

# 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:	77,631,617 PLN
Net Asset Value of institutional series:	313,502 PLN
Net Asset Value per unit:	1.108060 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

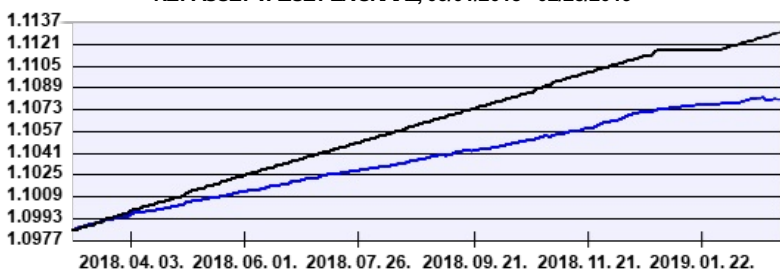
Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.63 %	1.84 %
2018	0.98 %	1.45 %
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, 03/01/2018 - 02/28/2019



— 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:	0.06 %
Annualized standard deviation of the benchmark's weekly yields:	0.07 %
WAM (Weighted Average Maturity):	0.20 years
WAL (Weighted Average Life):	0.20 years

## CREDIT PROFILE

Issuer	Rating*	Country	Weight
Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	BBB	HU	14.56 %
UNI CREDIT SPA	BBB	IT	6.44 %
Citigroup Inc.	A	US	3.22 %
ING Bank N. V. (Amszterdam)	A	NL	9.15 %
Lengyel Állam	A	PL	63.16 %

\*: Average rating of the big three credit rating agencies (S&P, Moody's, Fitch)

## MARKET SUMMARY:

After months of strong performance, the Polish government bond market experienced a substantial rise in yields in February. Yields regarding the 3 and 5 year maturity closed the month almost 17 basis points higher, while the long end increased by 23 basis points so the whole yield curve moved higher. The increase in yields were mainly driven by the announcement of Law and Justice regarding the fiscal stimulus, but the pick-up of yields on core markets also contributed to the changes. The total costs of proposals would be 30-40 billion PLN so up to 2% of GDP yearly (for 2019 half of the numbers apply with gradual implication). The short term effects of the stimulus can be positive for the Polish economy through higher private consumption and it would increase inflation too, after that doves, who were mentioning more monetary easing or even non-conventional measures, will be probably silent. Moving on with economic data, the Polish economy has probably passed its peak. In 2018 the 4Q18 GDP growth decelerated only slightly, to 4,9% y/y from 5,1% y/y in 3Q18. Domestic demand was the main pillar of growth. Inflation went down to 0,9% y/y below market expectations in January, which was mainly caused by energy prices and fuel prices, that continued their decline. It is likely, that inflation reached this year's minimum as rebound of oil prices will lead to a pick up of inflation. The Purchasing Managers' index continued to fall from the previous 48,2 to 47,6 in February, which means this is the fourth consecutive month of contraction in the manufacturing sector. Production continued to drop at a fast rate, mainly due to another sharp fall in new orders. Industrial production increased 6,1% y/y in January, which was significantly above market consensus of 3,9%. The current account deficit arrived at 0,7% in 2018. Regarding the government budget balance, the monthly surplus amounted to 6,588 bn PLN in the first month of 2019.

## ASSET ALLOCATION OF THE FUND ON 02/28/2019

Asset type	Weight
Government bonds	34.61 %
T-bills	29.24 %
Deposit	33.74 %
Current account	2.88 %
Liabilities	-0.45 %
total	100,00 %
Derivative products	0.00 %
Net corrected leverage	99.96 %

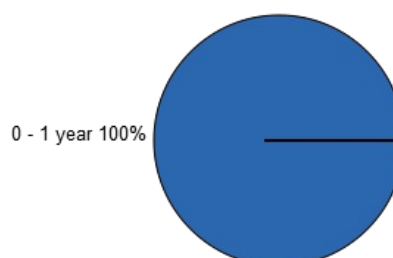
## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
PLGB 2019/04/25 0%	zero coupon	Lengyel Állam (PL)	2019. 04. 25.
PLGB 2019/07 3,25%	interest-bearing	Lengyel Állam (PL)	2019. 07. 25.
PLN Betét	Betét	ING Bank Hun (HU)	2019. 03. 04.
PLN Betét	Betét	Unicredit Hun (HU)	2019. 03. 01.
PLGB 2019/10 5,50%	interest-bearing	Lengyel Állam (PL)	2019. 10. 25.
PLN Betét	Betét	OTP Bank (HU)	2019. 03. 04.
PLN Betét	Betét	OTP Bank (HU)	2019. 03. 04.
PLN Betét	Betét	Citibank Hun (HU)	2019. 03. 04.
PLN Betét	Betét	OTP Bank (HU)	2019. 03. 01.
PLN Betét	Betét	OTP Bank (HU)	2019. 03. 18.

## Assets with over 10% weight

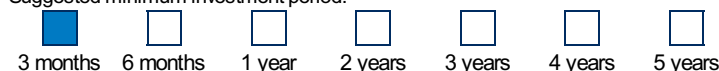
PLGB 2019/04/25 0% (Lengyel Állam)  
PLGB 2019/07 3,25% (Lengyel Állam)

## Bonds by tenor:



## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

