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:	5,593,662,457 HUF
Net Asset Value of P series:	30,707,490 PLN
Net Asset Value per unit:	1.095852 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. Expexted 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

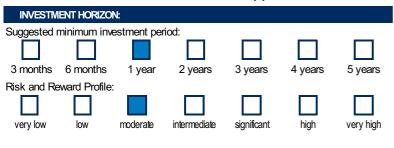
Aegon Towarzystwo Ubezpieczen na Zycie Spolka NET YIELD PERFORMANCE OF THE FUND: Yield of note Interval Benchmark yield From start 4.14 % 5.15 % 2015 0.22 % 1.68 % NET PERFORMANCE OF THE FUND NET ASSET VALUE PER SHARE, 07/01/2015 - 06/30/2016 1.1067 1.1013 1.0959 1.0905 1.0851 1.0797 1.0744 1.0690 1.0636 1.0582 1.0528 2015.07.29. 2015.09.29. 2015.11.27. 2016.01.29. 2016.04.01. 2016.06.03 - 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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 3.53 %

Annualized standard deviation of the benchmark's weekly yields: 3.48 %



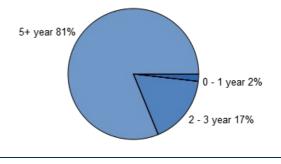
MARKET SUMMARY:

This month was a real roller coaster for Polish government bonds. First part of the month was characterized by risk-off mood and skyrocketing Polish yields. Sentiment was spoiled by both local and external concerns. In Poland local concerns heightened uncertainty, as EU stepped up unprecedented probe of the Rule of Law in connection with the constitutional crisis, and CHF mortgage conversion plan was again in the focus with a potential harmful outcome. Moreover, the British referendum gained more and more attraction. Brexit risks impacted portfolio construction and led to significant CEE position reduction. Poland was considered by far to be most severely impacted if Brexit had occurred, that coupled with the abovementioned local issues hitting Polish government bonds severely: yields of the 10Y bond went up by 20bps above 3,3%, 5y bond yields skyrocketed by almost 30bps above 2,6% and even the 2Y bond yields increased by 25bps to 1,85%. After Brexit actually happened investors started to trade medium-term consequences of the referendum: lower growth and inflation, and anticipated further easing/less hawkish attitude from central banks. In the US a very weak NFP number and of course the Brexit priced rate hikes for both 2016 and 2017 out. In Poland a new mortgage conversion plan was disclosed, however a lot of details are still missing making it impossible to fully analyze the impacts, but it seems to be the case, that the worst case scenario didn't materialize, which was a relief for the markets. The valuation of the Polish government bonds improved by a huge amount, and that altogether resulted in a sharp rally in Polish yields. 2Y bond yields decreased by 20 bps to 1,65%, 5Y yields tumbled by 40bps to 2,2%, 10Y yields collapsed by 40bps to 2,9% from the highest levels seen in June. We benefitted from the high volatility as we sold some duration before yields started to rise and bought some duration after Brexit happened, which decision together with our carry instruments and curve position proved to be a good one.

	ASSET ALLOCATION OF THE FUND ON 06/30/2016	
	Asset type	Weight
	Government bonds	69.41 %
	T-bills	15.36 %
	Corporate bonds	5.58 %
	Current account	6.78 %
İ.	Receivables	3.74 %
	Liabilities	-0.18 %
_	Market value of open derivative positions	-0.21 %
f	total	100,00 %
4	Derivative products	13.84 %
t	Net corrected leverage	106.92 %
_	TOP 5 POSITIONS	
-	PLGB 2021/07/25 1,75% (Lengyel Állam)	
	PLGB 2022/09 5,75% (Lengyel Állam)	
_	PLGB 2018/10/25 0% (Lengyel Állam)	
	PLGB 2023/10/25 4% (Lengyel Állam)	
	PLGB 2026/07/25 2,5% (Lengyel Állam)	
	Assets with over 10% weight	
	PLGB 2021/07/25 1,75% (Lengyel Állam)	
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PLGB 2022/09 5,75% (Lengyel Állam) PLGB 2018/10/25 0% (Lengyel Állam) PLGB 2023/10/25 4% (Lengyel Állam)

Bonds by tenor:



EGON Befektetési Alapkezelő

