign bonds in the portfolio may be up to 100%. The fund management company is permitted, at its own discretion, to hedge all or a part of its currency risks with forward currency positions, in compliance with the statutory conditions.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Citibank Europe plc Magyarországi Fióktelepe, Codex Tőzsdéügynökség és Értéktár Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., Quantis Alpha 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	4.27 %	4.90 %
2014	21.94 %	22.76 %
2013	-3.51 %	-4.21 %
2012	-2.48 %	-3.23 %
2011	19.06 %	17.60 %
2010	6.45 %	10.65 %
2009	3.56 %	-0.17 %
2008	7.24 %	15.18 %
2007	-0.05 %	-5.61 %
2006	-2.05 %	-2.35 %
2005	10.52 %	9.83 %

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 7.94 %

Annualized standard deviation of the benchmark's weekly yields: 7.96 %

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## MARKET SUMMARY:

June was dominated solely by the Greek headlines and the uncertainty around how the two negotiating parties get along. Investors were challenged by the confusing headlines and overall sentiment got worse and risky assets performed poorly. Performances were clearly weighed by the news that there will be a referendum about whether the Greek government should accept the conditions of the creditors. Core rates on both sides of the Atlantic had a rather challenging time in June. Total returns for Treasuries and Bunds indices were down 1%-2% on the month and the Greek headlines clearly did not help with all things peripheral with BTPs and Spanish bonds down around 2.5% in June. We bought into the mid-part of the German yield curve, extended our duration position in UK government bonds.

## ASSET ALLOCATION OF THE FUND ON 06/30/2015

Asset type	Weight
Government bonds	72.96 %
T-bills	14.61 %
Corporate bonds	11.64 %
Liabilities	-3.66 %
Current account	2.53 %
Repos	1.73 %
Market value of open derivative positions	0.21 %
Receivables	0.01 %
total	100.00 %
Derivative products	72.64 %
Net corrected leverage	124.66 %

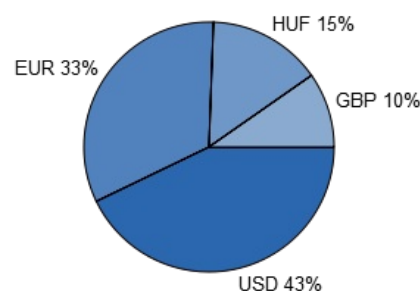
## TOP 5 POSITIONS

USGB 2031/02 5,375% (Amerikai Egyesült Államok)
USGB 2018/08 2,25% (Amerikai Egyesült Államok)
USGB 2022/08 1,625% (Amerikai Egyesült Államok)
SPGB 2018/10/31 3,75% (Spanyol Állam)
USGB 2042/02 3,125% (Amerikai Egyesült Államok)

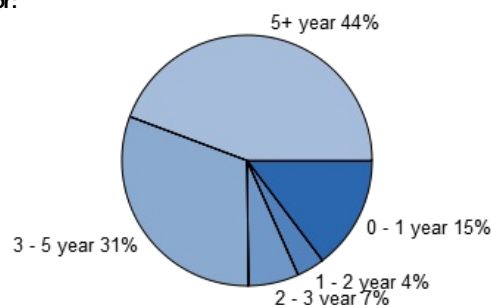
## Assets with over 10% weight

There is no such instrument in the portfolio

## Currency exposure:



## Bonds by tenor:



## NET PERFORMANCE OF THE FUND

### NET ASSET VALUE PER SHARE, 07/01/2014 - 06/30/2015



— Aegon International 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.