

# 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:	18,917,080 PLN
Net Asset Value of institutional series:	312,308 PLN
Net Asset Value per unit:	1.103838 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

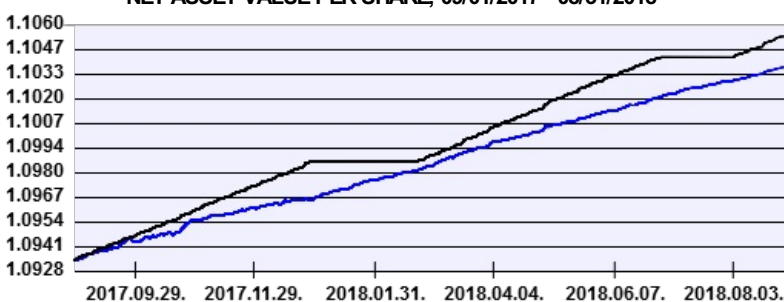
Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.70 %	1.83 %
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, 09/01/2017 - 08/31/2018



— 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:	0.08 %
Annualized standard deviation of the benchmark's weekly yields:	0.09 %

## MARKET SUMMARY:

Polish government bonds were rock-solid again: yields closed the month almost unchanged, only the short end was a bit lower than a month ago. The trading range was very tight, approximately 10bps. The big story in EM remained Turkey (and other countries with weaker fundamentals like Argentina). Polish government bonds were being traded somewhere between EM and core markets and as a result yields increased a bit along with Turkey, but the Polish change was very muted. Moving on with economic data, Q2 GDP rose by 5,1% y/y, while CPI has stabilized at 2% y/y and expected to decrease due to base effects. 2-2,1% may mark the top of inflation in Poland this year, while core inflation should be steadily growing. We do not expect that the MPC is going to worry until rising core inflation is accompanied by another round of headline CPI increases. More interestingly, the PMI surprised to the downside, having fallen from 54,2 to 52,9 in July and 51,4 in August. However, the relationship in Poland between short term changes in PMI and GDP growth is weak, and unstable over time, but still interesting to see the evolution of the PMI figures. Another interesting change was the July's budget data. After seven months of the year, the budget recorded a deficit of PLN 0,9bn which marks large deterioration from 9,5bn surplus after 1H18. The data implies that monthly deficit in July amounted to PLN10,3bn. Although the scale of deterioration in the fiscal balance is large, the detailed data suggests the surprise was largely due to large debt service costs. We don't know what exactly stood behind larger debt service costs (with the known data, it is not logical) but the year-end deficit is still expected to reach PLN 20-25 bn this year despite the original (bigger) plan.

## ASSET ALLOCATION OF THE FUND ON 08/31/2018

Asset type	Weight
T-bills	23.35 %
Deposit	73.74 %
Current account	4.21 %
Liabilities	-1.29 %
total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.18 %

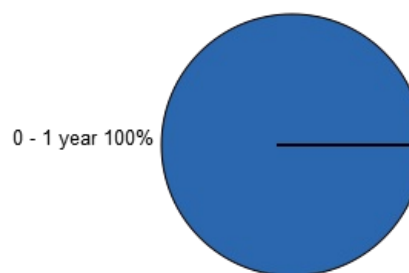
## TOP 5 POSITIONS

PLGB 2018/10/25 0% (Lengyel Állam)

## Assets with over 10% weight

PLGB 2018/10/25 0% (Lengyel Állam)

## Bonds by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

