

## 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 October, YoY inflation rose to 21,1% from 20,1% in September. Further increase in inflation were mainly driven by further rise in food prices. The tightening of the energy price support scheme will continue to affect the year/year inflation rate until next September, barring further changes. Inflation could rise further in the last quarter, peaking in early 2023. The end of the interest rate hike cycle announced in September did not have a positive impact on the forint exchange rate, with EURHUF hitting its all-time high of 431 forints shortly after the announcement. Thus the central bank was forced into an emergency rate hike, introducing a new exceptional instrument with an interest rate set at 18%. In addition to the introduction of the new O/N deposit facility, it raised the upper limit of the interest rate corridor from 15.5% to 25%. On the news of the rate hike, long yields did not rise significantly. During the month yields rose by 33 basis points on the three-year maturity, 130 basis points on the five-year maturity and 37 basis points on the 10-year maturity. The valuation of domestic paper is still favorable by regional standards. However, domestic bond yields are still below swap market yields, which poses a risk to the market. Monetary transmission is working, albeit slowly, and lending rates are rising. The budget balance improved in September, bringing the balance down to 88% of the full-year deficit target. The change in the rationing seems to be improving the budget balance, but approval of EU funds would be important to reach the 6.1% deficit target. With the forint stabilizing and European gas prices falling, bond market sentiment has improved somewhat and we remain positive on the asset class.

## 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:	HU0000702493
Start:	03/16/1998
Currency:	HUF
Net Asset Value of the whole Fund:	14,893,943,632 HUF
Net Asset Value of A series:	9,837,330,005 HUF
Net Asset Value per unit:	3.852353 HUF

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt, Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt, Unicredit Bank Hungary 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	83.80 %
Corporate bonds	12.85 %
Current account	3.29 %
Market value of open derivative positions	0.05 %
Receivables	0.01 %
Liabilities	0.00 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	3.23 %
Net corrected leverage	100.00 %

## Assets with over 10% weight

2032A (Államadósság Kezelő Központ Zrt.)

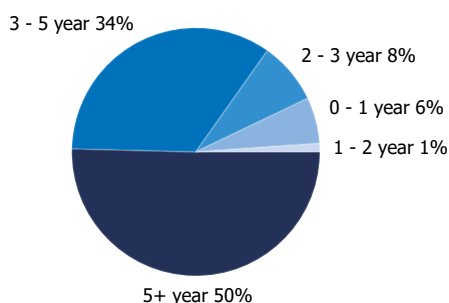
## RISK PROFILE

1	2	3	4	5	6	7
---	---	---	---	---	---	---

← Lower risk Higher risk →

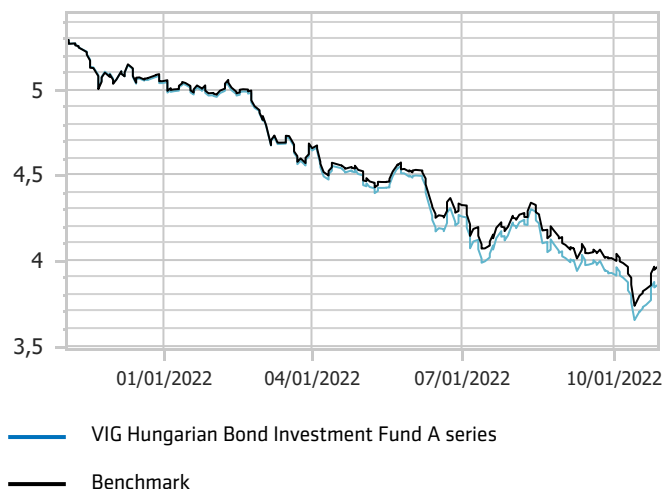
NET YIELD PERFORMANCE OF THE SERIES		
Interval	Yield of note	Benchmark yield
From start	5.63 %	2.76 %
2021	-12.08 %	-11.36 %
2020	0.75 %	1.41 %
2019	6.42 %	7.74 %
2018	-2.24 %	-0.95 %
2017	5.49 %	6.41 %
2016	5.72 %	6.73 %
2015	3.54 %	4.48 %
2014	11.37 %	12.58 %
2013	8.83 %	10.03 %
2012	23.83 %	21.90 %

**Bonds by tenor:**



**NET PERFORMANCE OF THE SERIES**

net asset value per share, 11/01/2021 - 10/31/2022



**RISK INDICATORS FOR THE LAST 12 MONTHS**

Annualized standard deviation of the fund's weekly yields	13.53 %
Annualized standard deviation of the benchmark's weekly yields	12.73 %
WAM (Weighted Average Maturity)	6.29 years
WAL (Weighted Average Life)	7.22 years

**TOP 10 POSITIONS**

Asset	Type	Counterparty / issuer	Maturity
Magyar Államkötvény 2032/A	interest-bearing	Államadósság Kezelő Központ Zrt.	11/24/2032
Magyar Államkötvény 2027/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/27/2027
Magyar Államkötvény 2026/E	interest-bearing	Államadósság Kezelő Központ Zrt.	04/22/2026
Magyar Államkötvény 2038/A	interest-bearing	Államadósság Kezelő Központ Zrt.	10/27/2038
2026F	interest-bearing	Államadósság Kezelő Központ Zrt.	08/26/2026
BSTDBK 2.52 10/19/23	interest-bearing	BLACK SEA TRADE AND DEVELOPEMENT BANK	10/19/2023
Magyar Államkötvény 2030/A	interest-bearing	Államadósság Kezelő Központ Zrt.	08/21/2030
Magyar Államkötvény 2026/D	interest-bearing	Államadósság Kezelő Központ Zrt.	12/22/2026
Magyar Államkötvény 2033/A	interest-bearing	Államadósság Kezelő Központ Zrt.	04/20/2033
Magyar Államkötvény 2041/A	interest-bearing	Államadósság Kezelő Központ Zrt.	04/25/2041

**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.aegonalapkezelzo.hu