

# AEGON INTERNATIONAL

BOND FUND

## GENERAL INFORMATION

**ISIN code:** HU-0000702477

**Bloomberg code:** AEGINBI HB Equity

**Fund Manager:** AEGON Magyarország Befektetési

Alapkezelő Zrt.

**Custodian:** Citibank Europe plc Magyarországi Fióktelepe

**Main distributor:** AEGON Magyarország Befektetési Jegy

Forgalmazó Zrt.

**Launch Date of the Fund:** 21.04.1999

**Currency:** HUF

**Benchmark:** 80% Merrill Lynch Global Government Bond

Index II ex-Japan + 20% ZMAX Index

**Net Asset Value (HUF):** 2 479 331 701

**Net Asset Value per share:** 1.319103

## DISTRIBUTORS

AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.

BNP Paribas Magyarországi Fióktelepe

Citibank Europe plc Magyarországi Fióktelepe

Codex Értéktár és Értékpapír Zrt.

Concorde Értékpapír Zrt.

Equilor Befektetési Zrt.

ERSTE Befektetési Zrt.

Raiffeisen Bank Zrt.

Magyar Takarékszövetkezeti Bank Zrt.

UniCredit Bank Hungary Zrt.

## INVESTMENT POLICY OF THE FUND

According to the purpose of the fund manager, the Fund mainly invests in government debt securities of OECD countries. By paying maximum attention to legal compliance, it keeps a minimum of 15% of the portfolio in liquid assets. Besides the legal regulations the fund manager focuses on safety and the principles of ultimate diversification. On the grounds of this investment policy the fund is only allowed to buy publicly issued, investment-grade, listed securities.

## INVESTMENT HORIZON:

Suggested minimum investment period



3 months



1 year



2 years



3 years



5 years

Risc Scale



very low



moderate



high

## THE ASSET ALLOCATION OF THE FUND 31. 05. 2011.

Hungarian T-bills	8.05%
Hungarian Government Bonds	0.00%
International Bonds	83.55%
Other assets	-0.13%
Government paper repo	2.45%
Current account	6.33%
Liabilities	0.01%
Receivables	0.26%
Total investment assets	100.00%
Net corrected leverage	106.80%
Derivative products	32.66%

## MARKET SUMMARY

The 2 years-old world economy expansion reached its matured phase till mid-2011. This means that we have robust growth data, accelerating inflation pressure and the chance of the monetary and fiscal tightening. The policy change starts in the developing countries, they are focusing on quantitative tightening and developed countries will be next economies where rate hiking cycle may starts in the last part of the year. The main issues will be the timing and size of the tightening cycle which will dominate the major trend until end of the year.

The end of QE2 and uncertainty of GDP growth could postpone the fiscal and monetary tightening and triggered developed long-end bond rally which failed under 3.00%, that's why we open long duration at end of May. The fund gained 3.29% during the month, which is slightly worse with 0.99% than its benchmark.

## NET YIELD PERFORMANCE OF THE FUND:

Time horizon	12 months*	2010 year	2009 year	2008 year	2007 year	2006 year
Net return of the Fund*	-8.32%	6.45%	3.56%	7.24%	-0.05%	-2.05%
Benchmark performance*	-15.43%	9.05%	-1.94%	13.82%	-5.66	-4.07%

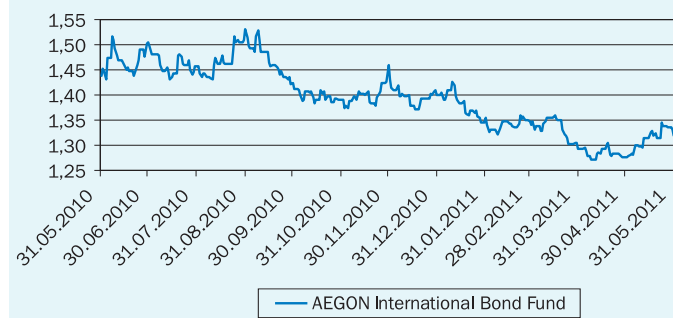
\* It shows the net performance of the fund until 31/05/11

The Fund was launched on 21/04/99

\*\* 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.