

Aegon Polish Bond Fund

HUF 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:	HU0000705256
Start:	05/11/2007
Currency:	HUF
Total Net Asset Value of the whole Fund:	15,345,945,904 HUF
Net Asset Value of HUF series:	967,668,534 HUF
Net Asset Value per unit:	1.914148 HUF

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

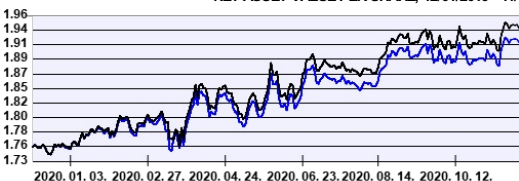
Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., Raiffeisen Bank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.91 %	7.50 %
2019	6.92 %	7.79 %
2018	4.20 %	5.33 %
2017	9.53 %	10.82 %
2016	-4.68 %	-4.08 %
2015	-0.35 %	1.10 %
2014	11.85 %	12.94 %
2013	-0.50 %	2.13 %
2012	12.10 %	15.01 %
2011	8.99 %	9.57 %
2010	11.80 %	14.15 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 12/01/2019 - 11/30/2020



— Aegon Polish Bond Fund HUF 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.

MARKET SUMMARY:

In November, we witnessed some rising yields in the Polish bond market. Yields were 3 basis points higher at three-year maturities and 4-5 basis points higher at 5- and 10-year maturities than at the beginning of the month. Moving on to economic data, the Polish economy is expected to face a recession this year. According to the expectations in November the GDP will contract by 3.5% in 2020 and will grow by 4% in 2021. Better-than-expected macro data would justify higher yields, but they are offset by the global liquidity and QE programs. In the third quarter, GDP contracted by 1.5% year-on-year, exceeding market expectations, while it grew by 7.9% quarter on quarter. In the third quarter, economic growth was driven by the retail sector and manufacturing, but the export growth also made a positive contribution to GDP. Fourth-quarter GDP growth was revised downwards from -3.8% to -4.4% due to the second-wave constraints. According to preliminary data the year-on-year inflation slowed to 3% in November from 3.1% in October. The central bank's forecasts is that inflation will be 3.4% this year. The Purchasing Managers Index remained unchanged from 50.8 in October. Due to the weakening demand, production fell again. Industrial production grew by 1% in October, outperforming market expectations. As for general budget, the accumulated deficit for the first ten months was PLN 12,070 million, so that in October the government generated a surplus of PLN 1,684.5 million. The budget balance in 2020 is projected to be -9.6% of GDP. During the month, off-benchmark positions performed well: the Hungarian government bonds outperformed their Polish counterparts, while our other regional quasi-sovereign and cautious corporate bond exposures outperformed the benchmark.

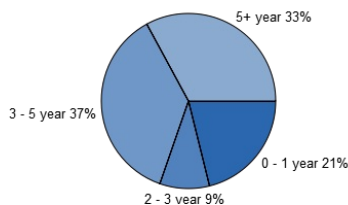
ASSET ALLOCATION OF THE FUND ON 11/30/2020

Asset type	Weight
Government bonds	57.24 %
Corporate bonds	38.71 %
Current account	4.35 %
Liabilities	-0.35 %
Receivables	0.03 %
Market value of open derivative positions	0.02 %
total	100.00 %
Derivative products	16.69 %
Net corrected leverage	106.32 %

Assets with over 10% weight

POLGB 2021/07/25 1.75% (Lengyel Állam)
POLGB 2025/04/25 0.75% (Lengyel Állam)
BGOSK 07/03/25 1.25% (Bank Gospodarstwa Krajowego)

Bonds by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	7.33 %
Annualized standard deviation of the benchmark's weekly yields:	6.84 %
WAM (Weighted Average Maturity):	4.20 years
WAL (Weighted Average Life):	4.44 years

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2021/07/25 1.75%	interest-bearing	Lengyel Állam (PL)	2021. 07. 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 2030/06/05 2.125%	interest-bearing	Bank Gospodarstwa Krajowego (PL)	2030. 06. 05.



Befektetési Alapkezelő