

Aegon Emerging Europe Bond Fund V series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	The fund has no benchmark
ISIN code:	HU0000724232
Start:	05/26/2020
Currency:	USD
Total Net Asset Value of the whole Fund:	21,832,953 EUR
Net Asset Value of V series:	3,383 USD
Net Asset Value per unit:	0.966611 USD

INVESTMENT POLICY OF THE FUND:

The fund's investment objective is to provide investors with capital appreciation by investing in the sovereign- and quasi-sovereign bond market of Emerging European countries. The fund has no rating constraints, the fund has a permission to invest in any kind of issuer without limitation on its long-term foreign currency debt rating. The fund aims to reach the highest capital gain with rational risk taking. The fund primarily invests on the sovereign- and quasi-sovereign bond market of Emerging European countries denominated in foreign currency, but holds Hungarian local currency, long- and short-term bonds with diversification and liquidity management purposes. The fund may also invest in mortgage backed securities, and short- and long-term, fixed or floating securities of other financial institutions, municipalities or other business corporations, structured and convertible bonds. The fund's general risk level and the measure of the deviation from the target weights are determined on the basis of a regular market analysis and situational analysis relating to four main aspects (fundamentals, valuation levels, market sentiment, technical factors). The core part of the fund consists of the foreign currency denominated, sovereign and quasi-sovereign bonds of Central and Eastern Europe (Hungary, Croatia, Poland, Romania, Slovakia, Ukraine), Southeast Europe (Serbia, Turkey), Baltic states (Lithuania, Latvia) and the countries of the Commonwealth of Independent States (Azerbaijan, Belarus, Kazakhstan, Russia, Georgia, Armenia) and also holds Hungarian local currency bonds with diversification and liquidity management purposes. In case of attractive market conditions (e.g. possible upgrade of an issuer's long-term foreign currency debt rating, change of the yield curve, market mispricing, etc.) the fund may invest in bonds of issuers not listed above. The fund does not intend to invest more than 25% of its assets in a single country. The target weight for the fund's fixed income investments in the above listed countries (target countries) is 95%. The aimed risk profile of the fund is intermediate. We do not use constraints on foreign currency debt ratings. The fund may only conclude derivative transactions for the purpose of hedging or ensuring an efficient portfolio structure. The fund may also hold unleveraged debt-type collective investments linked to derivative indexes. The fund also has the option of taking on a substantial currency exposure, which will ordinarily be fully hedged to the target currency (USD), although depending on market circumstances the fund may even have an open currency position. The investment policy of the fund changed on the 30th of December, 2016. Since then the fund has no benchmark, and fund performance before the change is not applicable.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt.

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 05/26/2020 - 04/30/2021



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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:

Last month, the ECB reiterated its assumptions that it will manage PEPP purchases over the current quarter at a significantly faster pace than in the first quarter of the year. Eurozone PMIs improved slightly, suggesting that price pressure in manufacturing has continued. The Fed left its monetary policy and guidance unchanged while showing little concern for rising inflation. The US President Administration released details of its American Families Plan, which calls for USD 1.8tn in spending and tax credits for education and health care. The US 1Q21 GDP expanded by 1.6% QoQ, but in the Eurozone, it fell by 0.6% QoQ. 10Y Bund and UST yields rose by 6-8bp, this time almost exclusively driven by a surge in breakeven rates. In equity markets, strong company earnings were supportive but failed to provide fresh impulses. A decent string of new bond issuance notwithstanding, European high-yield and hybrid corporate credit spreads tightened slightly. EUR-USD was close to concluding a 3.5% advance in April at levels slightly above 1.21. We closed short positions in the U.S. ultra-long government papers as well as added short positions in the 10Y German government bonds along with sticking to short 10Y US Treasuries positions, we further decreased exposure Hungary and Romania while increased ones to Ukraine, Ivory Coast and Qatar, the duration for all other countries remained at neutral levels during the month.

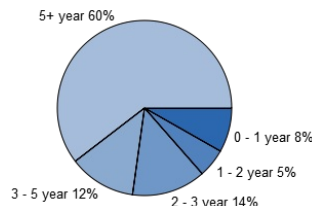
ASSET ALLOCATION OF THE FUND ON 04/30/2021

Asset type	Weight
Government bonds	85.69 %
Corporate bonds	8.95 %
Current account	4.58 %
Market value of open derivative positions	0.81 %
Liabilities	-0.03 %
Receivables	0.00 %
total	100.00 %
Derivative products	22.91 %
Net corrected leverage	104.13 %

Assets with over 10% weight

There is no such instrument in the portfolio

Bonds by tenor:



NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	-3.34 %	
1 month	1.06 %	
3 months	-2.76 %	
6 months	-3.34 %	

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	3.15 %
WAM (Weighted Average Maturity):	6.86 years
WAL (Weighted Average Life):	8.91 years

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

