

# Aegon Polish Money Market Fund PLN 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% WBID 1M Index
ISIN code:	HJ0000711601
Start:	10/26/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	168,462,309 PLN
Net Asset Value of PLN series:	168,146,038 PLN
Net Asset Value per unit:	1.099056 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 Moneymarket 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 Moneymarket Fund is different from an investment in deposits, with particular reference to the risk that the principal invested in Aegon Polish Moneymarket Fund is capable of fluctuation. Aegon Polish Moneymarket 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	1.28 %	1.76 %
2019	0.57 %	1.18 %
2018	0.78 %	1.45 %
2017	0.92 %	1.47 %
2016	0.79 %	1.44 %
2015	0.92 %	1.53 %
2014	1.85 %	2.23 %
2013	2.89 %	2.71 %

## INVESTMENT HORIZON:

Suggested minimum investment period:

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 months	6 months	1 year	2 years	3 years	4 years	5 years

Risk and Reward Profile:

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
very low	low	moderate	intermediate	significant	high	very high

## CREDIT PROFILE:

Issuer	Rating*	Country	Weight
Államadósság Kezelő Központ Zrt.	BBB	HU	25.56 %
Citigroup Inc.	A	US	2.97 %
ERSTE BANKAG	A	AT	11.88 %
Lengyel Állam	A	PL	36.39 %

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

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
FOLGB2020/04/25 1,5%	interest-bearing	Lengyel Állam(PL)	2020.04.25
FOLGB2020/07/25 0%	zero coupon	Lengyel Állam(PL)	2020.07.25
D200624	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.06.24
PLN Betét	Betét	Erste Bank Hun (HU)	2020.04.01
PLN Betét	Betét	Erste Bank Hun (HU)	2020.04.29
Magyar Államkötvény 2020/A	interest-bearing	Államadósság Kezelő Központ Zrt. (HU)	2020.11.12
D210224	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2021.02.24
PLN Betét	Betét	Citibank Hun (HU)	2020.04.01
D200603	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.06.03
D200610	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.06.10

## MARKET SUMMARY:

In March, the Polish bond market was fueled by concerns about the spreading coronavirus in Europe. Following a rise in yields at the beginning of the month, the short and medium term Polish bond yields closed lower by the end of the month, but volatility was very high. The 3-year yields were down by 33 basis points, the 5-year yields were lower by 11 bps, and the 10-year maturity closed slightly higher by the end of the month. This made the Polish yield curve steeper. Going forward with economic data, the Polish economy is expected to grow by 0.5% in 2020, 2.8% in 2021 and 2.9% in 2022. According to a survey, there is a 70% chance that the country will sink into a recession in the next 12 months. Forecasts for the first and second quarters of 2020 have been revised downwards, the former from 3% to 1.5% and the latter from 3% to -1.6%. Year-on-year inflation accelerated to 4.7% in February, ahead of expectations. This has been the highest inflation rise since November 2011. Because of the effects of the coronavirus, consumers have been storming the stores and this is likely to have an impact on price increases. However, recession fears point towards significant downward surprises in terms of inflation. The central bank adjusted upward the inflation from 2020 from 2.8% to 3.7%. The Purchasing Manager Index dropped to 42.4 points in March from 48.2 points in February, which was below expectations of 45.2 points. The indicator is below the 50-point limit for the 17th consecutive month, which was mainly due to a sharp decline in new orders and exports in March. Industrial production grew by 4.9% in February, outperforming market expectations. As far as public finances are concerned, a budget surplus of PLN 3,427 billion was recorded in January. However, the measures taken to reduce the effects of the virus will push budget balances in the negative during the year and as a result budget deficit may increase to 5-7%. During the month, we invested in Hungarian government bonds, which clearly underformed regional peers, but it proved to be detrimental to performance in March.

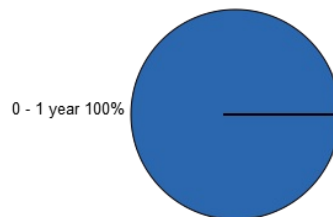
## ASSET ALLOCATION OF THE FUND ON 03/31/2020

Asset type	Weight
T-bills	38.99 %
Government bonds	23.30 %
Current account	22.32 %
Deposit	14.93 %
Receivables	8.66 %
Liabilities	-8.40 %
Market value of open derivative positions	0.21 %
total	100,00 %
Derivative products	34.97 %
Net corrected leverage	100.10 %

## Assets with over 10% weight

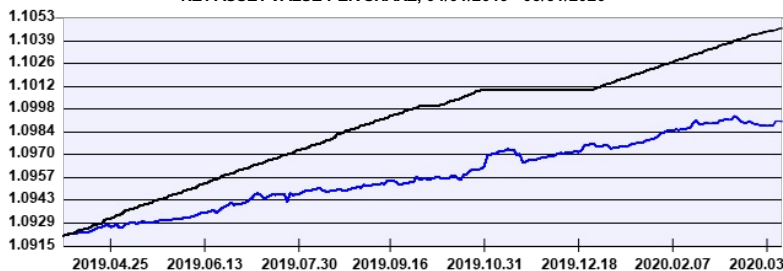
FOLGB 2020/04/25 1,5% (Lengyel Állam)
FOLGB 2020/07/25 0% (Lengyel Állam)

Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 04/01/2019 - 03/31/2020



— Aegon Polish Money Market Fund PLN 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:	0.08 %
WAM (Weighted Average Maturity):	0.18 years
WAL (Weighted Average Life):	0.18 years