

## 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 September, analysts expect annualized inflation to go above 5% and it is unlikely to fall below this level for the rest of the year. In the September Inflation Report, the central bank revised upwards its inflation expectations for this year to 4.7%, while GDP growth is expected to be between 6.5-7%. Rates were raised again at the September rate decision meeting, but the pace has slowed somewhat, with a 15 basis point increase that will continue to guide the rates for the next month or two. This leaves the base rate currently at 1.65%. In order to reduce interbank forint liquidity, it was announced that the forint liquidity providing fx swap facility would be phased out, and the weekly target for government bond purchases was further reduced from HUF 50 billion to HUF 40 billion. The yield curve moved higher on the back of rising yields in the developed markets and on rising inflation fears. 10-year bond yields rose by almost 27 basis points compared to the beginning of the month. The government continues to hold a huge stock of cash. The EURHUF exchange rate approached 360 again on the back of quarter-end swap market tensions and global risk aversion.

## 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:	HU0000702493
Start:	03/16/1998
Currency:	HUF
Net Asset Value of the whole Fund:	17,788,751,593 HUF
Net Asset Value of HUF series:	15,366,509,875 HUF
Net Asset Value per unit:	5.434191 HUF

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary Zrt.

## 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	86.30 %
Corporate bonds	8.63 %
T-bills	1.84 %
Current account	3.36 %
Liabilities	-0.13 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	0.00 %
Net corrected leverage	100.00 %

## Assets with over 10% weight

2024B (Államadósság Kezelő Központ Zrt.)

2025B (Államadósság Kezelő Központ Zrt.)

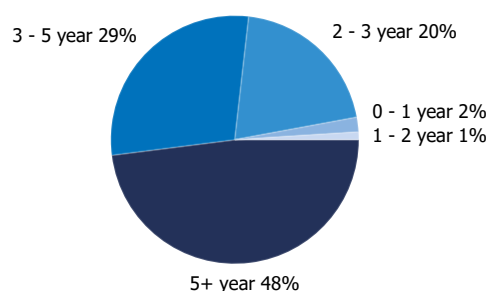
## RISK PROFILE

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

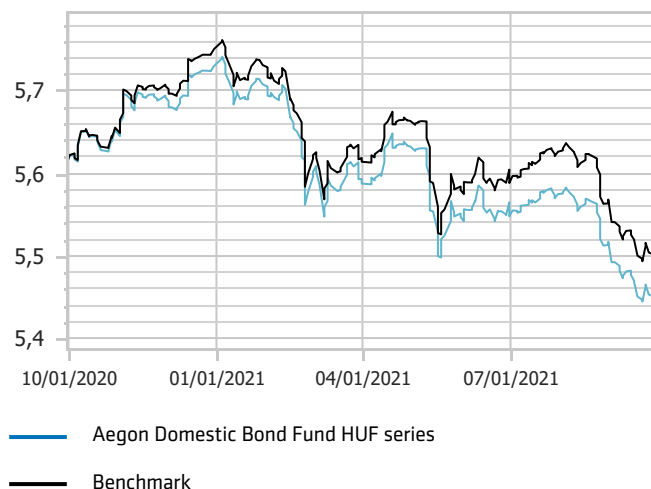
NET YIELD PERFORMANCE OF THE SERIES		
Interval	Yield of note	Benchmark yield
From start	7.45 %	4.28 %
2020	0.75 %	1.41 %
2019	6.42 %	7.74 %
2018	-2.24 %	-0.95 %
2017	5.49 %	6.41 %
2016	5.72 %	6.73 %
2015	3.54 %	4.48 %
2014	11.37 %	12.58 %
2013	8.83 %	10.03 %
2012	23.83 %	21.90 %
2011	0.46 %	1.64 %

### Bonds by tenor:



### NET PERFORMANCE OF THE SERIES

net asset value per share, 10/01/2020 - 09/30/2021



### RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	3.39 %
Annualized standard deviation of the benchmark's weekly yields	3.42 %
WAM (Weighted Average Maturity)	5.46 years
WAL (Weighted Average Life)	6.05 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 | alapkezes@aeon.hu | www.aegonalapkezes.hu