

Aegon Polish Bond Fund HUF 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:	HU0000705256
Start:	05/11/2007
Currency:	HUF
Total Net Asset Value of the whole Fund:	2,932,758,470 HUF
Net Asset Value of HUF series:	107,051,226 HUF
Net Asset Value per unit:	1.511720 HUF

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. Expected 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 Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Codex Tőzsdéügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., Raiffeisen Bank Zrt., SPB Befektetési Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.09 %	7.14 %
2016	-4.68 %	-4.08 %
2015	-0.35 %	1.10 %
2014	11.85 %	12.94 %
2013	-0.50 %	2.13 %
2012	12.10 %	15.01 %
2011	8.99 %	9.57 %
2010	11.80 %	14.15 %
2009	16.47 %	28.27 %
2008	-16.10 %	-2.99 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 09/01/2016 - 08/31/2017



— Aegon Polish Bond Fund HUF 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:	5.47 %
Annualized standard deviation of the benchmark's weekly yields:	5.51 %

MARKET SUMMARY:

Polish yields declined by 5-10bps in August mainly due to core market developments and continuously improving fiscal situation (lower issuance than expected).

GDP rose by 3,9% y/y in the second quarter. Growth was driven by consumption while investment remained more or less in stagnation. With an economy showing signs of reflation, the market will be looking for any hints that the NBP could shift away from its dovish policy stance, however it may not happen in the next few months. Soft data were mixed: inflation rose to 1,7% y/y in July (up from 1,5% y/y in June) on the back of higher food prices, industrial output grew by 6,2% (consensus, 8,4%), construction output grew by 19,8% (consensus was 13,3%), retail sales grew by 6,8% (consensus 7,4%).

Moody's said in July that judicial reforms were a credit negative, but in the meantime the President vetoed some of them, whilst growth has been firm, fiscal situation improved.

Poland has financed 72% of gross borrowing needs by August 2017 and held only one switch auctions in the previous month. 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 September.

ASSET ALLOCATION OF THE FUND ON 08/31/2017

Asset type	Weight
Government bonds	78.22 %
T-bills	19.88 %
Current account	1.22 %
Receivables	1.14 %
Liabilities	-0.46 %
total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

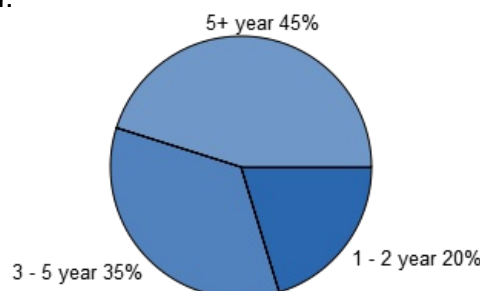
TOP 5 POSITIONS

PLGB 2022/04/25 2,25% (Lengyel Állam)
 PLGB 2022/09 5,75% (Lengyel Állam)
 PLGB 2019/04/25 0% (Lengyel Állam)
 PLGB 2023/10/25 4% (Lengyel Állam)

Assets with over 10% weight

PLGB 2022/04/25 2,25% (Lengyel Állam)
 PLGB 2022/09 5,75% (Lengyel Állam)
 PLGB 2019/04/25 0% (Lengyel Állam)
 PLGB 2023/10/25 4% (Lengyel Állam)

Bonds by tenor:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

