

# 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:	131,008,328 PLN
Net Asset Value of institutional series:	316,780 PLN
Net Asset Value per unit:	1.119646 PLN

## INVESTMENT POLICY OF THE FUND:

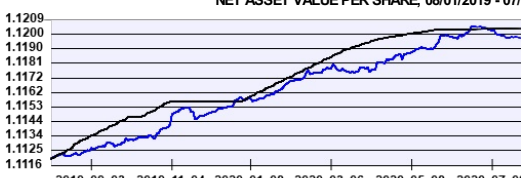
The aim of the fund is to function as a stable, low-risk investment vehicle, but to offer investors better returns than the performance of the current benchmark index. The fund is a standard variable net asset value money market fund. The portfolio elements are selected in accordance with these and the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

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



— Aegon Polish Money Market 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:	0.18 %
Annualized standard deviation of the benchmark's weekly yields:	0.09 %
WAM (Weighted Average Maturity):	0.32 years
WAL (Weighted Average Life):	0.32 years

## CREDIT PROFILE

Issuer	Rating*	Country	Weight
Államadósság Kezelő Központ Zrt.	BBB	HU	32.31 %
Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	BBB	HU	12.03 %
Citigroup Inc.	A	US	5.34 %
Lengyel Állam	A	PL	37.86 %

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

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2021/04/25 2%	interest-bearing	Lengyel Állam (PL)	2021. 04. 25.
POLGB 2020/10/25 5.25%	interest-bearing	Lengyel Állam (PL)	2020. 10. 25.
PLN Betét	Betét	OTP Bank (HU)	2020. 10. 14.
D200923	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020. 09. 23.
Magyar Államkőtvény 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. 08. 07.
HUF Betét	Betét	OTP Bank (HU)	2020. 08. 05.
D200909	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020. 09. 09.
D210630	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2021. 06. 30.

## 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 Glapiński 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 117,183 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.

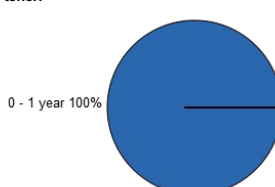
## ASSET ALLOCATION OF THE FUND ON 07/31/2020

Asset type	Weight
Government bonds	44.12 %
T-bills	26.00 %
Deposit	17.36 %
Current account	12.60 %
Liabilities	0.00 %
Market value of open derivative positions	-0.08 %
total	100.00 %
Derivative products	39.22 %
Net corrected leverage	100.06 %

## Assets with over 10% weight

POLGB 2021/04/25 2% (Lengyel Állam)  
POLGB 2020/10/25 5.25% (Lengyel Állam)

## Bonds by tenor:



## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	1.47 %	1.69 %
2019	0.78 %	1.18 %
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:

