

## INVESTMENT POLICY OF THE FUND

The Fund aims to share in the returns of the Polish stock market, and to profit from Polish economic growth through stock prices and dividend income. In accordance with the risk characteristics of equity investments, the Fund qualifies as a high-risk investment. According to the Fund Manager's intentions, the bulk of the Fund's portfolio is made up of the shares of foreign companies issued through public offerings. The primary investment targets are the securities, traded on the stock exchange or about to be listed on the stock exchange, of companies that operate in Poland or that derive a significant portion of their revenues from Poland, or whose shares are listed on the Warsaw Stock Exchange. The Fund may also invest in equities of other Central and Eastern European companies (Austria, Czech Republic, Hungary, Russia, Romania and Turkey). When developing the portfolio, the shares determine the nature of the Fund, and thus the proportion of shares that can be held in the Fund at any given time may reach the prevailing legal maximum. The Fund holds more than 30% of its assets in currencies other than the local currency (HUF).

## MARKET SUMMARY

In December, US inflation fell further to 7.1% from the expected 7.3%. This was seen as a positive by investors, as the pressure on the US Federal Reserve to raise interest rates in this cycle has been reduced. Although in December the Fed raised its benchmark rate by another 50 basis points to 4.5%, the weaker inflation data means there is a chance that they will stop raising rates sooner than previously thought. As a result, the dollar weakened to a 6-month low against the euro.

In China there has been a radical turnaround in the handling of the Covid epidemic. The previous zero-tolerance has been reversed, Covid restrictions have been relaxed, PCR tests are no longer required to use public transport in many cities and in many places citizens who test positive can recover at home. The Chinese premier said that the policy of economic opening now underway would be maintained, with further steps to come. China's top health official said the current outbreak of the omicron was no more serious than the flu and the relaxations were justified. Macro data in the coming months will show how badly the Chinese economy has been damaged by the Covid outbreak.

Inflation in Hungary remains extremely high. According to official data from the Hungarian Central Statistical Office, inflation was 22.50% in December, a multi-decade high and the highest in Europe. During the month, the MNB did not change the base rate and the forint was stable against the euro. It seems that Hungarian interest rates are now high enough to prevent the forint from weakening further. On the last day of the year, one euro was worth 400 forints.

The Polish stock market ended the last month of the year on a rising note, strongly outperforming developed and emerging markets, which turned predominantly negative. The fund slightly underperformed its benchmark due to weaker performance in the mid-cap sector. In line with the good performance of Chinese equities, copper miner KGHM outperformed the index, but the fertilizer and utilities companies also outperformed on the back of steeply falling European gas prices. Along with the global weakness in tech stocks, Polish toy makers and telecom companies also underperformed the index. In December, we established overweight positions in the banking sector, while we were buying selectively some consumer staples, telecoms and toy companies. In December, the mid-cap sector remained overweight relative to the benchmark. On average, the fund had a total exposure 4% higher than the benchmark index.

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% MSCI Poland IMI Loc Net
ISIN code:	HU0000710843
Start:	01/03/2012
Currency:	HUF
Net Asset Value of the whole Fund:	48,797,434 PLN
Net Asset Value of B series:	707,687,892 HUF
Net Asset Value per unit:	1.255050 HUF

## DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CONCORDE Értékpapír Zrt., Raiffeisen Bank Zrt.

## 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
International equities	93.91 %
Hungarian equities	0.95 %
Current account	5.63 %
Liabilities	-0.60 %
Receivables	0.11 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	8.55 %
Net corrected leverage	108.59 %
<b>Assets with over 10% weight</b>	
Polski Koncern Naftowy	
PKO Bank	

## RISK PROFILE

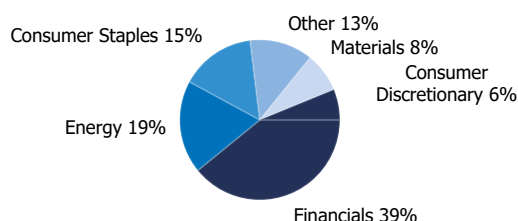
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← Lower risk → Higher risk

## NET YIELD PERFORMANCE OF THE SERIES

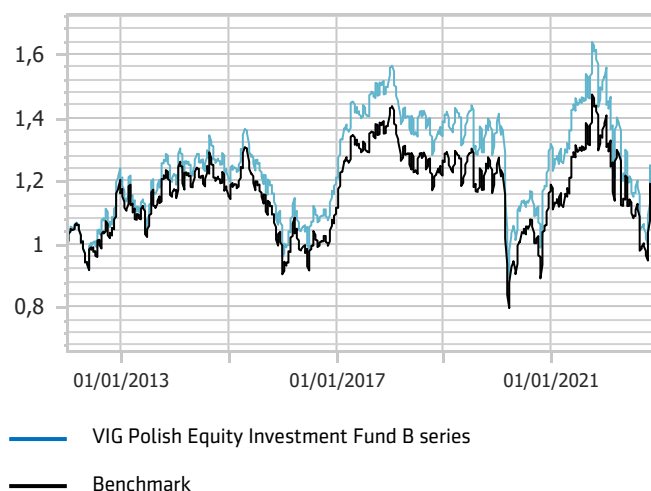
Interval	Yield of note	Benchmark yield
From start	2.09 %	1.67 %
2022	-18.24 %	-13.32 %
2021	21.67 %	22.81 %
2020	-6.59 %	-7.85 %
2019	0.01 %	-0.29 %
2018	-10.05 %	-10.92 %
2017	28.61 %	28.15 %
2016	6.87 %	4.66 %
2015	-11.01 %	-12.48 %
2014	1.62 %	1.10 %
2013	-0.37 %	-1.33 %

## Stocks by sectors



## NET PERFORMANCE OF THE SERIES

net asset value per share, 01/03/2012 - 12/31/2022



## RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	28.11 %
Annualized standard deviation of the benchmark's weekly yields	27.23 %
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

## TOP 10 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
Polski Koncern Naftowy	share	PL Koncern Naftowy	
PKO Bank	share	PKO Bank	
Bank Pekao SA	share	Bank Pekao SA	
POWSZECHNY ZAKŁAD UBEZPIECZEŃ	share	POWSZECHNY ZAKŁAD UBEZPIECZEŃ	
Dino Polska SA	share	DINO POLSKA SA	
KGHM Polska SA	share	KGHM Polska SA	
MIDWIG INDEX FUT Mar23 Buy	derivativ	Erste Bef. Hun	03/17/2023
LPP	share	LPP	
SANTANDER BANK POLSKA SA	share	SANTANDER BANK POLSKA SA	
Allegro.eu SA	share	Allegro.eu SA	

## 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.aegonalapkezelo.hu