

## INVESTMENT POLICY OF THE FUND

The objective of the Fund is to create a highly defensive investment portfolio for its Investors, which typically invests in developed-market government bonds and related exchange-traded derivatives. According to the intentions of the Fund Manager, the bulk of the Fund's portfolio is made up of bonds issued by foreign states and foreign companies through public offerings. With regard to foreign securities, the Fund only purchases publicly traded securities listed on a foreign stock exchange. It keeps the planned share of non-investment grade securities low. The proportion of bonds that can be held in the Fund at any given time may reach the prevailing legal maximum. In order to ensure liquidity, the Fund may purchase Hungarian government securities (primarily discount treasury bills) and MNB bonds. The Fund Manager has the option, at its own discretion, of hedging all or part of its foreign exchange risks using forward currency positions subject to observing the applicable legal requirements.

## 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. 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 markets quickly scaled down their expectation on the hawkishness of the Fed and ECB. This and the quick depreciation of the HUF helped the fund's performance.

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Citibank Europe plc Magyarországi Fióktelepe
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	80% Merrill Lynch Global Government Bond Index II ex-Japan USD (total return) + 20% ZMAX Index
ISIN code:	HU0000724224
Start:	03/19/2021
Currency:	HUF
Net Asset Value of the whole Fund:	3,038,850,904 HUF
Net Asset Value of institutional series:	4,124,070 HUF
Net Asset Value per unit:	1.023447 HUF

## 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
Government bonds	79.51 %
T-bills	0.97 %
Current account	17.92 %
Receivables	11.75 %
Liabilities	-10.14 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	46.23 %
Net corrected leverage	112.48 %

## Assets with over 10% weight

USGB 2044/11/15 3% (Amerikai Egyesült Államok)

## RISK PROFILE

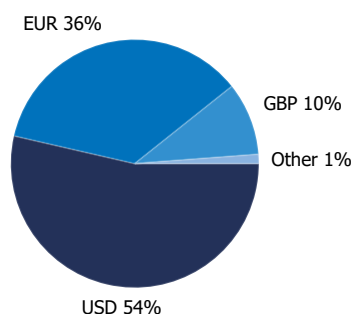
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← Lower risk Higher risk →

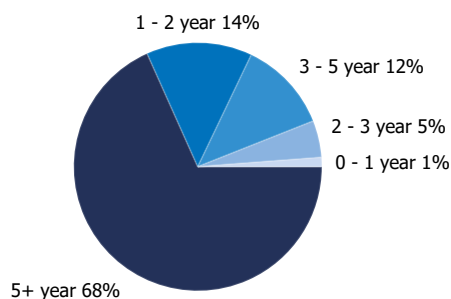
## NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From start	2.34 %	1.92 %
1 month	2.07 %	1.71 %
3 months	-1.38 %	-1.17 %
6 months	5.41 %	4.41 %

### Currency exposure:



### Bonds by tenor:



## NET PERFORMANCE OF THE SERIES

net asset value per share, 03/19/2021 - 02/28/2022



## RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	8.89 %
Annualized standard deviation of the benchmark's weekly yields	7.69 %
WAM (Weighted Average Maturity)	7.31 years
WAL (Weighted Average Life)	8.75 years

## TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
US 10YR NOTE (CBT)Jun22 Sell	derivatív	Raiffeisen Hun	06/21/2022
USGB 2044/11/15 3%	interest-bearing	Amerikai Egyesült Államok	11/15/2044
USGB 2026/04 0,75%	interest-bearing	Amerikai Egyesült Államok	04/30/2026
EURO-BUND FUTURE Mar22 Buy	derivatív	Raiffeisen Hun	03/08/2022
BTPS 0.95 03/15/23	interest-bearing	Olasz Állam	03/15/2023

### 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