

# Aegon Polish Money Market Fund institutional 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:	HU0000711619
Start:	10/26/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	30,036,651 PLN
Net Asset Value of institutional series:	9,778,650 PLN
Net Asset Value per unit:	1.094319 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

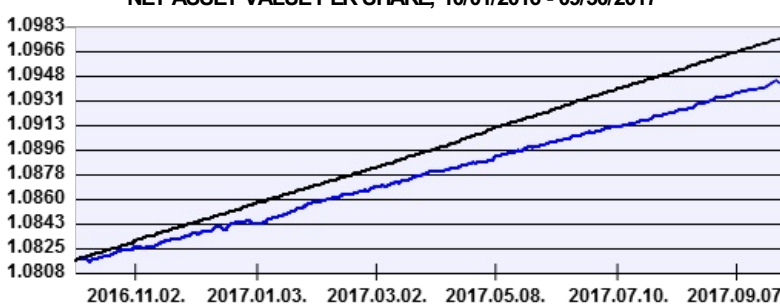
Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.85 %	1.97 %
2016	0.99 %	1.44 %
2015	1.12 %	1.53 %
2014	2.25 %	2.23 %
2013	3.10 %	2.71 %

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 10/01/2016 - 09/30/2017



— Aegon Polish Money Market 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.

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## MARKET SUMMARY:

Polish government bonds were range traded in September: yields moved inside a relatively tight range. Money market yields decreased again mostly based on the expected big redemption in local currency in October, while longer papers ended the month a bit higher in terms of YTM.

Polish economic activity data came quite strong, but the bullish set of real data may not prompt the majority of the MPC members to stop communicating no changes until at least the end of 2018. However, with an economy showing signs of reflation, the market will be looking for any hints that the NBP could shift away from its relatively dovish policy stance. With very strong high frequency data GDP growth could reach 4,5% in the third quarter. Nevertheless, as long as inflation remains below target and core inflation shows little signs of demand-pull pressure, the MPC is likely to remain silent and market may be satisfied with unchanged rhetoric.

Local data (high growth, improving budget) are supportive for Polish risk premium, however it will be interesting, how markets participants will deal with returning primary issuance. Cash balances of the government decreased from a yearly high of almost 47 bln PLN to 31 bln PLN at the end of August and there will be a bond redemption worth 14 bln PLN in October. However, Poland has financed 86% of gross borrowing needs at the end of September 2017.

The Ministry of Finance announced that Poland is going to offer 8-16bln PLN of bonds at 2 auctions, plans to hold 3 switch auctions and may sell foreign currency bonds in Q4 after the very silent summer in terms of issuance.

## ASSET ALLOCATION OF THE FUND ON 09/30/2017

Asset type	Weight
Government bonds	51.31 %
T-bills	19.61 %
Deposit	25.61 %
Current account	3.51 %
Liabilities	-0.03 %
Receivables	0.00 %
total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

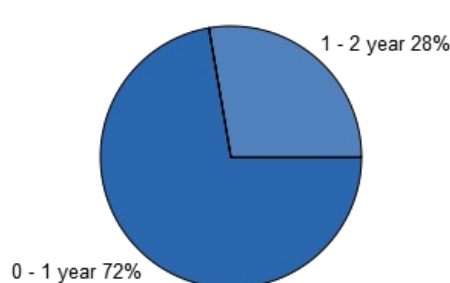
## TOP 5 POSITIONS

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: 0.08 %

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