

## INVESTMENT POLICY OF THE FUND

The fund's investment objective is to provide investors with a higher return than that attainable in the domestic money market, primarily by investing in the bond market of the Central and Eastern European region. The fund's bond investments are mainly concentrated in the corporate and mortgage bond markets, but government securities issued in foreign currency are also potential investment targets. Forint-denominated Hungarian government securities are only held for liquidity management purposes. The fund may also buy into other investment funds that invest in the above markets. The achievement of a higher return than would be attainable in the Hungarian government securities market is made possible by the better diversification, the additional yield from the premiums of the bonds, and, in a favourable market environment, by the price gains resulting from the narrowing of the premiums.

The fund's general risk level and the asset allocation between the three main areas of investment is 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 in-depth analysis is also an important factor in the selection of the individual securities by region, sector and interest risk. In the course of selecting the individual securities, a thorough financial analysis is also essential to determine the creditworthiness of the issuer. Risk management and the regular monitoring of the issuers are of key importance to the fund.

When compiling the fund's portfolio we aim to achieve a moderate risk profile, primarily purchasing investment-grade securities. The fund only buys lower-rated instruments in limited proportions.

The fund may only conclude derivative transactions for the purpose of hedging or ensuring an efficient portfolio structure. The fund may also hold unleveraged 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, although depending on market circumstances the fund may even have an open currency position.

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.

## MARKET SUMMARY

In August growth scares came to the fore a bit as investors were assessing the global activity conditions to turn slightly worse from here. Growth sensitive assets bared the brunt of the growth scare, commodities have fallen approximately 6% in USD terms by the middle of the month. Within the commodity complex oil and copper, the two main commodities that correlate best with global growth have fallen the most by 14% and 12% respectively in US dollar terms within this time period. The sentiment turned after Jay Powell, Fed governor gave his speech in Jackson Hole which took the market as rather dovish. The event had lifted markets and financial assets closed the month more or less unchanged. The emerging market bond space was the beneficial of the dovish speech and after Jackson Hole the assetclass was able to gather momentum and close the month in positive. The main outperformer regions in the sovereign credit space in EM were Africa where the most single B issuers are found with high spreads and the Middle East with 16 and 17 basispoints of spread tightening. In EM Europe Ukraine and Turkey managed to rally by 35 basispoints and 22 basispoints respectively.

We increased our duration position and went down the credit rating ladder. We bought some long end Ghana exposure as spread levels are high.

## GENERAL INFORMATION

|                                    |                                 |
|------------------------------------|---------------------------------|
| Fund Manager:                      | AEGON Hungary Fund Manager Ltd. |
| Custodian:                         | Raiffeisen Bank Zrt.            |
| Main distributor:                  | AEGON Hungary Fund Manager Ltd. |
| Benchmark composition:             | 100% RMAX Index + 1%            |
| ISIN code:                         | HU0000712401                    |
| Start:                             | 08/12/2013                      |
| Currency:                          | PLN                             |
| Net Asset Value of the whole Fund: | 32,094,840,524 HUF              |
| Net Asset Value of PLN series:     | 32,815,426 PLN                  |
| Net Asset Value per unit:          | 1.243195 PLN                    |

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka, ERSTE Group Bank AG Austria

## SUGGESTED MINIMUM INVESTMENT PERIOD

|        |        |      |      |      |      |      |
|--------|--------|------|------|------|------|------|
| 3 mths | 6 mths | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr |
|--------|--------|------|------|------|------|------|

## ASSET ALLOCATION OF THE FUND

| Asset                                     | Weight          |
|---|-----------------|
| Government bonds                          | 47.20 %         |
| Corporate bonds                           | 28.83 %         |
| T-bills                                   | 11.49 %         |
| Collective securities                     | 0.12 %          |
| Current account                           | 13.22 %         |
| Liabilities                               | -1.29 %         |
| Market value of open derivative positions | 0.43 %          |
| Receivables                               | 0.02 %          |
| <b>Total</b>                              | <b>100,00 %</b> |

|                        |          |
|------------------------|----------|
| Derivative products    | 64.09 %  |
| Net corrected leverage | 101.82 % |

### Assets with over 10% weight

There is no such instrument in the portfolio

## RISK PROFILE

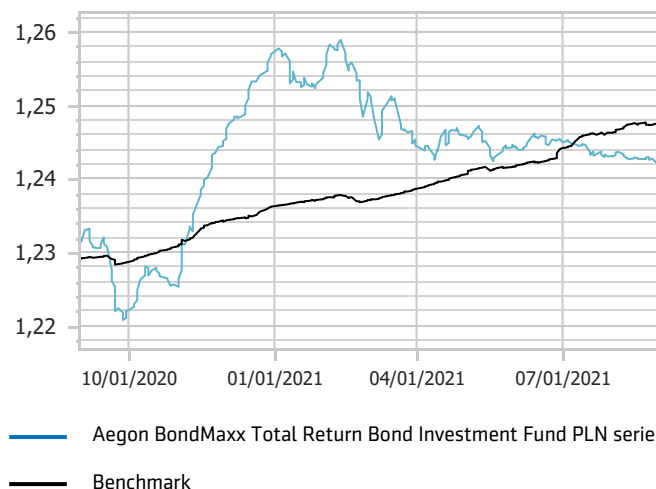
|   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

← Lower risk → Higher risk

| NET YIELD PERFORMANCE OF THE SERIES |               |                 |
|-------------------------------------|---------------|-----------------|
| Interval                            | Yield of note | Benchmark yield |
| From start                          | 2.74 %        | 2.18 %          |
| 2020                                | 2.16 %        | 1.42 %          |
| 2019                                | 4.31 %        | 1.25 %          |
| 2018                                | -0.71 %       | 1.31 %          |
| 2017                                | 2.62 %        | 1.20 %          |
| 2016                                | 3.37 %        | 2.23 %          |
| 2015                                | 3.07 %        | 2.52 %          |
| 2014                                | 5.13 %        | 4.34 %          |

## 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      | 1.60 %     |
| Annualized standard deviation of the benchmark's weekly yields | 0.24 %     |
| WAM (Weighted Average Maturity)                                | 3.51 years |
| WAL (Weighted Average Life)                                    | 5.05 years |

## TOP 3 POSITIONS

| Asset                        | Type             | Counterparty / issuer            | Maturity   |
|------------------------------|------------------|----------------------------------|------------|
| Magyar Államkötvény 2027/B   | interest-bearing | Államadósság Kezelő Központ Zrt. | 04/22/2027 |
| US 10YR NOTE (CBT)Dec21 Sell | derivatív        | Raiffeisen Hun                   | 12/21/2021 |
| Magyar Államkötvény 2026/E   | interest-bearing | Államadósság Kezelő Központ Zrt. | 04/22/2026 |

### 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@aeon.hu | www.aegonalapkezel.hu