

MARKET SUMMARY

Now that people are slowly but surely getting back to their pre-Covid way of life, May was finally about when and how economies can re-open. This varied from country to country, depending on the vaccination rates. In Europe, it was England that led the vaccination rate, but fortunately for us, Hungary was also in the top 5 in the world. The question now is how the emergence of the new Indian mutant in Europe will change the re-opening plan. If we are lucky, the Indian version will be more contagious than the typical strain but not as deadly as the English variant was. There also remains the question of whether existing vaccines are effective against the Indian version or whether new vaccines need to be developed. Although the stock markets continued to rally in May, volatility was higher than in April. Investors also felt that stock market averages did not reflect the performance of the real economies, but as long as central banks provide the markets with the current amount of liquidity, there is little chance of any major correction. Investors will therefore be easily jittered if any announcement from central banks suggests that money supply may be tightening. Additionally, there was finally some good news about the corona virus in Hungary. Both the number of cases and the death toll went down in May. This was mainly due to the fact that Hungary had one of the best vaccination rates in the world. The economy was also picking up but at a price. Accumulated demand flooded into the market all at once, which was reflected in higher prices and the inflation forecasts. In May, inflation was over 5% on a year-on-year basis, which got the National Bank's interest. The bank believes that this is a temporary rise, but if it is not, they are prepared to raise interest rates. On hearing this news, the forint strengthened to below 350 against the euro.

The fund achieved a positive return in May. We further reduced the Hungarian interest rate duration at the beginning of the month and then bought Hungarian 5-year bonds at the end of the month as expectations of an interest rate rise revived. On the bond side, we bought Ukrainian and Ghanaian government bonds and bonds of a Russian steel company, while we sold our 5-year US, Ivorian and Intesa bank bonds and increased our bond short position. On the equity side, we further increased our exposure to Brazil, South Africa and the US energy sector. In the Hungarian market, we increased our exposure to OTP and reduced our position in Állami Nyomda. On the FX side, we closed half of our long euro-forint and Brazilian real positions and reopened long ruble positions.

INVESTMENT POLICY OF THE FUND

The fund's aim is to assemble an investment portfolio for its investors that is comprised of both Hungarian and international money and capital-market instruments, which the fund can optimise through ongoing dynamic asset allocation in order to attain the highest possible yield. The fund is a 'total-return fund', which means that instead of concentrating on just one subsector of the money or capital market, at any given moment it focuses its investments on the area that holds the promise of the highest possible return.

Accordingly, the fund may hold government securities and discount treasury bills issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary, as well as bonds issued by the National Bank of Hungary, and also bank and corporate bonds that are low risk but are nevertheless likely to earn a higher return than government securities. Besides these the fund's portfolio may also contain shares listed on the domestic stock exchange and the bourses of OECD countries, as well as the government securities, bank and corporate bonds of OECD countries. The fund does not follow a fixed benchmark, and does not adhere to a permanent ratio of shares to bonds, but aims to constantly change this ratio within a broad range; indeed, it is also prepared to take on currency risk (just as international bond/equity funds tend to) through the purchase of international government securities and equities. At the same time, the fund maintains the option to hedge currency risks.

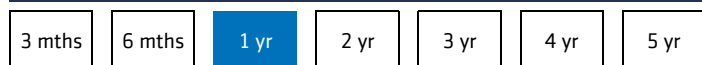
GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% RMAX Index
ISIN code:	HU0000703145
Start:	12/11/2003
Currency:	HUF
Net Asset Value of the whole Fund:	26,830,706,196 HUF
Net Asset Value of HUF series:	9,973,826,985 HUF
Net Asset Value per unit:	2.816385 HUF

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., KBC Securities Magyarországi Fióktelepe, MKB Bank Nyrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Sopron Bank Zrt., SPB Befektetési Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

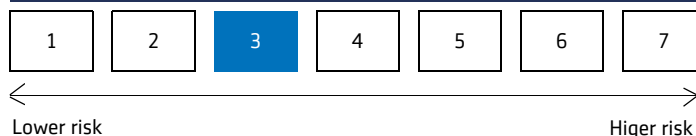
SUGGESTED MINIMUM INVESTMENT PERIOD



NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From start	6.11 %	4.89 %
2020	3.82 %	0.41 %
2019	2.89 %	0.23 %
2018	-4.58 %	0.31 %
2017	2.46 %	0.20 %
2016	3.08 %	1.22 %
2015	2.63 %	1.50 %
2014	4.43 %	3.31 %
2013	6.71 %	5.71 %
2012	18.27 %	8.52 %
2011	0.05 %	5.17 %

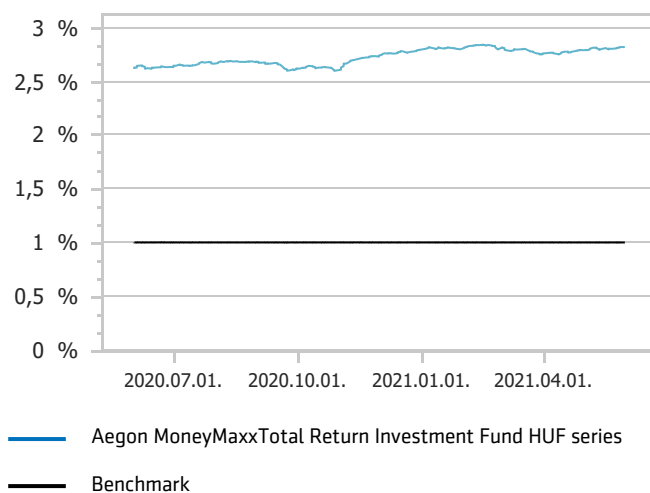
RISK PROFILE



ASSET ALLOCATION OF THE FUND	
Asset	Weight
Government bonds	33.74 %
Corporate bonds	28.15 %
Collective securities	9.37 %
Hungarian equities	6.83 %
T-bills	5.57 %
International equities	0.60 %
Current account	16.31 %
Liabilities	-2.76 %
Market value of open derivative positions	2.01 %
Receivables	0.19 %
total	100,00 %
Derivative products	100.04 %
Net corrected leverage	124.64 %
Assets with over 10% weight	

NET PERFORMANCE OF THE SERIES

net asset value per share, 06/01/2020 - 05/31/2021



RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	5.47 %
Annualized standard deviation of the benchmark's weekly yields	0.27 %
WAM (Weighted Average Maturity)	3.14 years
WAL (Weighted Average Life)	4.52 years

TOP 3 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
EUR/HUF 21.07.06 Forward Sell	derivatív	ING Bank Hun	2021. 07. 06.
EUR/HUF 21.06.18 Forward Sell	derivatív	ING Bank Hun	2021. 06. 18.
EURO-BUND FUTURE Jun21 Sell	derivatív	Raiffeisen Hun	2021. 06. 08.

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbtv. requirements. It contains the following elements based on the last net asset value of the reporting month: presentation of the assets of the fund regarding asset type of portfolio investment and regarding other categories detailed in its investment policy; list of assets (issuers) representing more than 10% of the portfolio; net asset value of the fund, including the cumulated and the calculated value per unit share. Investors are kindly advised, that past performance of the fund does not guarantee future performance. The returns presented are to be considered without applicable taxes, distribution fees and commissions, fees related to account keeping and other costs in relation with holding an investment fund unit. Information presented in the Portfolio Report are for information purposes only, not intended to serve as investment advice, or any other offer. Investors are kindly advised to carefully read the Key Investors Document and Prospectus of the fund, in order to understand the risks of investing into the fund, and to be able to make an informed investor decision. The referred documents are available at the distribution locations and on the official website of Aegon Alapkezelő Zrt. Aegon Magyarország Befektetési Alapkezelő Zrt. | 1085 Budapest, Kálvin tér 12-13. | +36 1 477 4814 | alapkezel@egon.hu | www.aegonalapkezelo.hu