

# 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:	27,837,321 PLN
Net Asset Value of institutional series:	9,848,582 PLN
Net Asset Value per unit:	1.096551 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

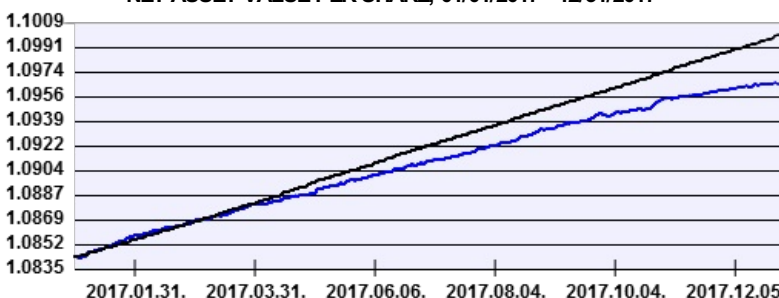
Aegon Towarzystwo Ubezpieczeń na Życie Spółka

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.80 %	1.95 %
2017	1.12 %	1.47 %
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, 01/01/2017 - 12/31/2017



— 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.

## 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 %

## MARKET SUMMARY:

During December the Monetary Policy Council left the base rate unchanged, as expected. However, the Council lowered the interest rate paid on mandatory reserves from 1,35% to 0,5% (which was the official deposit rate). There will be a fiscal impact: the profit of the NBP will be higher by appr. 350mln PLN and lower the banking sector's profit by the same amount. The Chairman was very dovish downplaying wage pressures, highlighting uncertainty regarding growth and the possibility of renewed deflationary tendencies worldwide and reiterated his call for unchanged rates throughout 2018. Until the base effect in inflation provide a lower headline number, we do not expect that this rhetoric will change.

Looking ahead inflation is set to fall on the back of before mentioned base effects in the next months, which could provide a support for the short end and belly (supported by the dovish central bank). In November high frequency macro data was strong, signalling a GDP growth by appr. 4,7-5% in Q4. The strong performance of the economy, tightening labor market, widening output gap will not provide a strong support for bonds in the long run, however relative fiscal performance was quite impressive in 2017.

## ASSET ALLOCATION OF THE FUND ON 12/31/2017

Asset type	Weight
T-bills	21.17 %
Government bonds	18.44 %
Liabilities	-64.93 %
Receivables	64.90 %
Deposit	30.28 %
Current account	30.16 %
total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

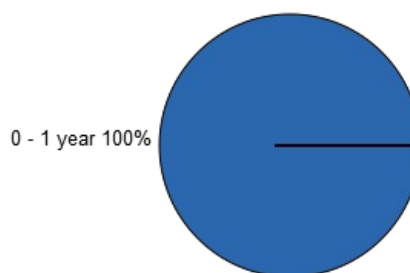
## TOP 5 POSITIONS

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

## Assets with over 10% weight

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

## Bonds by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:

☒ 3 months
 ☐ 6 months
 ☐ 1 year
 ☐ 2 years
 ☐ 3 years
 ☐ 4 years
 ☐ 5 years

Risk and Reward Profile:

☒ very low
 ☐ low
 ☐ moderate
 ☐ intermediate
 ☐ significant
 ☐ high
 ☐ very high