

# AEGON DOMESTIC

BOND FUND

## GENERAL INFORMATION

**ISIN code:** HU-0000702493

**Fund Manager:** AEGON Magyarország Befektetési Alapkezelő Zrt.

**Custodian:** CITIBANK Rt.

**Main distributor:** Concorde Értékpapír Zrt.

**Distributors:** CIB Bank Zrt.; Citibank Zrt.; Codex Értéktár és Értékpapír Zrt.; Equilor Befektetési Zrt.; ERSTE Befektetési Zrt.; UniCredit Bank Hungary Zrt.; Raiffeisen Bank Zrt.; Magyar Takarékszövetkezeti Bank Zrt.

**Launch Date of the Fund:** 16.03.1998

**Currency:** HUF

**Benchmark:** 100% MAX Composite

**Net Asset Value (HUF):** 9 855 890 701

**Net Asset Value per share:** 2.486836

## The asset allocation of the Fund, 29.02.2008.

Hungarian Government Bonds	86.11%
Hungarian T-bills	0.02%
Current Account	0.03%
Government paper repo	13.84%
Total investment assets	100.00%
Net corrected leverage	61.36%
Derivative products	40.47%

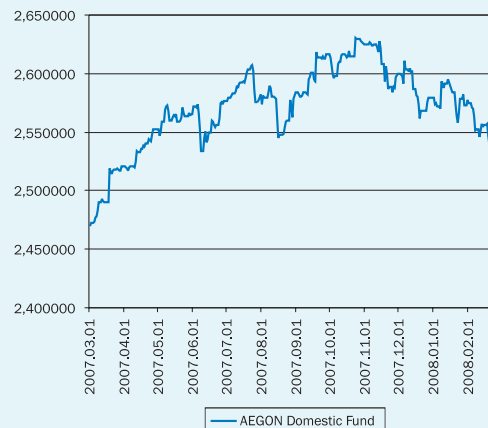
the longer duration better. We are using swaps to neutralize the strong yield growth of the market. (A swap is a derivative in which two counterparties agree to exchange one stream of cash flows against another stream. These streams are called the legs of the swap. Swaps can be used to hedge certain risks such as interest rate risk, or to speculate on changes in the underlying prices.) These positions protected the portfolio against serious price losses.

## NET Yield Performance of the Fund:

Time horizon	12 months	2007 year	2006 year	2005 year	2004 year	2003 year
Net return of the Fund*	0.75%	4.56%	7.06%	8.43%	13.07%	1.19%
Benchmark performance**	2.19%	4.92%	5.43%	7.45%	12.10%	-0.10%

\* It shows the net performance of the fund until 29/02/08  
The Fund was launched on 16/03/98  
\*\* The net return of the benchmark index.

## THE NET PERFORMANCE OF THE FUND BASED ON THE NET ASSET VALUE PER SHARE



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.

## Investment Policy of the Fund:

Only Hungarian Government Securities, debt securities guaranteed by the Hungarian state, corporate bonds, debt securities issued by local governments can get into the portfolio of the Fund. In order to decrease the risk of the portfolio the fund manager analyses the risk factors of the securities, and confirms the decisions taking with thorough calculations. By choosing a security one of the important factors is that the security should be liquid. Thanks to the professional diversification and the active portfolio management the fund provides its investors with a low risk – high yield investment alternative.

## Investment horizon:

Suggested minimum investment period

3 months
  1 year
  2 years
  3 years
  5 years

Risc Scale

low
  medium
  high

## Market Summary:

The main investment structure of the Fund didn't change; we carried out only moderate number of transactions in February. The average duration of the securities is unchanged, so we preferred