

## INVESTMENT POLICY OF THE FUND

The objective of the fund is to offer to the investors calculable investment yields at low risk. The Fund Manager may exclusively invest its fund assets in bond-type assets, mainly securities issued or guaranteed by the Polish State. Furthermore, the Fund may to a limited extent invest in debt and equity securities issued or guaranteed by the European Union, or its organization, the European Central Bank or the European Investment Bank, provided that its credit rating is at least equal to that of the Polish state and is denominated in Polish zloty. Weighted average remaining duration of the assets in the portfolio of the Fund may not exceed 6 months, and the weighted average remaining life of the assets may not exceed 12 months. In addition, the remaining term of the individual securities can be no more than years, or 397 days until the next interest determination date. For the sake of liquidity, the Fund may keep its financial assets in form of bank deposit, as well. Assets of the Fund are 100% denominated in Polish zloty.

## MARKET SUMMARY

In December, yields continued to rise in the Polish bond market. Right at the beginning of the month, the central bank raised interest rates by 50 basis points, in line with market expectations, bringing the base rate to 1.75%. The Monetary Council acknowledged that further tightening was needed to moderate inflation. The central bank governor said that they will raise interest rates to a level that is not yet too damaging for growth, but also does not lead to higher inflation. Thus yields rose by 57 basis points on the 3-year maturity, 63 basis points on the 5-year maturity and 45 basis points on the 10-year maturity. On a year-on-year basis, Polish inflation in December was expected by the market to have risen further, with prices 8.2% higher than a year earlier. Compounding the problem, from January of 2022, the residential energy and gas costs will rise by almost 24% and 54% on average, respectively. The announced measures could lead to inflation next year being 1.5% higher than previously expected. According to a December Bloomberg poll the Polish economy could grow by 5.2% in 2021 and 4.7% in 2022. The purchasing managers' index rose to 56.1 points in December from 54.4 points in November. Industrial production grew by 15.2% in November, significantly outperforming market expectations. As for public finances, the state generated a deficit of PLN 1 506.9 million in the eleventh month, bringing the 12-month rolling budget deficit to 0.85% of GDP.

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% WIBID 1M Index
ISIN code:	HU0000711619
Start:	10/26/2012
Currency:	PLN
Net Asset Value of the whole Fund:	107,080,293 PLN
Net Asset Value of institutional series:	375,778 PLN
Net Asset Value per unit:	1.108357 PLN

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## 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
T-bills	30.10 %
Government bonds	28.44 %
Current account	31.86 %
Deposit	9.35 %
Market value of open derivative positions	0.32 %
Liabilities	-0.05 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	23.24 %
Net corrected leverage	100.09 %

## Assets with over 10% weight

POLGB 2022/07/25 0% (Lengyel Állam)

POLGB 2022/04/25 2,25% (Lengyel Állam)

## RISK PROFILE

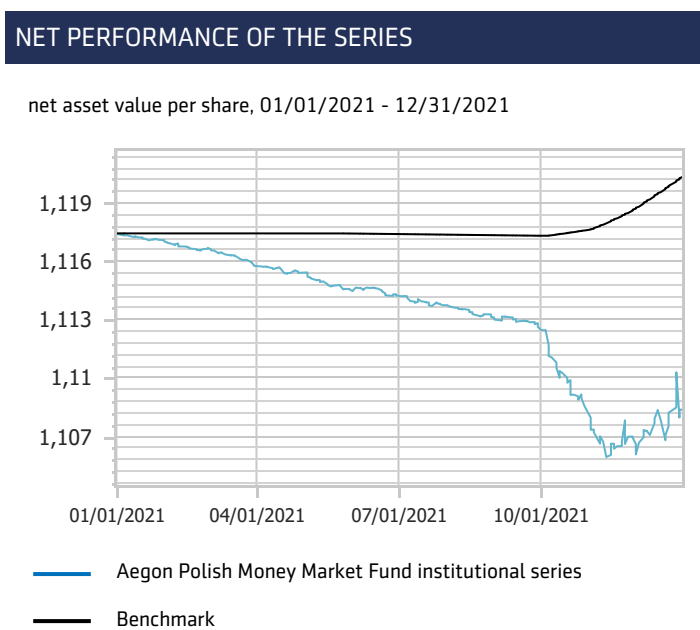
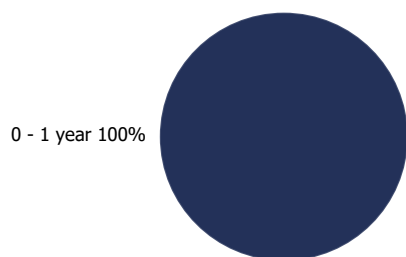
1	2	3	4	5	6	7
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← Lower risk

Higher risk →

NET YIELD PERFORMANCE OF THE SERIES		
Interval	Yield of note	Benchmark yield
From start	1.13 %	1.46 %
2021	-0.81 %	0.26 %
2020	0.14 %	0.42 %
2019	0.78 %	1.18 %
2018	0.98 %	1.45 %
2017	1.12 %	1.47 %
2016	0.99 %	1.44 %
2015	1.12 %	1.53 %
2014	2.25 %	2.23 %
2013	3.10 %	2.71 %

**Bonds by tenor:**



**RISK INDICATORS FOR THE LAST 12 MONTHS**

Annualized standard deviation of the fund's weekly yields	0.33 %
Annualized standard deviation of the benchmark's weekly yields	0.08 %
WAM (Weighted Average Maturity)	0.26 years
WAL (Weighted Average Life)	0.26 years

**TOP 10 POSITIONS**

Asset	Type	Counterparty / issuer	Maturity
POLGB 2022/07/25 0%	zero coupon	Lengyel Állam	07/25/2022
POLGB 2022/04/25 2,25%	interest-bearing	Lengyel Állam	04/25/2022
PLN Betét	Betét	Erste Bank Hun	01/31/2022
PLN Betét	Betét	Erste Bank Hun	01/06/2022
D220112	zero coupon	Államadósság Kezelő Központ Zrt.	01/12/2022
D220202	zero coupon	Államadósság Kezelő Központ Zrt.	02/02/2022

**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