

## 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

At its first policy meeting in 2023 the US Federal Reserve raised its benchmark interest rate by 25 basis points, as expected, and at the subsequent press conference, Fed Chairman Jerome Powell promised a more cautious stance than before and a stand-alone decision making process at every FOMC meeting in the future. Powell said he expected the interest rate path to peak higher than expected now, while acknowledging and giving credibility to the fact that inflation in many sectors is falling, a disinflationary process has begun. He expects wages to fall, but does not think this will lead to a meaningful recession. A return to the 2 percent inflation target will require a rebalancing of the labor market, i.e. some rise in unemployment. Powell also said that over-tightening is not the goal and that the tools are there to deal with it. One of his most interesting statements was that he talked about a tightening of financial conditions when these indicators have been at a loose level for several months. This was interpreted by many as Powell not being interested in the latter, not being bothered by the fact that equity prices have rallied. All in all, the previous harsh rhetoric was replaced by a balanced communication from the central bank, leaning towards the possibility of soft-landing.

In Hungary, inflation remains very high. According to the official KSH bulletin, inflation was 24.5% in January. Although the MNB did not raise the base rate in January, it did so implicitly. It raised the banks' required reserves, thus taking money out of the economy, but more importantly, the 18% interest rate on the weekly MNB tender is now available to financial institutions too. This has had a very positive effect on the forint exchange rate, which is now consistently below the 390 level against the euro. Although Hungary has been downgraded by two credit rating agencies, it has not been able to weaken the forint.

The Polish stock market continued the New Year with a rise, almost matching the performance of most US and European indices. The fund slightly outperformed its benchmark. In the first month of the year, there was no significant divergence in sector performance, with strong single-digit returns across all sectors, with only PKN in the oil and gas sector and some apparel stocks underperforming, while commodity-related and utilities stocks slightly outperformed on good momentum in China and falling gas prices. In January, we gradually closed out our Polish banking overweight positions in the fund, while we selectively bought consumer staples, telecom and toy stocks. We see an undervaluation in the oil sector and have slightly overweighted it. In January, the mid-cap sector remained overweight relative to the benchmark. On average, the fund had a total exposure 2% 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:	50,628,758 PLN
Net Asset Value of B series:	709,664,667 HUF
Net Asset Value per unit:	1.287380 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	91.91 %
Hungarian equities	2.28 %
Liabilities	-28.29 %
Receivables	28.03 %
Current account	6.07 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	8.78 %
Net corrected leverage	109.33 %

## Assets with over 10% weight

Polski Koncern Naftowy  
PKO Bank

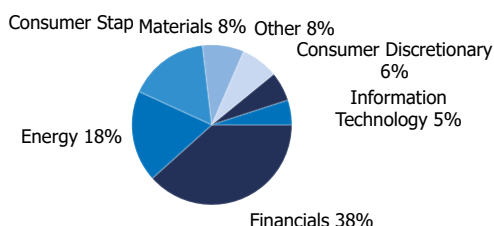
## RISK PROFILE

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

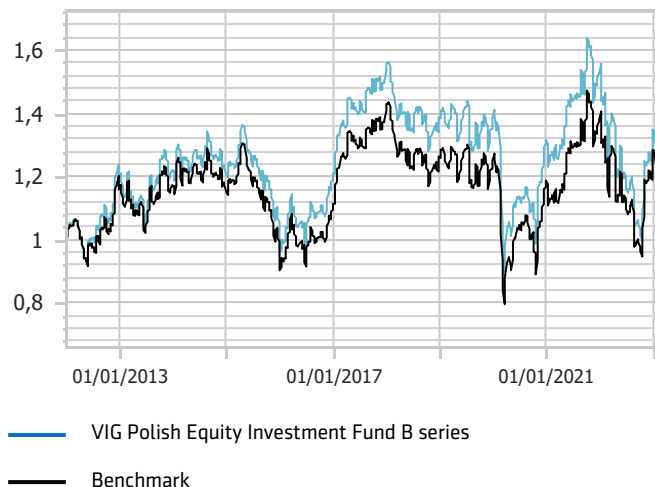
NET YIELD PERFORMANCE OF THE SERIES		
Interval	Yield of note	Benchmark yield
From start	2.31 %	1.90 %
2022	-18.24 %	-13.32 %
2021	21.67 %	22.81 %
2020	-6.59 %	-7.85 %
2019	0.01 %	-0.29 %
2018	-10.05 %	-10.92 %
2017	28.61 %	28.15 %
2016	6.87 %	4.66 %
2015	-11.01 %	-12.48 %
2014	1.62 %	1.10 %
2013	-0.37 %	-1.33 %

### Stocks by sectors



### NET PERFORMANCE OF THE SERIES

net asset value per share, 01/03/2012 - 01/31/2023



### RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	27.33 %
Annualized standard deviation of the benchmark's weekly yields	26.46 %
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	
POWSZECHNY ZAKŁAD UBEZPIECZEŃ	share	POWSZECHNY ZAKŁAD UBEZPIECZEŃ	
KGHM Polska SA	share	KGHM Ploska SA	
Dino Polska SA	share	DINO POLSKA SA	
Bank Pekao SA	share	Bank Pekao SA	
MIDWIG INDEX FUT Mar23 Buy	derivativ	Erste Bef. Hun	03/17/2023
Allegro.eu SA	share	Allegro.eu SA	
LPP	share	LPP	
SANTANDER BANK POLSKA SA	share	SANTANDER BANK POLSKA SA	

### Legal declaration

The recent document qualifies as Portfolio Report according to the Kbfvt. 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.aegonalapkezelo.hu