

INVESTMENT POLICY OF THE FUND

The objective of the fund is to invest in Central and Eastern European equities market. The fund is offered for investors who would like to benefit from the long term performance of regional listed companies. A primary consideration when compiling the fund's portfolio is the need to optimize the aggregate risk of the securities to be included in the fund. The fund buys shares issued by corporations from countries in the Central European region (primarily Hungary, the Czech Republic, Poland, Austria, Romania, and secondarily Slovenia, Croatia, Russia and Turkey), but it may also invest in the shares of companies in other emerging and developed countries, as well as in other collective investment securities. The fund may hedge a part or all of its currency risks with forward currency positions. For the sake of efficient establishment of the fund's portfolio, forward stock index deals can also be applied. In order to ensure liquidity, the fund intends to hold state securities issued by ÁKK, but in accordance with the statutory regulations the proportion of shares in the portfolio may be up to 100% share of bonds in the portfolio.

MARKET SUMMARY

September had similar movements in the stock markets just like the previous months. Indices rose to new highs, but unlike in the previous period, stock markets got over valued l'll after the first week and ended the month in negative territory. The US legislature failed to agree on the budget for next year and the US is in danger of another government shutting down. This already has happened in the early 2010s, when a credit rating firm downgraded the US government's debt in response. In the middle of the month, the US Federal Reserve also met and gave the strongest signal yet that it would start reducing liquidity as early as this year, and aim to complete the process by next summer, which would mean a \$15 billion a month reduction in bond buying. Nine of the 13 voting FOMC members expect an interest rate hike as early as next year. That would put the Fed funds rate to 1% by the end of 2023 which would also be higher than expected. Investors have grown accustomed to the abundance of money provided by the central banks in recent years, and this withdrawal could cause serious problems. The central bank chairman is trying in vain to communicate that reducing liquidity is not the same as raising interest rates if the combined effect is the same for financial markets. In Europe, the ECB took a similar decision to the US at its September meeting, except that they are targeting yields rather than volume. The ECB's communication for years has been that they are targeting an inflation rate of 2%. In Hungary, the central bank raised the benchmark interest rate by a further 15 basis points in September to 165 basis points. The MNB's communication shows that QE has been reduced from 50 billion to 40 billion, bond purchases are mainly targeting the long side and forint swap liquidity is being reduced to achieve higher interest rates. The central bank's clear aim is to contain inflation without torpedoing economic growth. At the same time, they also want to stabilize the forint exchange rate, preferably in the EUR/USD 350-360 range. The fund achieved a positive return in September, but underperformed its benchmark index. The reason for the underperformance was that the fund was not well optimized for energy price rises and we were overweight in the commodities sector, but this sector did not perform in line with our expectations. The fund remains overweight in Austrian, Hungarian and Polish markets. We remain underweight in the Romanian and Czech markets. The banking sector overweight has performed well and we have further increased its weight by buying Polish and Romanian equities. The retail sector remains overweight in the fund and the utilities sector is underweight. Overall, the fund is overweight against the benchmark index at around 115% due to the long-term positions.

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	45% MSCI Emerging Markets Poland Net Total Return Local Index + 15% MSCI Austria Net Total Return + 15% MSCI Emerging Markets Czech Republic Net Total Return Local Index + 15% MSCI Emerging Markets Hungary Net Total Return Local Index + 10% MSCI Romania Net Total Return
ISIN code:	HU0000728183
Start:	09/14/2021
Currency:	PLN
Net Asset Value of the whole Fund:	20,810,519,801 HUF
Net Asset Value of PI series:	13,034 PLN
Net Asset Value per unit:	0.994975 PLN

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
International equities	75.21 %
Hungarian equities	18.22 %
Collective securities	0.91 %
Current account	9.50 %
Liabilities	-4.82 %
Receivables	0.98 %
Total	100,00 %
Derivative products	18.45 %
Net corrected leverage	118.24 %
Assets with over 10% weight	
OTP Bank tőzsrésztvény	

RISK PROFILE

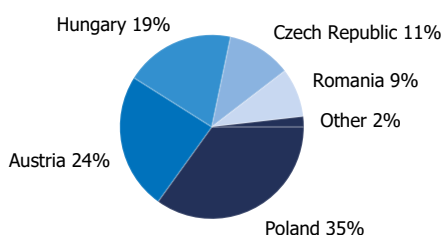
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← Lower risk → Higher risk

NET YIELD PERFORMANCE OF THE SERIES

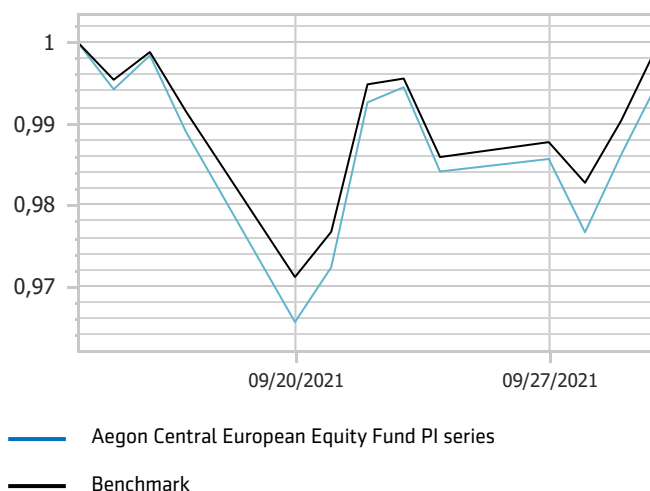
Interval	Yield of note	Benchmark yield
From start	-0.50 %	-0.04 %

Stocks by countries



NET PERFORMANCE OF THE SERIES

net asset value per share, 09/14/2021 - 09/30/2021



RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	no data
Annualized standard deviation of the benchmark's weekly yields	no data
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
WIG20 INDEX FUT Dec21 Buy	derivatív	Erste Bef. Hun	12/17/2021
OTP Bank törzsrészvény	share	Országos Takarékpénztár és Kereskedelmi Bank Nyrt.	
Erste Bank	share	ERSTE BANK AG	
OMV	share	OMV AV	
Bank Pekao SA	share	Bank Pekao SA	

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.aegonalapkezel.hu