

# 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:	140,065,045 PLN
Net Asset Value of institutional series:	316,554 PLN
Net Asset Value per unit:	1.118847 PLN

## INVESTMENT POLICY OF THE FUND:

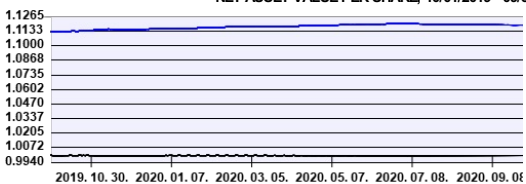
The aim of the fund is to function as a stable, low-risk investment vehicle, but to offer investors better returns than the performance of the current benchmark index. The fund is a standard variable net asset value money market fund. The portfolio elements are selected in accordance with these and the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

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 10/01/2019 - 09/30/2020



— 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:	0.08 %
WAM (Weighted Average Maturity):	0.27 years
WAL (Weighted Average Life):	0.27 years

## CREDIT PROFILE

Issuer	Rating*	Country	Weight
Államadósság Kezelő Központ Zrt.	BBB	HU	25.23 %
Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	BBB	HU	14.23 %
Lengyel Állam	A	PL	42.33 %

\* 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.
HUF Betét	Betét	OTP Bank (HU)	2020. 10. 07.
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.
D210825	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2021. 08. 25.
D201209	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020. 12. 09.
D210630	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2021. 06. 30.
D201021	zero coupon	Államadósság Kezelő Központ Zrt. (HU)	2020. 10. 21.

## MARKET SUMMARY:

In September, we witnessed some decline in yields on the Polish bond market. Yields were 6-8 basis points lower at the three-year and ten-year maturities and 14 basis points lower at the 5-year maturity than at the beginning of the month. The yield curve thus became somewhat steeper. Moving on to the economic data, the Polish economy is expected to face a recession this year. According to the September forecast the GDP is expected to shrink by 3.6% in 2020 and grow by 4.2% in 2021. Better-than-expected macro data would justify higher yields, but offset by global liquidity and QE programmes. GDP is expected to be -4.3% in the third quarter and the fourth quarter has been revised downwards from -2.7% to -2.9%. Year-on-year inflation accelerated to 3.2% in September from 2.9% in August. Although this has already exceeded the central bank's 2.5% inflation target, the Monetary Council expects that it will slow to 1.5% next year. The central bank forecasts inflation to be 3.3% this year and expects a 1.5% price increase next year. The Purchasing Managers' Index rose to 50.8 points in September from 50.6 points in August, falling below expectations of 52.4 points. The number of new orders increased slightly in parallel with exports. Industrial production grew by 1.5% in August, but still performed below market expectations. As for the government budget, the cumulative deficit for the first eight months was PLN 13 298.5 million, so that in August the government generated a surplus of PLN 2995.8 million. The current account-to-GDP ratio stood at 2.8% after July, the highest surplus on record.

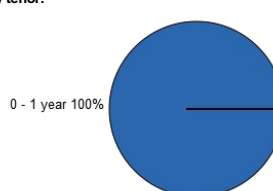
## ASSET ALLOCATION OF THE FUND ON 09/30/2020

Asset type	Weight
Government bonds	48.29 %
T-bills	19.62 %
Current account	16.89 %
Deposit	14.30 %
Market value of open derivative positions	0.96 %
Liabilities	-0.05 %
total	100.00 %
Derivative products	35.81 %
Net corrected leverage	100.07 %

## 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	1.43 %	1.66 %
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:

