

AEGON DOMESTIC

BOND FUND

GENERAL INFORMATION

ISIN code: HU-0000702493

Fund Manager: AEGON Magyarország Befektetési Alapkezelő Zrt.

Custodian: Citibank Europe plc Magyarországi fióktelepe

Main distributor: AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.

Distributors: CIB Bank Zrt.; Citibank Europe plc Magyarországi Fióktelepe; Codex Értéktár és Értékpapír Zrt.; Equilor Befektetési Zrt.; ERSTE Befektetési Zrt.; UniCredit Bank Hungary Zrt.; Raiffeisen Bank Zrt.; Magyar Takarékszövetkezeti Bank Zrt.; BNP Paribas Magyarországi Fióktelepe; Commerzbank Zrt.; Concorde Értékpapír Zrt.

Launch Date of the Fund: 16.03.1998

Currency: HUF

Benchmark: 100% MAX Composite

Net Asset Value (HUF): 5 272 934 062

Net Asset Value per share: 2.278019

The asset allocation of the Fund, 31.03.2009

Hungarian Government Bonds	82.87%
Hungarian T-bills	0.00%
Current account	0.00%
Government paper repo	16.70%
Other assets	0.43%
Total investment assets	100.00%
Net corrected leverage	20.72%
Derivative products	0.00%

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

Risk Scale



very low



moderate



high

Market Summary:

The domestic government bond market was extremely volatile in March too. The Hungarian bond yields, with longer maturity seem to get stabilized at higher levels, where severe fluctuation can happen in line with the international sentiment. The Hungarian risk premium compared to the German gilt-edged market from the 300–400 basis points last year, has jumped to 500–700 points after the bankruptcy of Lehman, but as the negative market sentiment has continued

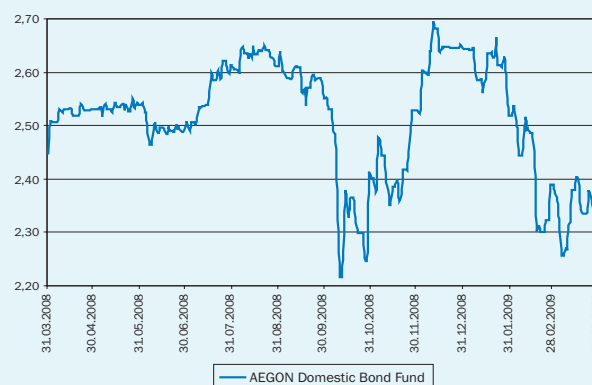
to extend with regard to the region, the current 800–900 point risk premium zone has been developed. A certain purchasing power has accumulated by the reason of favorable evaluation levels, temporal stop of bond issuing, bond buy-back auctions. Despite of these, the acquisition of high volume position are not backed, due to low liquidity of the security market and the real-economy, furthermore to the still existing fundamental strain in the financial sector and the government's household.

NET Yield Performance of the Fund:

Time horizon	12 months	2008 year	2007 year	2006 year	2005 year	2004 year
Net return of the Fund*	-6.88%	2.47%	4.56%	7.06%	8.43%	13.07%
Benchmark performance**	-1.26%	1.80%	4.92%	5.43%	7.45%	12.10%

* It shows the net performance of the fund until 31/03/09
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.