

INVESTMENT POLICY OF THE FUND

The Fund's aim is to function as a stable, averagely low-risk form of investment, while providing investors with higher returns over the medium term than they could expect from bank deposits. In order to ensure liquidity, the Fund intends primarily to hold in its portfolio government bonds and discount treasury bills issued by the Government Debt Management Agency (ÁKK) on behalf of the Hungarian State, and bonds issued by the National Bank of Hungary (MNB). The Fund may hold in its portfolio low-risk debt securities issued by banks and companies, which are expected to provide higher returns than government securities and are denominated in HUF. The Fund may also keep its liquid assets in bank deposits. The fund may hold a limited amount of foreign currency assets in its portfolio, but only subject to the full hedging of currency risk.

MARKET SUMMARY

In April, year-on-year inflation rose by 9.5%, which was well above market expectations. The rise in inflation is mainly due to higher food prices, but annual increases in services and durable goods have been consistently above 6% and 11% respectively. In May, deputy governor of the central bank suggested that the central bank would slow down the pace of the base rate hikes. Thus, at the May rate decision meeting, the base rate was raised by 50 basis points, but the one-week deposit rate continued to be raised by 30 basis points, so the pace of tightening has not slowed down, only the gap between the two rates will be closed later. Thus, the base rate currently stands at 5.9% and the one-week deposit rate at 6.75%. At the end of May, the government announced fiscal consolidation, with a special tax on extra profits in certain sectors. On the news, the EURHUF exchange rate rose to 393 and the forint has since failed to strengthen meaningfully. By the middle of the month, yields moved up by 30-40 bps before correcting back roughly to initial levels. The domestic real interest rate deteriorated slightly, but is still above the regional average. The path of inflation in 2023 remains uncertain. The budget deteriorated further in April, with the balance jumping to 85% of the full-year deficit plan. Nevertheless, bond issuance is on track, with institutional issuance at 54% at end-May. International sentiment remains poor and recession fears have come to the fore, making us slightly more positive on the asset class. And the announcement of fiscal policy consolidation is also positive from an investor perspective.

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% MAX Index
ISIN code:	HU0000718127
Start:	12/01/2016
Currency:	HUF
Net Asset Value of the whole Fund:	15,460,923,874 HUF
Net Asset Value of I series:	3,893,277,575 HUF
Net Asset Value per unit:	0.922600 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	88.48 %
Corporate bonds	11.07 %
Receivables	2.35 %
Liabilities	-1.96 %
Current account	0.07 %
Total	100,00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

Assets with over 10% weight

2027A (Államadósság Kezelő Központ Zrt.)
2025B (Államadósság Kezelő Központ Zrt.)

RISK PROFILE

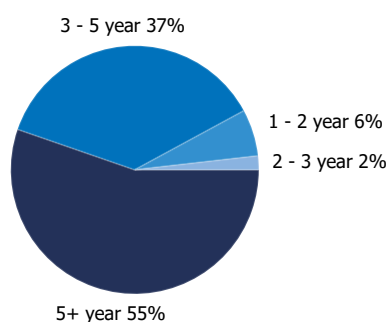
1	2	3	4	5	6	7
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← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

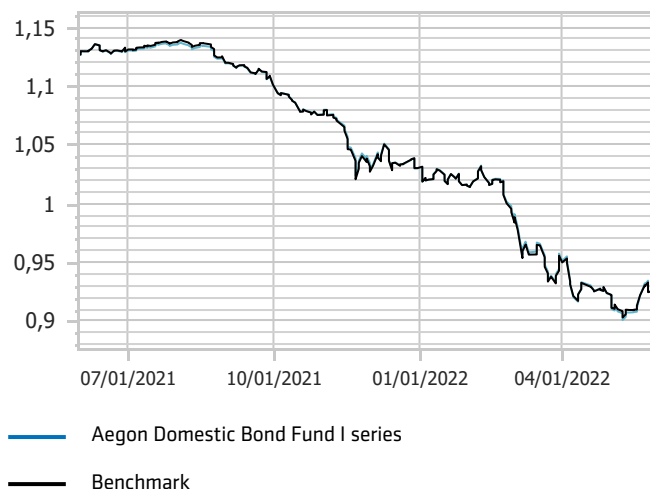
Interval	Yield of note	Benchmark yield
From start	-1.46 %	-1.29 %
2021	-11.24 %	-11.36 %
2020	1.55 %	1.41 %
2019	7.23 %	7.74 %
2018	-1.51 %	-0.95 %
2017	6.28 %	6.41 %

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 06/01/2021 - 05/31/2022



RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	8.82 %
Annualized standard deviation of the benchmark's weekly yields	8.62 %
WAM (Weighted Average Maturity)	6.16 years
WAL (Weighted Average Life)	6.91 years

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbfv. 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 | alapkezelo@aegon.hu | www.aegonalapkezelo.hu