

# AEGON Polish Bond Fund institutional series

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Befektetési Jegy Forgalmazó Zrt.
Benchmark composition:	100% TBSP Index
ISIN code:	HU0000710942
Start:	08/07/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	1,498,739,064 HUF
Net Asset Value of institutional series:	14,909,724 PLN
Net Asset Value per unit:	1.061623 PLN

## INVESTMENT POLICY OF THE FUND:

The aim of launching the investment fund was to give investors access to the Polish bond market, and for it to function as a relatively stable, medium-risk investment in the long term, offering our customers higher yields than those attainable on bank deposits without the need for them to tie up their savings for a fixed period. The investment opportunities available to the fund are wide-ranging, so the portfolio manager has a broad remit and there is scope to build up the optimal portfolio. We aim to achieve the highest return at the lowest risk. When making investment decisions we make equal use of fundamental analysis and technical analysis tools, and always take into account the prevailing mood of investors in the market. The portfolio manager determines the potential investment opportunities on the basis of the macroeconomic forecasts, the likely yield curve and the expected return on the curve and market volatility, then selects the investments that can be regarded as safe and that ensure a relatively high yield in return for the undertaken risk.

## DISTRIBUTORS

AEGON Towarzystwo Ubezpieczen na Zycie Spolka

## NET YIELD PERFORMANCE OF THE FUND:

Interval	Yield of note	Benchmark yield
From start	6.16 %	7.71 %
1 month	1.40 %	1.39 %
3 months	-2.27 %	-1.88 %
6 months	0.57 %	1.62 %

## NET PERFORMANCE OF THE FUND

### NET ASSET VALUE PER SHARE, 08/07/2012 - 07/31/2013



----- AEGON Polish Bond Fund institutional series      - - - - Benchmark

Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.

## MARKET SUMMARY:

The Polish bond market quickly erased some of the losses suffered at the end of June but in the second half of the month yields slowly edged higher. Given the negative EM sentiment the finance ministry decreased issuance planned for the summer which supported the market but on a more negative note the government revised the year-end budget deficit target higher which means some increase in total yearly financing needs as well; at the same time sanctions on breaching the 50% public debt to GDP threshold were suspended. The base rate can remain unchanged for a while, analysts are divided what is the direction thereafter. We keep a cautious underweight in the portfolio.

## ASSET ALLOCATION OF THE FUND ON 07/31/2013

Asset type	Weight
Government bonds	85.99 %
Corporate bonds	9.75 %
T-bills	0.47 %
Current account	3.81 %
Market value of open derivative positions total	0.01 %
Derivative products	10.02 %
Net corrected leverage	110.25 %

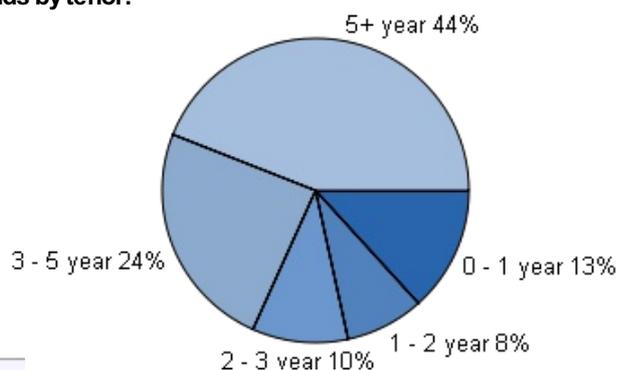
## TOP 5 POSITIONS

PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2017/10 5,25% (Lengyel Állam)
PLGB 2020/10 5,25% (Lengyel Állam)
PLGB 2013/10 5,00% (Lengyel Állam)
PLGB 2019/10 5,50% (Lengyel Állam)

## Assets with over 10% weight

PLGB 2021/10 5,75% (Lengyel Állam)
PLGB 2017/10 5,25% (Lengyel Állam)

## Bonds by tenor:



## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	4.94 %
Annualized standard deviation of the benchmark's weekly yields:	4.72 %

## INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:

