

# 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:	116,252,370 PLN
Net Asset Value of institutional series:	315,232 PLN
Net Asset Value per unit:	1.114175 PLN

## INVESTMENT POLICY OF THE FUND:

The aim of the fund is to function as a stable, low-risk investment vehicle, but to offer investors better returns than the performance of the current benchmark index. The fund is a standard variable net asset value money market fund. The portfolio elements are selected in accordance with these and the Money Market Funds' principles. The portfolio elements are selected in accordance with the above mentioned principles and based on the EU wide regulation on money market funds. To ensure liquidity the fund manager primarily aims to hold government bonds and discount treasury bills issued by the Polish Debt Management Agency, and short-term instruments (e.g. deposits, repos) available on the interbank market. The fund is allowed to invest in securities issued or guaranteed by any EU member state, and in money market instruments issued or guaranteed by a supranational institution established in the EU in accordance with the Money Market Funds Regulation. The fund is only allowed to invest in debt securities, which are classified as investment grade on average by the external credit rating agencies. In addition, some financial assets, which are particularly addressed by the EU wide money market regulation, shall have a favourable assessment based on the internal credit quality assessment procedure. The fund may also hold investment units or shares within the framework of the Money Market Funds Regulation. The Fund invests at least 50% of its assets in PLN denominated assets (money market instruments issued or guaranteed by the Polish state; deposits; cash), also fulfilling the diversification requirements of the Money Market Funds Regulation. The Fund shall have a weighted average maturity no more than 6 months, and a weighted average life no more than 12 months. Moreover, the Fund shall also be allowed to invest in money market instruments 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. The fund may hold a limited proportion of foreign-currency instruments in its portfolio, but only subject to the full hedging of currency risk (the difference between the currency risk exposure of the derivative instrument and the hedged instrument can be maximum 5%). Aegon Polish Money Market Fund is not a guaranteed investment. The risk of loss of the principal is to be borne by the investor. An investment in Aegon Polish Money Market Fund is different from an investment in deposits, with particular reference to the risk that the principal invested in Aegon Polish Money Market Fund is capable of fluctuation. Aegon Polish Money Market Fund does not rely on external support for guaranteeing the liquidity of the fund or stabilising the NAV per unit or share.

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczeń na Życie Spółka

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.55 %	1.81 %
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 %

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



## CREDIT PROFILE:

Issuer	Rating*	Country	Weight
Államadósság Kezelő Központ Zrt.	BBB	HU	32.38 %
Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	BBB	HU	12.06 %
ING Bank N.V. (Amsterdam)	A	NL	12.92 %
Lengyel Állam	A	PL	32.93 %

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

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2020/04/25 1,5%	interest-bearing	Lengyel Állam (PL)	2020.04.25
D191223	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2019.12.23
PLN Betét	Betét	ING Bank Hun (HU)	2019.11.13
PLN Betét	Betét	OTP Bank (HU)	2019.11.06
D200226	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.02.26
D200429	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.04.29
POLGB 2020/07/25 0%	zero coupon	Lengyel Állam (PL)	2020.07.25
D191231	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2019.12.31

## MARKET SUMMARY:

The October election didn't have too much effect on the markets. The bond yields stayed almost at the same level as they were in the previous month. The 3 and 5 year bond yields rose by 6 basis points, while the 10 year rose by only 4 basis points, so the yield curve remained almost the same. Looking at the macro economic data forecasts, the GDP will grow by 4,2% in 2019, 3,5% in 2020 and 2,8% in 2021, and according to the expectations there is a 5% chance that the Polish economy will fall into recession in the next 12 months. The third quarter GDP forecast remained at 4,2%, and the fourth quarter GDP forecast was raised to 4,3% from 4,1%. The YoY inflation fell back 2,5% from 2,6% as they were forecasted. This is the second month in a row that the inflation rate is slowing, which justifies the president of the central bank theory that base rate should be kept at the same level in the near future. The FM fell from the September's 47,8 level to 45,6 which was below the expected 48,1. This is the biggest drop in 3,5 years. The MoM new orders had the biggest decrease since 2009. The industrial output grew by 5,6% YoY, which was above expectations. Regarding the budget balance the first 9 month cumulative deficit was 1786,3 million PLN, which means that in September the surplus was 194,4 million PLN. On the parliamentary elections, which was held on the 13th October, the ruling Law and Justice party took 235 seats in the 460-seat assembly, which means, it won a second term in office.

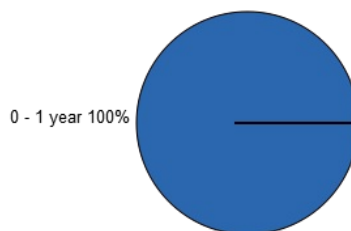
## ASSET ALLOCATION OF THE FUND ON 10/31/2019

Asset type	Weight
T-bills	37.05 %
Government bonds	28.22 %
Deposit	24.96 %
Current account	9.87 %
Liabilities	-0.05 %
Market value of open derivative positions	-0.05 %
total	100,00 %
Derivative products	32.44 %
Net corrected leverage	100.04 %

## Assets with over 10% weight

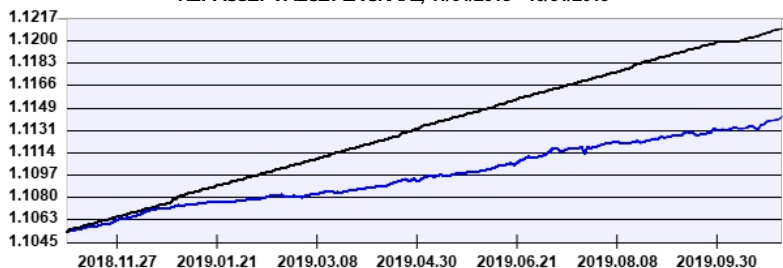
POLGB 2020/04/25 1,5% (Lengyel Állam)  
D191223 (Államadósság Kezelő Központ Zrt.)

## Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 11/01/2018 - 10/31/2019



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: 0.05 %  
WAM (Weighted Average Maturity): 0.26 years  
WAL (Weighted Average Life): 0.26 years