

# 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% WIBID 1M Index
ISIN code:	HU0000711601
Start:	10/26/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	140,387,561 PLN
Net Asset Value of PLN series:	140,071,160 PLN
Net Asset Value per unit:	1.098222 PLN

## INVESTMENT POLICY OF THE FUND:

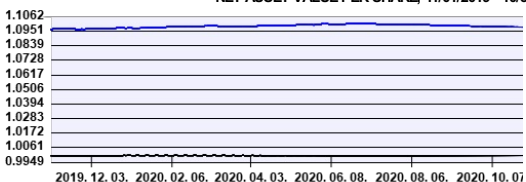
The aim of the fund is to function as a stable, low-risk investment vehicle, but to offer investors better returns than the performance of the current benchmark index. The fund is a standard variable net asset value money market fund. The portfolio elements are selected in accordance with these and the 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, 11/01/2019 - 10/31/2020



— 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.

## CREDIT PROFILE

Issuer	Rating*	Country	Weight
Államadósság Kezelő Központ Zrt.	BBB	HU	25.93 %
Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	BBB	HU	13.53 %
ERSTE BANK AG	A	AT	8.05 %
Lengyel Állam	A	PL	36.49 %

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

## MARKET SUMMARY:

In October, bond yields in the Polish bond market continued to decline. Yields were 17 basis points lower at the three-year maturity, 19 basis points lower at the 5-year maturity and 14 basis points at the ten-year maturity than at the beginning of the month. Moving on to economic data, the Polish economy is expected to face a recession this year. GDP is expected to shrink by 3.5% in 2020 and to grow by 4% in 2021. Better-than-expected macro data would justify higher yields, but they are offset by global liquidity and QE programs. GDP is expected to be -1.9% in the third quarter and the fourth quarter has been revised downwards from -2.9% to -3.8%. According to preliminary data, YoY inflation slowed to 3% in October from 3.2% in September. YoY Energy prices rose by 4.8%, food prices by 3% and fuel prices fell by 9.2%. The central bank forecasts inflation to be 3.3% this year and expects a 1.5% price increase next year. The value of the Purchasing Managers Index remained unchanged compared to September. Thus, for the fourth month in a row, the indicator is above the 50-point threshold. For the first time in a long time, employment and exports have risen at the fastest rate. However, due to the pandemic, domestic demand remained subdued. Industrial production grew by 5.9% in September, outperforming market expectations. As for government budget, the accumulated deficit for the first nine months was PLN 13,763 million, so that in September the government generated a deficit of PLN 464.4 million. The budget balance was -5.5% of GDP in the second quarter.

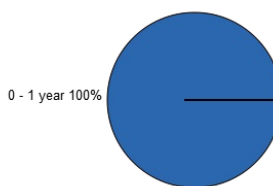
## ASSET ALLOCATION OF THE FUND ON 10/31/2020

Asset type	Weight
Government bonds	32.99 %
T-bills	29.40 %
Deposit	21.57 %
Current account	15.57 %
Market value of open derivative positions	0.51 %
Liabilities	-0.03 %
total	100.00 %
Derivative products	35.95 %
Net corrected leverage	100.06 %

## Assets with over 10% weight

POLGB 2021/04/25 2% (Lengyel Állam)

## Bonds by tenor:



## NET YIELD PERFORMANCE OF THE SERIES:

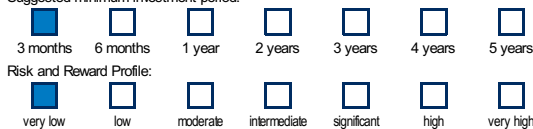
Interval	Yield of note	Benchmark yield
From start	1.18 %	1.64 %
2019	0.57 %	1.18 %
2018	0.78 %	1.45 %
2017	0.92 %	1.47 %
2016	0.79 %	1.44 %
2015	0.92 %	1.53 %
2014	1.85 %	2.23 %
2013	2.89 %	2.71 %

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 0.19 %  
 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

## INVESTMENT HORIZON:

Suggested minimum investment period:



## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2021/04/25 2%	interest-bearing	Lengyel Állam (PL)	2021.04.25.
POLGB 0 05/25/21	zero coupon	Lengyel Állam (PL)	2021.05.25.
PLN Betét	Betét	OTP Bank (HU)	2020.12.16.
HUF Betét	Betét	Erste Bank Hun (HU)	2020.11.04.
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	OTP Bank (HU)	2020.12.16.
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.