Aegon Money Market Fund

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% ZMAX Index
ISIN code:	HU0000702303
Start:	09/25/2002
Currency:	HUF
Total Net Asset Value of the whole Fund:	9,455,043,974 HUF
Net Asset Value of HUF series:	9,455,043,974 HUF
Net Asset Value per unit:	2.275055 HUF

INVESTMENT POLICY OF THE FUND:

The aim of the fund is to function as a stable, very low-risk investment vehicle, but to offer investors better returns than bank deposits. The portfolio elements are selected in accordance with these principles. To ensure liquidity the fund manager primarily aims to hold government bonds and discount treasury bills distributed by the State Debt Management Centre (ÁKK), and bonds issued by the National Bank of Hungary. The average duration of the assets in the portfolio is 6 months, and the average remaining life of the assets may not exceed 12 months. The fund is low-risk, but its portfolio may also contain forint-denominated debt securities issued by banks and corporations, which are expected to ensure a higher return than government securities. In the case of floating rate, forint denominated debt securities the average duration is equal to the number of days remaining until the next interest payment day. The fund may also invest 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 Money Market Fund must hold minimum 80% of its assets in HUF-denominated bonds issued by the members of European Economic Area.

DISTRIBUTORS

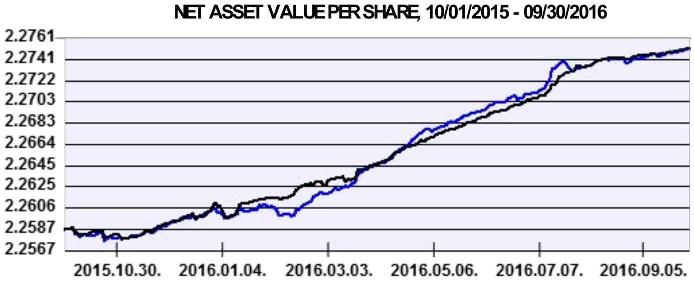
Aegon Magyarország Befektetési Alapkezelő Zrt., Citibank Europe plc Magyarországi Fióktelepe, Codex Tőzsdeügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Quantis Alpha Befektetési Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	5.99 %	6.50 %
1 month	0.04 %	0.03 %
3 months	0.18 %	0.21 %
6 months	0.47 %	0.47 %
2015	1.33 %	1.25 %
2014	2.21 %	2.46 %
2013	4.54 %	5.23 %
2012	8.32 %	8.52 %
2011	4.65 %	5.17 %
2010	4.94 %	5.53 %
2009	9.20 %	9.30 %
2008	8.78 %	8.95 %
2007	6.88 %	7.89 %
2006	6.12 %	6.92 %

NET PERFORMANCE OF THE FUND

NET ASSET VALUE PER SHARE, 10/01/2015 - 09/30/2016



----- Aegon Money Market 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.

INVESTMENT HORIZON:

Suggested minimum investment period:

3 months	**6 months**	1 year	2 years	3 years	4 years	5 years

Risk and Reward Profile:

very low	**low**	moderate	intermediate	significant	high	very high

MARKET SUMMARY:

August data were disappointing for retail sales, industrial production and CPI as well. Retail sales growth slowed to 3.8% instead of the expected 5.5%, while industrial production changed by -0.1% versus the expectation of 2.7%. CPI also remained in the negative domain (-0.1), instead of accelerating to the forecast of 0.1%. Despite all these readings, the NBH unchanged its GDP growth expectation of 3% for 2016.

There is still a lack of inflation pressure in the Hungarian economy, which is supportive for maintaining the base rate at its current low level.

August budget data was salient, as the surplus reached 200 billion HUF. Surprisingly, S&P upgraded the credit rating of Hungary, therefore Hungary has returned to the investment grade category according to an other credit rating agency apart from Fitch.

The most surprising about S&Ps decision was the fact that the agency upgraded Hungary without raising its rating outlook to positive, which is a rare act. Previously S&P rated the foreign currency denominated debt of Hungary BB+ with a stable outlook.

In addition, S&P is known as a rating agency putting emphasis on soft factors (credibility , transparency, predictability of economic policy, institutional conditions). Subsequent to the credit rating decision, both the HUF and Hungarian govies strengthened, however, money market yields were driven by other factors. The big question is still that, when and what size of inflows can move towards the country as a consequence of the upgrade.

The MPC of the NBH left the base rate unchanged after its committee meeting, indicating their intention to hold the rate at its current level persistently. The details related to the previously communicated steps of modifying the monetary policy toolkit of the NBH were finally revealed after the analyst session following the committee meeting. Finally, the 3-month policy instrument was capped at 900 billion HUF, which is below the 1 000 billion HUF expected by the market. Although, the NBH estimates the new liquidity, crowded out from the 3-month deposit between 200-400 billion HUF, which is below market expectations.Following the announcement, banks deposited a record amount at the last unlimited tender, therefore liquidity became suddenly scarce on the market, notwithstanding the increased participation at the 1-week secured loan auction of the NBH. This resulted in the skyrocketing of money market yields with 1-month and shorter maturity, interbank BUBOR rates and implied HUF rates, to the 1-2.5% range. However, the situation is expected to normalize and even turn to the opposite of the tendency as the end of October approaches due to redemptions and expyring deposits. The NBH noted that in case of necessity, the cap of 900 billion HUF can be lowered in December, while fine-tuning tools can be used to further facilitate the decrease of BUBOR and money market yields, while also providing liqiudity.

3-month T-Bill auction yields increased by 7 bps during the month, which was also supported by increased issuance (40 billion HUF vs the previous 20 billion HUF, later cut back to 25 billion HUF by month end), apart from the scarce liquidity. The auction of the 19D floater met elevated demand: bids of 19 billion HUF were handed in for the 7.5 billion HUF of issued quantity, while the net price of the paper also increased significantly ont he market.

As in common, demand for 12-month T-Bills was lower, auction yields increased by 5 bps.

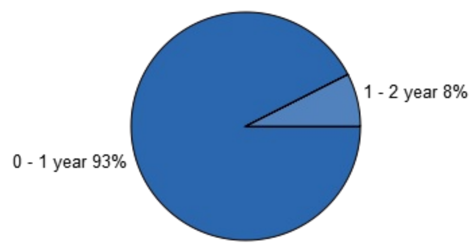
ASSET ALLOCATION OF THE FUND ON 09/30/2016

Asset type	Weight
T-bills	52.50 %
Government bonds	26.07 %
Liabilities	-15.91 %
Receivables	15.86 %
Deposit	15.85 %
Current account	5.06 %
Market value of open derivative positions	0.38 %
total	100,00 %
Derivative products	37.11 %
Net corrected leverage	100.00 %

TOP 5 POSITIONS
D170316 (Államadósság Kezelő Központ Zrt.)
PEMÁK 2016/10/25 (Államadósság Kezelő Központ Zrt.)
D170719 (Államadósság Kezelő Központ Zrt.)
D170524 (Államadósság Kezelő Központ Zrt.)
2017A (Államadósság Kezelő Központ Zrt.)

Assets with over 10% weight
D170316 (Államadósság Kezelő Központ Zrt.)
PEMÁK 2016/10/25 (Államadósság Kezelő Központ Zrt.)

Bonds by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.14 %

Annualized standard deviation of the benchmark's weekly yields: 0.12 %