

# Aegon Domestic 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:	100% MAX Index
ISIN code:	HU0000702493
Start:	03/16/1998
Currency:	HUF
Total Net Asset Value of the whole Fund:	37,199,641,302 HUF
Net Asset Value of HUF series:	37,199,641,302 HUF
Net Asset Value per unit:	4.845673 HUF

## INVESTMENT POLICY OF THE FUND:

The fund is intended to serve as a stable, moderately low-risk form of investment, and to offer investors higher returns than bank deposits over the medium term. The portfolio elements are selected in accordance with the above principles. To ensure liquidity, the fund primarily aims to hold bonds and discount treasury bills issued by the State Debt Management Centre on behalf of the State of Hungary, as well as bonds issued by the National Bank of Hungary. The fund has a low risk profile, but its portfolio may also contain forint-denominated debt securities issued by banks and corporations, which are expected to yield a higher return than government securities. The fund may also keep its liquid assets in bank deposits. Besides this, the fund may hold a limited proportion of foreign-currency instruments in its portfolio, but only subject to the full hedging of currency risk. Aegon Domestic Bond Fund must hold minimum 80% of its assets in HUF-denominated bonds issued by the members of European Economic Area.

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Citibank Europe plc Magyarországi Fióktelepe, Codex Tőzsdeügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., OTP Bank Nyrt., 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	9.46 %	10.19 %
2014	11.37 %	12.58 %
2013	8.83 %	10.03 %
2012	23.83 %	21.90 %
2011	0.46 %	1.64 %
2010	6.34 %	6.40 %
2009	11.72 %	15.44 %
2008	2.47 %	2.59 %
2007	4.56 %	6.11 %
2006	7.06 %	6.96 %
2005	8.43 %	8.76 %

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	5.41 %
Annualized standard deviation of the benchmark's weekly yields:	4.98 %

## 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

## MARKET SUMMARY:

August proved to be a more eventful month than usual for the markets. Beside the FED rate hike expectations, renminbi devaluating actions of the People Bank of China swiftly came into focus, strengthening concerns about the slowdown of Chinese GDP growth, which resulted in a multiple day selloff on both developed and emerging stock exchanges. Not surprisingly, capital outflow from emerging markets continued throughout the month. Similarly to stock markets, commodity markets faced large losses, with oil falling to historic lows. As for the Hungarian economy, GDP and investment data published in August showed signs of upcoming slowdown.

The Hungarian government bond market remained rather resistant to the global market turbulences. The NBH is officially terminated the rate cut cycle, and market pricing already started to reflect the introduction of the 3-month deposit as the reference instrument. As a result, short-end yields fell by 10-20bps. Despite the decrease of 20-25bps by the middle of the month, 10-year yields closed around 3,68%; thus, stagnating on a monthly basis. Foreign holdings decreased by 150 billion Forints, partly due to maturity of the 2015C series. HUF demonstrated mixed performance against key currencies: EURHUF weakened to 315, while USDHUF stagnated on a monthly basis around 280.

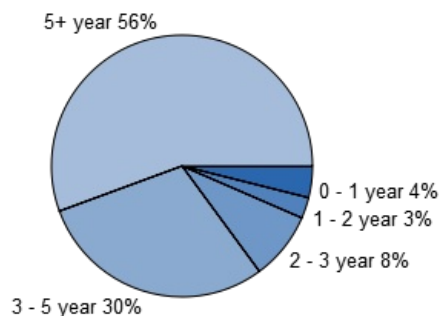
## ASSET ALLOCATION OF THE FUND ON 08/31/2015

Asset type	Weight
Government bonds	95.33 %
Corporate bonds	2.39 %
T-bills	2.06 %
Repos	0.87 %
Liabilities	-0.59 %
Current account	0.07 %
Receivables	0.00 %
Market value of open derivative positions	-0.02 %
total	100,00 %
Derivative products	5.05 %
Net corrected leverage	100.00 %

## Assets with over 10% weight

2019A (Államadósság Kezelő Központ Zrt.)  
 2020A (Államadósság Kezelő Központ Zrt.)  
 2022A (Államadósság Kezelő Központ Zrt.)

## Bonds by tenor:



## NET PERFORMANCE OF THE FUND

### NET ASSET VALUE PER SHARE, 09/01/2014 - 08/31/2015



— Aegon Domestic 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.