

Aegon Polish Bond Fund P 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% TBSP Index
ISIN code:	HU0000713565
Start:	03/28/2014
Currency:	PLN
Total Net Asset Value of the whole Fund:	13,830,520,863 HUF
Net Asset Value of P series:	55,017,969 PLN
Net Asset Value per unit:	1.238890 PLN

INVESTMENT POLICY OF THE FUND:

The aim of the investment fund is to give investors access to the Polish bond market and to function as a relatively stable, medium-risk investment already medium term, offering our customers stable real returns without the need to tie up their savings for a fixed period. The fund primarily invests into Zloty denominated Polish government bonds but the portfolio manager has some room to use other fixed income investments. We aim to maximise returns with the given risk level. Our investment decisions are based on fundamental research extended by technical research while we also take into account global market sentiment. Expected shifts in the yield curve based on our macro expectations are at the core of our investment process. Risk/return characteristics are also considered when we select suitable and safe investments. We aim to totally hedge any currency risk in the fund.

DISTRIBUTORS

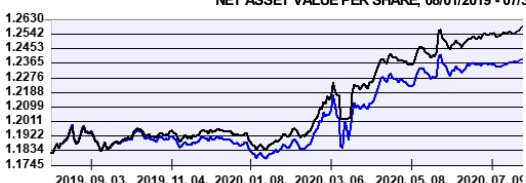
Aegon Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	3.44 %	4.57 %
2019	3.10 %	3.94 %
2018	3.55 %	4.67 %
2017	3.56 %	4.77 %
2016	-0.38 %	0.25 %
2015	0.22 %	1.68 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 08/01/2019 - 07/31/2020



— Aegon Polish Bond Fund P 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:	4.56 %
Annualized standard deviation of the benchmark's weekly yields:	3.89 %
WAM (Weighted Average Maturity):	4.08 years
WAL (Weighted Average Life):	4.32 years

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2021/10/25 5,75%	interest-bearing	Lengyel Állam (PL)	2021. 10. 25.
POLGB 2025/04/25 0,75%	interest-bearing	Lengyel Állam (PL)	2025. 04. 25.
BGOSK 07/03/25 1,25%	interest-bearing	Bank Gospodarstwa Krajowego (PL)	2025. 07. 03.
POLGB 2028/04/25 2,75%	interest-bearing	Lengyel Állam (PL)	2028. 04. 25.
BGOSK 2027/04/27 1,875%	interest-bearing	Bank Gospodarstwa Krajowego (PL)	2027. 04. 27.

MARKET SUMMARY:

In July, the government bond yields in the Polish bond market continued to decline. Yields were 10 basis points lower at three-year and five-year maturities and 13 basis points lower at 10-year maturities than at the beginning of the month. The yield curve thus became somewhat flatter. At the interest rate decision meeting in July, the Monetary Council left the key rate unchanged at 0,1% and stressed that it would hardly change this due to the deteriorating economic outlook. Moving on to economic data, the Polish economy is expected to face a deep recession this year. GDP is expected to decline by 3.8% in 2020, with growth of 4.2% in 2021 and 3.1% in 2022. GDP expectations for the second and third quarters were also revised, the former from -9% upwards to -8.7% and the latter from -5.6% upwards to -5.1%. According to preliminary data year-on-year inflation slowed to 3.1% in July from 3.3% in June. The rise in food prices is expected to have slowed, but at the same time the rate of decline in fuel prices has also slowed. The rate of consumer price growth is currently above the central bank target of 2.5%. Governor Adam Glapinski stressed that further monetary easing is still possible in the future, which could have a negative impact on the PLN exchange rate. The Purchasing Managers' Index rose to 52,8 points in July from 47,2 in June, exceeding the 50 points expectation. With this, for the first time since October 2018, the indicator has crossed the 50-point limit. New orders, productivity and exports have all increased since June, while inventories of finished goods have fallen for the first time in 6 months. However, employment has still declined. Industrial production grew by 0.5% in June, outpacing market expectations. As for the budget, the cumulative deficit for the first six months was PLN 17 118,3 million, generating a surplus of PLN 8 763,4 million in June. The 12-month rolling current account showed another monthly surplus, with the indicator already standing at 1.8% of GDP.

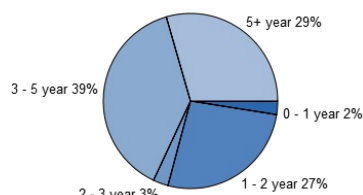
ASSET ALLOCATION OF THE FUND ON 07/31/2020

Asset type	Weight
Government bonds	62.50 %
Corporate bonds	27.27 %
T-bills	2.26 %
Current account	6.80 %
Receivables	1.19 %
Liabilities	0.00 %
Market value of open derivative positions total	-0.01 %
Derivative products	100.00 %
Net corrected leverage	8.44 %
	102.77 %

Assets with over 10% weight

POLGB 2021/10/25 5,75% (Lengyel Állam)
POLGB 2025/04/25 0,75% (Lengyel Állam)
BGOSK 07/03/25 1,25% (Bank Gospodarstwa Krajowego)
POLGB 2028/04/25 2,75% (Lengyel Állam)

Bonds by tenor:



INVESTMENT HORIZON:

Suggested minimum investment period:

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