

# Aegon Domestic Bond Fund institutional series

## 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:	HU0000718127
Start:	12/01/2016
Currency:	HUF
Total Net Asset Value of the whole Fund:	28,864,794,466 HUF
Net Asset Value of institutional series:	383,905,339 HUF
Net Asset Value per unit:	1.034163 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

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	3.42 %	3.50 %
1 month	1.19 %	1.11 %
3 months	2.43 %	2.45 %

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 12/01/2016 - 05/31/2017



— Aegon Domestic Bond 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:	2.13 %
Annualized standard deviation of the benchmark's weekly yields:	2.05 %

## MARKET SUMMARY:

Despite it being a month filled with more political tug of war, a slowing in economic data momentum and a stuttering month for commodity prices, the month of May was still another positive one for the vast majority of assets. Good performances were matched with record-low volatility on markets as the VIX index sank to a single-digit level. We have to go back to 2007 to see the most recent example for that. Even though the overall low volatility, energy prices made a significant bounce during the month as prices dropped at the beginning of the month from where they managed to recover. One might have thought that given the strong month for equities, sovereign bond markets may have struggled. In fact for the most part bonds have rewarded investors with another solid month. Like equities peripherals led the way with Spanish Bonds (+4%) and BTPs (+4%) rallying, while Bunds (+3%) and Treasuries (+1%) weren't all that far behind. Gilts were flat and EM Bonds were +2%.

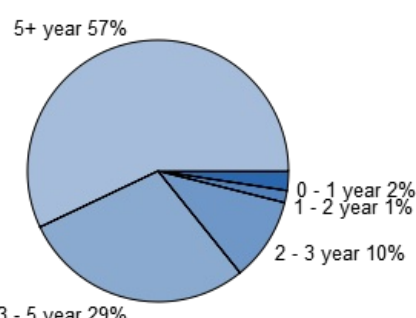
## ASSET ALLOCATION OF THE FUND ON 05/31/2017

Asset type	Weight
Government bonds	91.42 %
Corporate bonds	2.62 %
Mortgage debentures	1.93 %
T-bills	0.50 %
Current account	3.32 %
Market value of open derivative positions	0.31 %
Liabilities	-0.09 %
Receivables	0.00 %
total	100.00 %
Derivative products	9.39 %
Net corrected leverage	100.00 %

## Assets with over 10% weight

2023A (Államadósság Kezelő Központ Zrt.)  
2025B (Államadósság Kezelő Központ Zrt.)  
2020A (Államadósság Kezelő Központ Zrt.)

## Bonds by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

