

## INVESTMENT POLICY OF THE FUND

The Fund is an absolute return investment fund that aims to create an investment portfolio through active portfolio management that achieves a return for its clients in excess of the benchmark, taking into account a predetermined risk profile. It intends to accomplish this goal primarily by investing in the bond and equity market of the emerging European region. The Fund's asset allocation is aligned with the given capital market conditions. It intends to accomplish this goal primarily by investing in the bond and equity market of the emerging European region. The Fund's asset allocation is aligned with the given capital market conditions.

The Fund applies special investment strategies used by hedge funds to establish its strategy. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds (treasury bonds, discounted treasury bills, bonds issued by the National Bank of Hungary, as well as low-risk bank and corporate bonds expected to bring higher yields than the state securities) Equities and other securities, indices and currencies - provided it sees the opportunity to make substantial gains - up to the maximum limit allowed by the law, which allows double leverage for the Fund. To the extent set out in the investment strategy, the Fund may also invest in so-called non-investment grade securities, which represent additional risk compared to assets that are classed as investment-grade in terms of creditworthiness. In its investment decision-making mechanism, the Fund considers and weighs fundamental, pricing, technical and behavioural/psychological factors. To ensure liquidity the Fund aims to hold government securities issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary.

## MARKET SUMMARY

At the beginning of February, investors were mostly concerned about how much and at what pace the US Federal Reserve would raise interest rates in 2022, but unfortunately this has been overshadowed by events in Ukraine. The odds of a rate hike have dropped significantly since the outbreak of the war, but even now we can be sure that the Fed will start the rate hike cycle. However, the armed conflict between Russia and Ukraine has completely changed the investment world. On February 24th, 2022, the Russian army launched a full-scale invasion of Ukraine. The emergence of an open war between Russia and Ukraine had previously seemed completely irrational to us, as no global superpower had launched a war of territorial aggression since World War II. Commodity prices have risen significantly in recent weeks, and not only the price of gold or oil, but also the price of wheat is close to all-time highs. So while the economy continues to slow down, inflation is at a 40-year high. Slowing economic activity in a rising inflationary environment is unfavorable for risk assets. Almost nothing other than commodity-linked sectors are performing well in a stagflationary environment, and this poses a serious challenge for economic agents. The Hungarian National Bank continued to raise interest rates in February in response to the high inflation numbers. The EURHUF exchange rate was stable until the outbreak of the Russian-Ukrainian war, but by the end of the month the forint had fallen to a new all-time low against the euro and the dollar.

The fund posted a negative return in February. The fund had a total weight of 3.5% in Ukrainian government bonds and Russian corporate bonds before the outbreak of the armed conflict, and the devaluation of these bonds had a negative impact on the fund's value. During the month we sold all our Greek banks and Volkswagen exposure. We didn't have any Russian equities in the fund. By the end of the month, we had 20% exposure, of which 3 was in Hungarian equities and the rest in Chinese technology and European small cap stocks. At the end of the month we opened a position against the euro near the 370 level and bought gold when risk started to rise in the markets.

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	Min. hozamkorklát, éves 3%
ISIN code:	HU0000716006
Start:	03/17/2016
Currency:	CZK
Net Asset Value of the whole Fund:	38,865,372,495 HUF
Net Asset Value of CZK series:	326,020 CZK
Net Asset Value per unit:	1.086733 CZK

## DISTRIBUTORS

ERSTE Group Bank AG Austria, Patria Finance, a.s.

## ASSET ALLOCATION OF THE FUND

Asset	Weight
Government bonds	43.64 %
Hungarian equities	14.56 %
Corporate bonds	9.88 %
Collective securities	8.44 %
International equities	7.13 %
T-bills	3.19 %
Current account	14.68 %
Liabilities	-3.79 %
Receivables	2.75 %
Market value of open derivative positions	-0.48 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	54.66 %
Net corrected leverage	106.09 %

### Assets with over 10% weight

There is no such instrument in the portfolio

## SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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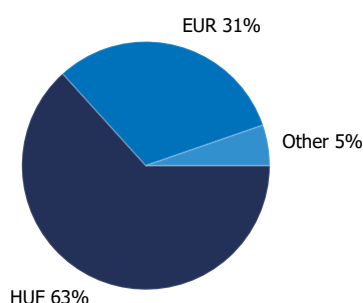
## RISK PROFILE

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	1.41 %	0.37 %
2021	2.86 %	-0.60 %
2020	-0.29 %	0.41 %
2019	8.35 %	0.23 %
2018	-3.69 %	0.31 %
2017	2.30 %	0.20 %

**Currency exposure:**



**NET PERFORMANCE OF THE SERIES**

net asset value per share, 03/01/2021 - 02/28/2022



— Aegon Alfa Absolute Return Investment Fund CZK series  
— Benchmark

**RISK INDICATORS FOR THE LAST 12 MONTHS**

Annualized standard deviation of the fund's weekly yields	2.95 %
Annualized standard deviation of the benchmark's weekly yields	0.88 %
WAM (Weighted Average Maturity)	2.75 years
WAL (Weighted Average Life)	3.09 years

**TOP 3 POSITIONS**

Asset	Type	Counterparty / issuer	Maturity
Magyar Államkötvény 2031/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/22/2031
Magyar Államkötvény 2026/D	interest-bearing	Államadósság Kezelő Központ Zrt.	12/22/2026
2026F	interest-bearing	Államadósság Kezelő Központ Zrt.	08/26/2026

**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