

Aegon Domestic Bond Fund institutional series

GENERAL INFORMATION

| | |
|--|---------------------------------|
| Fund Manager: | AEGON Hungary Fund Manager Ltd. |
| Custodian: | Raiffeisen Bank Zrt. |
| Main distributor: | AEGON Hungary Fund Manager Ltd. |
| Benchmark composition: | 100% MAX Index |
| ISIN code: | HU0000718127 |
| Start: | 12/01/2016 |
| Currency: | HUF |
| Total Net Asset Value of the whole Fund: | 23,027,067,753 HUF |
| Net Asset Value of institutional series: | 961,073,266 HUF |
| Net Asset Value per unit: | 1.080174 HUF |

INVESTMENT POLICY OF THE FUND:

The fund is intended to serve as a stable, moderately low-risk form of investment, and to offer investors higher returns than bank deposits over the medium term. The portfolio elements are selected in accordance with the above principles. To ensure liquidity, the fund primarily aims to hold bonds and discount treasury bills issued by the State Debt Management Centre on behalf of the State of Hungary, as well as bonds issued by the National Bank of Hungary. The fund has a low risk profile, but its portfolio may also contain forint-denominated debt securities issued by banks and corporations, which are expected to yield a higher return than government securities. The fund may also keep 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 Domestic Bond Fund must hold minimum 80% of its assets in HUF-denominated bonds issued by the members of European Economic Area.

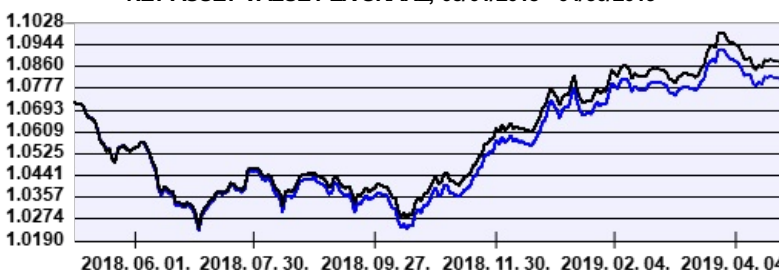
DISTRIBUTORS

NET YIELD PERFORMANCE OF THE SERIES:

| Interval | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | 3.25 % | 3.55 % |
| 2018 | -1.51 % | -0.95 % |
| 2017 | 6.28 % | 6.41 % |

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 05/01/2018 - 04/30/2019



— Aegon Domestic Bond 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: | 3.74 % |
| Annualized standard deviation of the benchmark's weekly yields: | 3.66 % |
| WAM (Weighted Average Maturity): | 4.31 years |
| WAL (Weighted Average Life): | 4.83 years |

MARKET SUMMARY:

Since the March MPC local developments drove the market. The 10 bp raise in the depo rate along with the dovish communication was disappointing for the market, as inflation hovers above expectations and close to the upper-end of the target range. The depo rate rise is not reflected in t-bill and interbank rates yet, there is a lot of liquidity in the system. The central bank later indicated that it is in "data dependent" mode and the quicker than signalled drop in HUF liquidity providing FX swap amounts can be a proof of that. But the aim to raise interbank rates by the same amount as the depo rate is a more plausible explanation. The dovish monetary policy drove the currency weaker, and the curve bear steepened. The correction lasted during the whole month with rates higher by 20-40 bps across the curve.

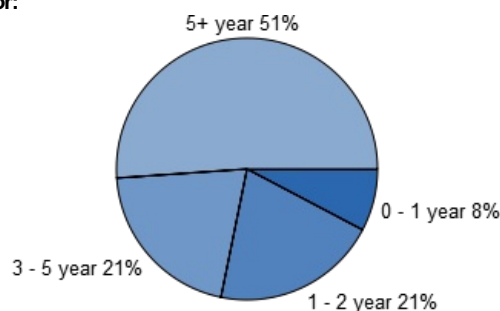
ASSET ALLOCATION OF THE FUND ON 04/30/2019

| Asset type | Weight |
|---|----------|
| Government bonds | 87.65 % |
| Corporate bonds | 5.06 % |
| T-bills | 4.51 % |
| other assets | 0.99 % |
| Mortgage debentures | 0.98 % |
| Current account | 2.23 % |
| Liabilities | -1.32 % |
| Market value of open derivative positions | -0.09 % |
| total | 100.00 % |
| Derivative products | 3.01 % |
| Net corrected leverage | 100.00 % |

Assets with over 10% weight

2025B (Államadósság Kezelő Központ Zrt.)
2027A (Államadósság Kezelő Központ Zrt.)
2022A (Államadósság Kezelő Központ Zrt.)

Bonds by tenor:



INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

