

Aegon 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% ZMAX Index
ISIN code:	HU0000718135
Start:	12/01/2016
Currency:	HUF
Total Net Asset Value of the whole Fund:	7,360,791,934 HUF
Net Asset Value of institutional series:	109,888,566 HUF
Net Asset Value per unit:	1.002454 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

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	0.25 %	0.15 %
1 month	0.06 %	0.04 %
3 months	0.08 %	0.05 %
6 months	0.09 %	0.08 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 12/01/2016 - 09/30/2017



— Aegon 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:

As a consequence of a new set of measures by the NBH, significant amount of liquidity was injected to the market again, pushing money market yields and short bond yields to the negative zone up to maturities of 1 and 2 years. Thus the shortest available bonds at the local market are those maturing in 2020.

During the month of September, the amount of 3-month deposits at the NBH was reduced sharply, by 150 billion HUF, to 300 billion HUF. Additionally, the MPC reduced the O/N depo rate by 10 basis points to -15 basis points, thus making the interest rate corridor more asymmetric, and stated the target amount of the 3 month deposits at 75 billion HUF, that is to be reached by the year end.

All these steps may imply a new period of monetary easing for the Hungarian market, which is most likely was induced by the strengthening of the HUF during the summer months. However, the latest inflation report of the central bank, which was published in September, also supports these measures, provided that the updated inflation forecast suggests a lower increase in the price level than previous ones, and the inflation target is expected to be met only by the second quarter of 2019, one quarter later than expected.

The GDMA announced four 3-month T-bill auctions for the month, offering 15 billion HUF per each auctions. Average auction yields ended up between -2 and -7 basis points, with coverage ratios around 2.77x-3.33x. As for the 12-month T-bills, auction yields were 3 and -2 points respectively, - along with coverage ratios of 3.48x and 3.96x.

The 3 month reference yield decreased from 5 to -4 basis points, while the 12 month reference yield decreased from 7 to -4 basis points.

ASSET ALLOCATION OF THE FUND ON 09/30/2017

Asset type	Weight
Corporate bonds	35.29 %
T-bills	20.83 %
Government bonds	17.63 %
Current account	21.12 %
Deposit	4.52 %
Market value of open derivative positions	0.74 %
Liabilities	-0.11 %
total	100.00 %
Derivative products	50.43 %
Net corrected leverage	100.00 %

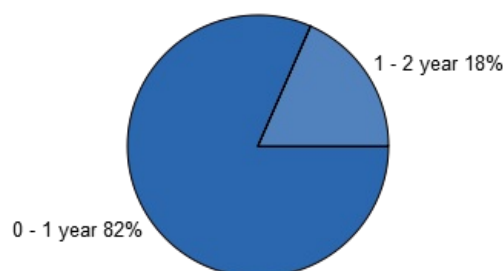
TOP 5 POSITIONS

MFB 2018/03/28 0,01% (Magyar Fejlesztési Bank Zrt.)
 2019B (Államadósság Kezelő Központ Zrt.)
 MAEXIM 2018/02 5,5% USD (Magyar Export-Import Bank Zrt.)
 MFB 2018/04/16 1,875% (Magyar Fejlesztési Bank Zrt.)
 D180523 (Államadósság Kezelő Központ Zrt.)

Assets with over 10% weight

MFB 2018/03/28 0,01% (Magyar Fejlesztési Bank Zrt.)
 2019B (Államadósság Kezelő Központ Zrt.)
 MAEXIM 2018/02 5,5% USD (Magyar Export-Import Bank Zrt.)
 MFB 2018/04/16 1,875% (Magyar Fejlesztési Bank Zrt.)

Bonds by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.19 %
 Annualized standard deviation of the benchmark's weekly yields: 0.04 %