Aegon Polish Bond Fund

HUF series

MONTHLY report - 2021 JULY (made on: 07/31/2021)

MARKET SUMMARY

Polish bonds had a mixed performance in July. The fall in yields in the developed markets led to increased volatility in the Polish bond market, which later corrected on rising inflation fears, but still ended the month slightly lower. Moving on to economic data, Polish GDP is expected to grow by 4.8% this year, 5% next year and 4.1% in 2023. Bloomberg's July research forecast second-quarter growth of 10.4% and third-quarter GDP growth was revised up to 4.9% from 4.5%. Inflation on an annualized basis in July was estimated to have risen to 5% from 4.4% in the previous month, beating expectations. Prices in Poland have not risen so much in almost 10 years, but this may change only slowly the ultra-loose monetary policy relative to the region. Poland's interest rate policy has thus diverged from that of other countries in the region, as the central bank in Hungary and the Czech Republic have also raised interest rates. The purchasing managers' index fell to 57.6 points in July from 59.4 points in June, below market expectations. Production and new orders also grew at a slower pace during the month. Industrial production grew by 18.4% in June, slightly below market expectations. As for the general government, the state generated a surplus of PLN 18,641.2 million in the fourth month, reducing the 12-month rolling budget deficit to 1.65% of GDP.

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. Expexted 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.

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
Net Asset Value of the whole Fund:	15,178,768,149 HUF
Net Asset Value of HUF series:	678,372,810 HUF
Net Asset Value per unit:	1.824266 HUF

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	4.32 %	6.85 %
2020	7.66 %	8.75 %
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 %

SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	**2 yr**	3 yr	4 yr	5 yr

RISK PROFILE

1	2	3	**4**	5	6	7

Lower risk — Higer risk

Aegon Polish Bond Fund

HUF series

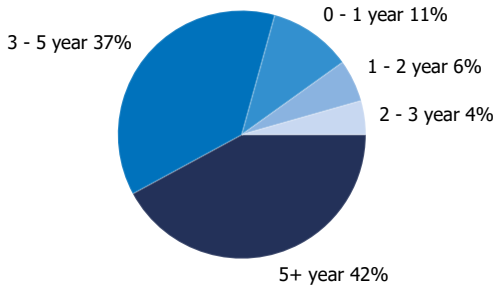
MONTHLY report - 2021 JULY (made on: 07/31/2021)

ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	53.42 %
Corporate bonds	34.70 %
Current account	11.19 %
Receivables	0.82 %
Liabilities	-0.01 %
Market value of open derivative positions	-0.12 %
total	**100,00 %**
Derivative products	12.54 %
Net corrected leverage	105.04 %

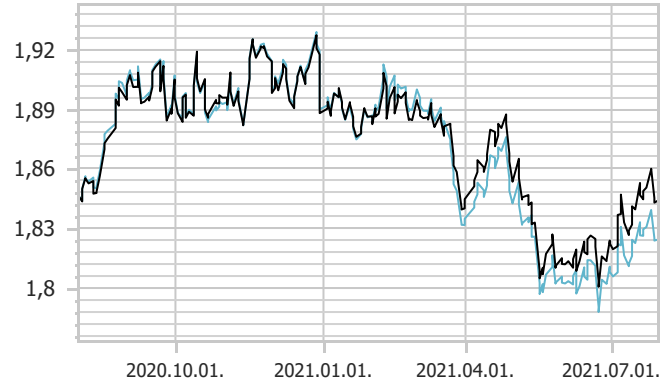
Assets with over 10% weight
POLGB 2024/10/25 2,25% (Lengyel Állam)
POLGB 2026/10/25 0,25% (Lengyel Állam)
BGOSK 07/03/25 1.25% (Bank Gospodarstwa Krajowego)

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 08/01/2020 - 07/31/2021



Aegon Polish Bond Fund HUF series

Benchmark

RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	5.82 %
Annualized standard deviation of the benchmark's weekly yields	5.95 %
WAM (Weighted Average Maturity)	3.89 years
WAL (Weighted Average Life)	4.05 years

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2024/10/25 2,25%	interest-bearing	Lengyel Állam	2024. 10. 25.
POLGB 2026/10/25 0,25%	interest-bearing	Lengyel Állam	2026. 10. 25.
BGOSK 07/03/25 1.25%	interest-bearing	Bank Gospodarstwa Krajowego	2025. 07. 03.
POLGB 2021/10/25 5,75%	interest-bearing	Lengyel Állam	2021. 10. 25.
EUR/PLN 21.10.06 Forward Sell	derivatív	OTP Bank	2021. 10. 06.

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbftv. 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 | alapkezelo@aegon.hu | www.aegonalapkezelo.hu