Aegon Emerging Europe Bond Fund



B series

MONTHLY report - 2022 JANUARY (made on: 01/31/2022)

INVESTMENT POLICY OF THE FUND

The Fund aims to achieve capital growth by investing in bonds of emerging European countries and state-owned companies. The Fund does not apply credit rating restrictions: it may purchase securities of any country or company with any long-term credit rating. The Fund aims for the highest possible capital growth alongside reasonable risk-taking. The Fund primarily purchases foreign currency emerging market bonds, in addition to which it holds Hungarian local currency short-term and long-term bonds for diversification and liquidity management purposes. The bond portfolio may also include short-term, long-term, fixed or floating-rate, structured and convertible bonds issued by mortgage credit institutions, other credit institutions, local governments or other business entities. The core of the Fund's investments is Central Eastern Europe (Hungary, Croatia, Poland, Romania, Slovakia, Ukraine), South East Europe (Serbia, Turkey), the Baltics (Latvia, Lithuania) and the Commonwealth of Independent States (Azerbaijan, Belarus, Kazakhstan, Russia, Georgia, Armenia) and bonds of majority state-owned companies, in addition to which the Fund holds short-term and long-term Hungarian government securities for diversification and liquidity management purposes. The target weight for bond exposures in the Fund in the 16 countries listed (target countries) is 95%. We do not set a limit on debt classification in the Fund may only conclude derivative transactions for hedging purposes, or in the interest of establishing an efficient portfolio. The Fund may also hold non-leveraged bond-type collective investment forms. The Fund may also take on significant foreign currency exposure, which is normally covered 100% by the Fund Manager in the target currency (USD), but depending on market conditions, the Fund may also hold open foreign currency positions.

MARKET SUMMARY

Last month, both the Fed and the ECB paved the way for rate hikes. The Fed signalled a rate hike in March and outlined its principles for balance-sheet reduction. Fed Chair Jerome Powell's remarks on the likely pace of rate hikes were more hawkish than expected. While confirming all its current policies, the European central bank hinted strongly that it is considering a possible acceleration of its exit from quantitative easing and the beginning of rate normalization before year-end. Eurozone headline and core inflation for January came in at 5.1% and 2.3%, higher than expected. An intensification of tension between Russia and Ukraine sent Brent prices to USD 90/bbl. OPEC+ confirmed the tapering pace of output cuts at 400,000 b/d for March. Hawkish messages from central banks pushed 10Y Bund yields above 0.15% and the 10Y BTP-Bund spread beyond 150bp, and on the back of ECB language, EUR-USD rose above 1.14. Equities softened in the latter part of the week after a positive start, while corporate credit spreads were volatile and a steepening bias returned on credit curves. We added to the Ukrainian short- and long-term government bonds along with opening short positions in the long-end of the U.S. curve during the month.

GENERAL INFORMATION

Fund Manager: AEGON Hungary Fund Manager Ltd.

Custodian: Unicredit Bank Hungary Zrt.

Main distributor: AEGON Hungary Fund Manager Ltd.

Benchmark composition: The fund has no benchmark

ISIN code: HU0000724240

Start: 12/29/2020

Currency: HUF

Net Asset Value of the whole Fund: 20,321,852 EUR

Net Asset Value of B series: 10,558,191 HUF

Net Asset Value per unit: 0.923965 HUF

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., Erste Befektetési Zrt., Raiffeisen Bank Zrt.

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	81.66 %
Corporate bonds	16.83 %
Current account	3.10 %
Receivables	0.35 %
Liabilities	-0.07 %
Market value of open derivative positions	-1.86 %
Total	100,00 %
Derivative products	9.88 %
Net corrected leverage	102.93 %
Assets with over 10% weight	
There is no such instrument in the portfolio	



Aegon Emerging Europe Bond Fund

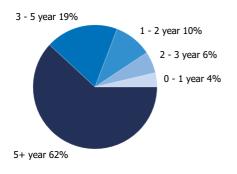


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NET YIELD PERFORMANCE OF THE SERIES					
Interval	Yield of note	Benchmark yield			
From start	-7.00 %				
2021	-4.22 %				

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 02/01/2021 - 01/31/2022



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---- Benchmark

RISK INDICATORS FOR THE LAST 12 MONTHS	
Annualized standard deviation of the fund's weekly yields	5.49 %
WAM (Weighted Average Maturity)	7.24 years
WAL (Weighted Average Life)	9.45 years

Legal declaration