

## INVESTMENT POLICY OF THE FUND

The fund is intended to serve as a stable, moderately low-risk form of investment, and to offer investors higher returns than bank deposits over the medium term. The portfolio elements are selected in accordance with the above principles. To ensure liquidity, the fund primarily aims to hold bonds and discount treasury bills issued by the State Debt Management Centre on behalf of the State of Hungary, as well as bonds issued by the National Bank of Hungary. The fund has a low risk profile, but its portfolio may also contain forint-denominated debt securities issued by banks and corporations, which are expected to yield a higher return than government securities. The fund may also keep its liquid assets in bank deposits. Besides this, the fund may hold a limited proportion of foreign-currency instruments in its portfolio, but only subject to the full hedging of currency risk.

Aegon Domestic Bond Fund must hold minimum 80% of its assets in HUF-denominated bonds issued by the members of European Economic Area.

## MARKET SUMMARY

In August, year-on-year inflation surged to 4,9% above market expectations, from the 4,6% from the previous month. With this print, price increase turned upwards again after a slight decrease in July. At its August meeting, the central bank raised the base rate for the third time by 30 basis points. The tightening of monetary policy will be reviewed in the September Inflation Report, but the upward inflation path still justifies the continuation of the cycle. In addition to the rate hike, it was announced that asset purchases would continue, but the amount of weekly purchases would be slightly reduced. This marked the beginning of a slow but gradual phasing out of the quantitative easing. The size of the Growth Bond Program has also been increased to HUF 1550 billion. At the end of the month, the domestic yield curve has also moved higher, driven by the sell-off in developed markets. Yields on the 3-year maturity were 26 basis points higher than at the beginning of the month, while the 5-year maturity closed the month 35 basis points higher and the 10-year maturity only 13 basis points higher. The government has a huge stockpile of cash. Asset purchases will be reviewed at the end of the quarters.

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% MAX Index
ISIN code:	HU0000718127
Start:	12/01/2016
Currency:	HUF
Net Asset Value of the whole Fund:	18,189,644,650 HUF
Net Asset Value of institutional series:	2,350,958,777 HUF
Net Asset Value per unit:	1.124083 HUF

## DISTRIBUTORS

## SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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## ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	83.57 %
Corporate bonds	8.51 %
T-bills	3.73 %
Current account	5.79 %
Liabilities	-1.59 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	0.00 %
Net corrected leverage	100.00 %
<b>Assets with over 10% weight</b>	
2024B (Államadósság Kezelő Központ Zrt.)	
2025B (Államadósság Kezelő Központ Zrt.)	

## RISK PROFILE

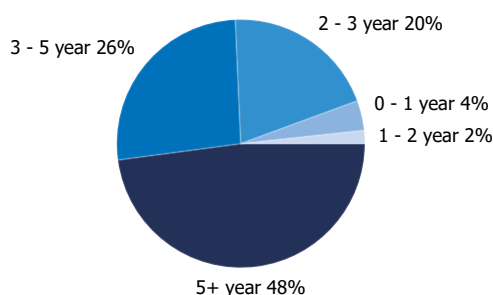
1	2	3	4	5	6	7
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← Lower risk → Higher risk

## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From start	2.49 %	2.69 %
2020	1.55 %	1.41 %
2019	7.23 %	7.74 %
2018	-1.51 %	-0.95 %
2017	6.28 %	6.41 %

### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 09/01/2020 - 08/31/2021



## RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	3.32 %
Annualized standard deviation of the benchmark's weekly yields	3.34 %
WAM (Weighted Average Maturity)	5.36 years
WAL (Weighted Average Life)	5.95 years

### 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 | alapkezelo@aegon.hu | www.aegonalapkezelo.hu