

# Aegon Polish Money Market Fund PLN 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% WIBID 1M Index
ISIN code:	HU0000711601
Start:	10/26/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	29,343,203 PLN
Net Asset Value of PLN series:	19,455,194 PLN
Net Asset Value per unit:	1.079365 PLN

## INVESTMENT POLICY OF THE FUND:

The Fund's goal is to offer a stable and predictable yield at a low risk level for the investors. According to this the fund is only allowed to hold fixed income securities, which were primarily issued or guaranteed by Poland. To a limited extent it is allowed to buy bonds issued by the European Union (and its institutions), the European Central Bank, or the European Investment Bank, if the security is denominated in PLN and its credit rating is at least equal to Poland's rating. Securities issued or guaranteed by Poland can be held regardless of the credit rating up to 100% of the NAV. Maximum allowed duration of the fund is 0.5 year, while maximum weighted average maturity of the portfolio is 1 year. The Fund must limit investment in securities to those with a residual maturity until the legal redemption date of less than or equal to 2 years, provided that the time remaining until the next interest rate reset date is less than or equal to 397 days. To ensure liquidity the fund can also place bank deposits. All of the assets held by the fund are denominated in PLN.

## DISTRIBUTORS

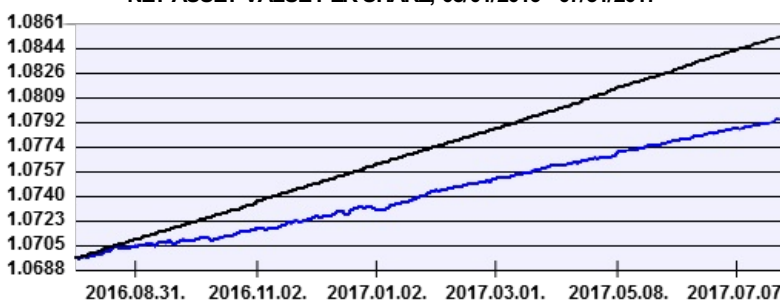
Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.62 %	1.99 %
2016	0.79 %	1.44 %
2015	0.92 %	1.53 %
2014	1.85 %	2.23 %
2013	2.89 %	2.71 %

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 08/01/2016 - 07/31/2017



— Aegon Polish Money Market Fund PLN 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.

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## MARKET SUMMARY:

The MPC meeting in July did not bring big changes. The MPC sees limited risks in connection with inflation running persistently above the target in the medium term. Gover Galpinski reiterated his own forecast about stable rates throughout 2018. CPI projections for 2017 were revised down by the NBP's staff, but forecasts shifted slightly upwards for 2018 and 2019. The NBP will likely look through any external supply shock and clearly focus on domestic inflationary pressures.

Polish headline CPI dropped in June from 1,9% yoy to 1,5% (market consensus was 1,7%) supporting local yields (lower core inflation was also to blame for the surprise). Polish government bonds were very stable this month even after political scandals around judicial "reforms": yields moved in a tight range of maximum 10bps. With dovish statements coming from FED and ECB officials it seems that global bond sell-off lost steam, providing another support for the otherwise rock-solid Polgbs.

Poland has financed 70% of gross borrowing needs even by June 2017 and held no auctions in July. With improving tax collection and decreasing deficit, the Polish Debt Management Agency cut back the issuance for the third quarter and announced, that they are not going to hold any regular auctions in August, just one switch auctions.

Local developments (judicial overhaul) were again in the pipeline, however improvement in fiscal position seems to be the most important factor for investors at least for now and judicial overhaul is more political than fundamental in nature that's why fixed income market may be less effected. Moreover, after the President's veto, at least a delay in implementation may come parallel with the reduction in short-term political risk. But, further friction between the EU and Poland are likely to arise over time.

## ASSET ALLOCATION OF THE FUND ON 07/31/2017

Asset type	Weight
Government bonds	52.51 %
T-bills	20.03 %
Deposit	27.32 %
Current account	0.60 %
Liabilities	-0.45 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.03 %

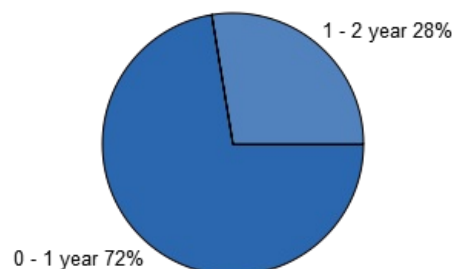
## TOP 5 POSITIONS

PLGB 2017/10 5,25% (Lengyel Állam)  
 PLGB 2018/10/25 0% (Lengyel Állam)  
 PLGB 2018/04/25 3,75% (Lengyel Állam)

## Assets with over 10% weight

PLGB 2017/10 5,25% (Lengyel Állam)  
 PLGB 2018/10/25 0% (Lengyel Állam)  
 PLGB 2018/04/25 3,75% (Lengyel Állam)

## Bonds by tenor:



## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.09 %  
 Annualized standard deviation of the benchmark's weekly yields: 0.04 %