

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:	7,681,464,718 HUF
Net Asset Value of institutional series:	256,651,509 HUF
Net Asset Value per unit:	1.003317 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.

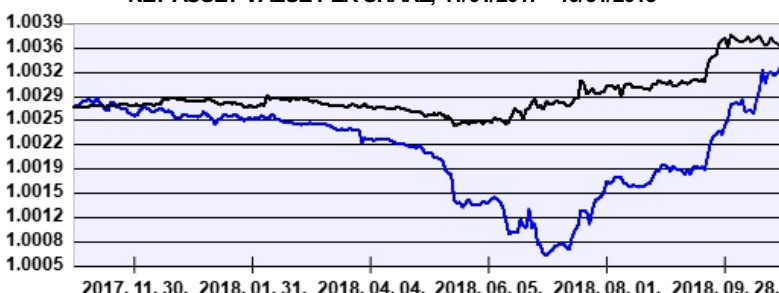
DISTRIBUTORS

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	0.17 %	0.12 %
1 month	0.08 %	-0.02 %
3 months	0.18 %	0.06 %
6 months	0.11 %	0.09 %
2017	0.18 %	0.11 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 11/01/2017 - 10/31/2018



— 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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.14 %
Annualized standard deviation of the benchmark's weekly yields: 0.05 %

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



MARKET SUMMARY:

The central bank kept the monetary conditions and its previous communication unchanged at the monetary council meeting on 16 October. As the end of the year is coming, the inflation, the structure of inflation and then the new inflation forecast which will be published by the central bank in December will be key the drivers of the local money-, and bond markets for the rest of the year.

The sharp decline in money market yields in the previous months continued this month on the secondary market, though this has started to decelerate near the end of October and the yields has begun to stagnate. The most interesting development of the month was the fall of yields into negative territory on the short end, which might happen because of a seasonal pattern the interbank market. Due to the latter, at the 3 months T-Bills auctions the interest of the foreign investors was large, but the demand of the 12 months T-Bills has started to decrease.

The GDMA held 5 3 months-, and 3 12 months T-Bills auctions in October. At the 3 months auctions except the last auction of the month, the GDMA offered newly issued bonds in the amount of 25 bn HUF, but at the end of October it increased the amount to 30 bn HUF. Due to the sudden increase of interest, the coverage ratio was prominently high compared to the previous months. The bid-to-cover ratio for these issuance were 4,96 and 2,47 respectively. The average yields were between -3 and -5 basis points. Regarding the 12 months auctions, the maximum and minimum value of the coverage ratio was 2,34 and 0,77, respectively and the average yields were between 37 and 29 basis points. Regarding the 12 months auctions the GDMA had to cut the issued amount because of the lower interest. In total, the spread between the 3- and the 12 months yields increased, and whilst investors handed in offers for the 3 months T-Bills at a surprisingly low level i.e. -12 basis points, there was no demand for the 12 months T-Bills well below the average yields of auctions.

The 3-month reference yield decreased from 12 to -1 basis point in October, while the 12 month reference yield decreased from 40 to 28 basis points.

ASSET ALLOCATION OF THE FUND ON 10/31/2018

Asset type	Weight
Government bonds	37.76 %
T-bills	33.94 %
Corporate bonds	6.80 %
Current account	22.67 %
Liabilities	-1.32 %
Receivables	0.21 %
Market value of open derivative positions	-0.05 %
total	100,00 %
Derivative products	21.13 %
Net corrected leverage	100,00 %

TOP 5 POSITIONS

2019C (Államadósság Kezelő Központ Zrt.)
2019B (Államadósság Kezelő Központ Zrt.)
D190522 (Államadósság Kezelő Központ Zrt.)
2019D (Államadósság Kezelő Központ Zrt.)
D190424 (Államadósság Kezelő Központ Zrt.)

Assets with over 10% weight

2019C (Államadósság Kezelő Központ Zrt.)
2019B (Államadósság Kezelő Központ Zrt.)

Bonds by tenor:

