



Aegon International Bond Fund

GENERAL INFORMATION	
Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	80% Merrill Lynch Global Government Bond Index II ex-Japan USD (total return) + 20% ZMAX Index
ISIN code:	HU0000702477
Start:	04/21/1999
Currency:	HUF
Total Net Asset Value of the whole Fund:	4,335,469,753 HUF
Net Asset Value of HUF series:	4,335,469,753 HUF
Net Asset Value per unit:	2.230218 HUF

**INVESTMENT POLICY OF THE FUND:**

The fund aims to create an explicitly defensive investment portfolio for its investors, and typically invests in developed-market government bonds, and related exchange-traded derivative transactions, in the interest of achieving the highest possible return with the assumption of currency risk. The fund primarily aims for a portfolio consisting of the publicly issued bonds of foreign governments and foreign-domiciled companies. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. Accordingly, when purchasing international securities the fund only selects publicly issued securities that are listed on foreign stock exchanges. The proportion of non-investment-grade securities is maintained at a low level, and if the planned ratio is overstepped due to the downgrading of a given issuer the fund restores it under the conditions stipulated by the relevant legal provisions. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term. In the course of its operation, however, the fund is managed on the premise that when compiling the portfolio, it is bonds that determine the nature of the fund. Accordingly, the proportion of bonds that may be kept in the fund at any given moment may reach the prevailing statutory maximum. When compiling the bond portfolio, taking into account the macroeconomic environment of the investment markets, the aim is to build up a long-term investment portfolio primarily on the basis of fundamental analyses. To ensure liquidity, the fund may purchase Hungarian government securities (primarily discount treasury bills) and MNB bonds; however, in accordance with the current statutory regulations the proportion of foreign bonds in the portfolio may be up to 100%. The fund management company is permitted, at its own discretion, to hedge all or a part of its currency risks with forward currency positions, in compliance with the statutory conditions.

**DISTRIBUTORS**

Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CIB Bank 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	3.77 %	4.71 %
2020	8.04 %	9.76 %
2019	5.82 %	9.57 %
2018	3.34 %	5.25 %
2017	-5.90 %	-4.07 %
2016	1.07 %	2.24 %
2015	3.72 %	4.09 %
2014	21.94 %	22.76 %
2013	-3.51 %	-4.21 %
2012	-2.48 %	-3.23 %
2011	19.06 %	17.60 %
2010	6.45 %	10.65 %

**INVESTMENT HORIZON:**

Suggested minimum investment period:

☐ 3 months

☐ 6 months

☐ 1 year

☒ 2 years

☐ 3 years

☐ 4 years

☐ 5 years

Risk and Reward Profile:

☐ very low

☐ low

☐ moderate

☒ intermediate

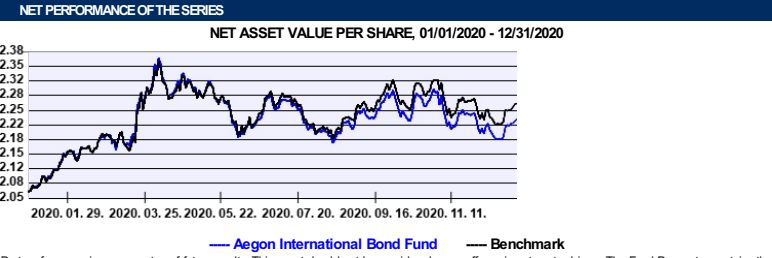
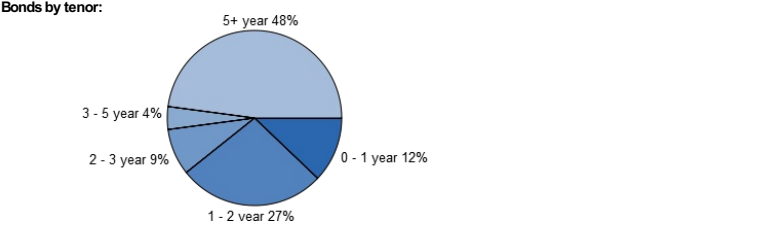
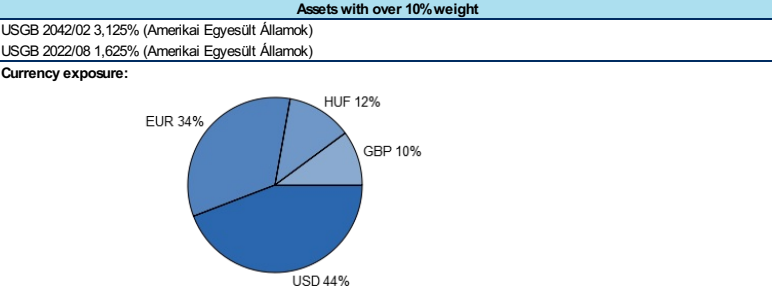
☐ significant

☐ high

☐ very high

TOP 5 POSITIONS			
Asset	Type	Counterparty / issuer	Maturity
USGB 2042/02 3,125%	interest-bearing	Amerikai Egyesült Államok (US)	2042. 02. 15.
US Treasury 2022/08 1,625%	interest-bearing	Amerikai Egyesült Államok (US)	2022. 08. 15.
US 10YR NOTE (CBT)Mar21 Sell	derivatv	Raiffeisen Hun (HU)	2021. 03. 22.
EURO-BUND FUTURE Mar21 Buy	derivatv	Raiffeisen Hun (HU)	2021. 03. 08.
BTPS 1.45 09/15/22	interest-bearing	Olasz Állam(IT)	2022. 09. 15.

MARKET SUMMARY:	
A solid performer over 2020 have been sovereign bonds, with Treasuries (+10.1%), BTPs (+9.7%), gilts (+8.7%) and bunds (+0.9%) all recording a positive return in the last 12 months. The moves have come amidst unprecedented quantities of monetary stimulus from central banks, and yields have fallen to all-time lows in 2020 across a number of countries. However, looking at Q4 alone, sovereign bonds have been a real underperformer, with Treasuries (-0.9%) being the only asset in our sample to lose ground over the quarter, and both gilts (+0.5%) and bunds (+0.3%) being the next two worst performers	
ASSET ALLOCATION OF THE FUND ON 12/31/2020	
Asset type	Weight
Government bonds	74.84 %
T-bills	16.05 %
Current account	11.99 %
Liabilities	-2.88 %
Receivables	0.01 %
total	100.00 %
Derivative products	26.44 %
Net corrected leverage	111.93 %
Assets with over 10% weight	
USGB 2042/02 3,125% (Amerikai Egyesült Államok)	
USGB 2022/08 1,625% (Amerikai Egyesült Államok)	



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:	10.49 %
Annualized standard deviation of the benchmark's weekly yields:	10.53 %
WAM (Weighted Average Maturity):	6.19 years
WAL (Weighted Average Life):	7.43 years