

# 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:	154,315,716 PLN
Net Asset Value of PLN series:	153,999,300 PLN
Net Asset Value per unit:	1.099382 PLN

## INVESTMENT POLICY OF THE FUND:

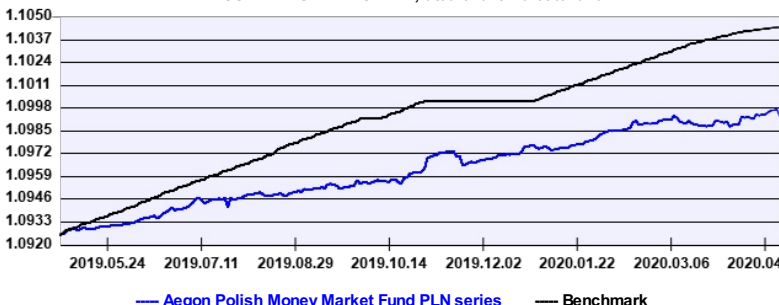
The aim of the fund is to function as a stable, low-risk investment vehicle, but to offer investors better returns than the performance of the current benchmark index. The fund is a standard variable net asset value money market fund. The portfolio elements are selected in accordance with these and the 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 PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 05/01/2019 - 04/30/2020



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):	0.28 years
WAL (Weighted Average Life):	0.28 years

## CREDIT PROFILE:

Issuer	Rating*	Country	Weight
Államadósság Kezelő Központ Zrt.	BBB	HU	38.25 %
ERSTE BANK AG	A	AT	12.97 %
Lengyel Állam	A	PL	40.18 %

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

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB2020/07/25 0%	zero coupon	Lengyel Állam (PL)	2020.07.25
POLGB2020/10/25 5,25%	interest-bearing	Lengyel Állam (PL)	2020.10.25
PLN Betét	Betét	Erste Bank Hun (HU)	2020.05.06
D200624	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.06.24
D210224	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2021.02.24
Magyar Államkötvény 2020/A	interest-bearing	Államadósság Kezelő Központ Zrt. (HU)	2020.11.12
D200610	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.06.10
D200603	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.06.03
D200617	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.06.17
D200826	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020.08.26

## MARKET SUMMARY:

The Polish bond market performed well in April. The yield curve went lower and became steeper, with bond yields closing 43 basis points lower over the 3-year period, 38 basis points lower over the 5-year period and 27 basis points lower over the 10-year period. Moving on to economic data, the Polish economy is expected to face a deep recession this year. The expectation in April is that the GDP will shrink by 3.5% in 2020. GDP expectations for the first quarter were left unchanged at 1.5%, but the forecasts for the second, third and fourth quarters were revised significantly downwards. Thus, in the second quarter - 8.3% instead of -1.6% GDP growth, in the first three months -4.3% instead of 0.3% growth, and in the last quarter instead of an increase of 1.3%, they expect a decrease of 1.9%. For the first time since 2012, there is a 90% chance of a recession in the next 12 months. According to preliminary data year-on-year inflation slowed to 3.4% in April from 4.6% in March. Food price inflation has slowed and fuel prices have fallen sharply as a result of the fall in oil prices. The Purchasing Managers' Index fell to 31.9 points in April from 42.4 points in March, falling below expectations of 34.6 points. The indicator is below the 50-point limit for the 18th consecutive month, which was mainly due to the fact that the factories stopped production due to the spread of the coronavirus in April. New orders and exports fell by a record amount. Industrial production fell 2.3% in the third month of the year which was below market expectations. As for the government budget, the accumulated deficit for the first three months was PLN 9354.5 million, so that in March the government generated a deficit of PLN 6042.3 million. Due to the negative effects of the coronavirus, the government announced a fiscal package worth PLN 330 billion, representing 14.6% of GDP. Deficit may rise to 8-9% of GDP this year, but forecasting error is very significant. State banks/development funds (BGK, PFR) may issue a significant amount of bonds needed to finance programmes, with state guarantee. In addition to interest rate cuts and other easing measures, the central bank also announced a major asset purchase program, under which it had already purchased PLN 50 billion worth of securities.

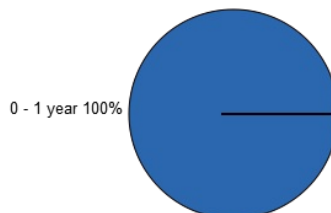
## ASSET ALLOCATION OF THE FUND ON 04/30/2020

Asset type	Weight
T-bills	58.56 %
Government bonds	18.65 %
Deposit	12.77 %
Current account	10.39 %
Liabilities	-0.10 %
Market value of open derivative positions	-0.27 %
total	100,00 %
Derivative products	37.92 %
Net corrected leverage	100.10 %

## Assets with over 10% weight

POLGB2020/07/25 0% (Lengyel Állam)  
POLGB2020/10/25 5,25% (Lengyel Állam)  
D200624 (Államadósság Kezelő Központ Zrt.)

Bonds by tenor:



## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.27 %	1.75 %
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:

