

# Aegon BondMaxx Total Return Bond Investment Fund CZK series

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Raiffeisen Bank Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% RMAX Index + 1%
ISIN code:	HU0000717400
Start:	09/01/2016
Currency:	CZK
Total Net Asset Value of the whole Fund:	32,795,323,103 HUF
Net Asset Value of CZK series:	103,702 CZK
Net Asset Value per unit:	1.037018 CZK

## INVESTMENT POLICY OF THE FUND:

The fund's investment objective is to provide investors with a higher return than that attainable in the domestic money market, primarily by investing in the bond market of the Central and Eastern European region. The fund's bond investments are mainly concentrated in the corporate and mortgage bond markets, but government securities issued in foreign currency are also potential investment targets. Forint-denominated Hungarian government securities are only held for liquidity management purposes. The fund may also buy into other investment funds that invest in the above markets. The achievement of a higher return than would be attainable in the Hungarian government securities market is made possible by the better diversification, the additional yield from the premiums of the bonds, and, in a favourable market environment, by the price gains resulting from the narrowing of the premiums. The fund's general risk level and the asset allocation between the three main areas of investment is determined on the basis of a regular market analysis and situational analysis relating to four main aspects (fundamentals, valuation levels, market sentiment, technical factors). The in-depth analysis is also an important factor in the selection of the individual securities by region, sector and interest risk. In the course of selecting the individual securities, a thorough financial analysis is also essential to determine the creditworthiness of the issuer. Risk management and the regular monitoring of the issuers are of key importance to the fund. When compiling the fund's portfolio we aim to achieve a moderate risk profile, primarily purchasing investment-grade securities. The fund only buys lower-rated instruments in limited proportions. The fund may only conclude derivative transactions for the purpose of hedging or ensuring an efficient portfolio structure. The fund may also hold unleveraged collective investments linked to derivative indexes. The fund also has the option of taking on a substantial currency exposure, which will ordinarily be fully hedged, although depending on market circumstances the fund may even have an open currency position. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term.

## DISTRIBUTORS

Patria Finance, a.s.

## NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	0.83 %	1.37 %
2020	1.57 %	1.42 %
2019	4.05 %	1.25 %
2018	-1.53 %	1.31 %
2017	0.75 %	1.20 %

## RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	6.04 %
Annualized standard deviation of the benchmark's weekly yields:	0.60 %
WAM (Weighted Average Maturity):	4.18 years
WAL (Weighted Average Life):	5.50 years

## TOP 3 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
2026E	interest-bearing	Államadósság Kezelő Központ Zrt. (HU)	2026. 04. 22.
MOL 2023/04/28 2.625%	interest-bearing	MOL Nyrt. (HU)	2023. 04. 28.
ROMANI EUR 2026/12/08 2%	interest-bearing	Román Állam (RO)	2026. 12. 08.

## MARKET SUMMARY:

Emerging market credit started the new year on the strong foot. As the Georgian election result made it clear that in the US Democrats will have majority in the senate as well after winning the House of Representatives, markets started to price in a majors fiscal loosening and inflation expectations started rising. This lifted the nominal yields and also real rates started to rise which is not in the Fed's intention. The US central bank immediately cooled the expectations regarding the real rate increase and the tapering talks. This put a cap on the nominal yields' rise in the US and credit markets' total return also stopped. Later on as vaccination picked up in the US, the better economic outlook came to the fore and lifted high yield constituents in the EM hard currency space. We are focusing on the nominal yield developments in the US as we believe that the nature of the rise will be imparative for the EM credit space and risk assets in general. We opened up US treasury shorts and increased it during January. We are holding long positions in the 5yr part of the credit curve as we see good carry opportunities here and we believe that the Fed will keep this part of the curve stable.

## ASSET ALLOCATION OF THE FUND ON 01/31/2021

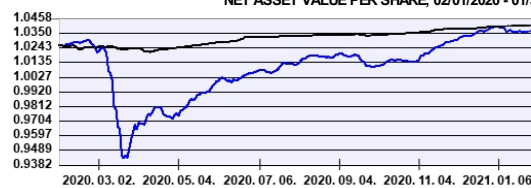
Asset type	Weight
Government bonds	47.60 %
Corporate bonds	31.78 %
T-bills	11.49 %
Collective securities	0.12 %
Current account	8.62 %
Receivables	0.22 %
Market value of open derivative positions	0.22 %
Liabilities	-0.04 %
total	100.00 %
Derivative products	67.75 %
Net corrected leverage	104.16 %

## Assets with over 10% weight

There is no such instrument in the portfolio

## NET PERFORMANCE OF THE SERIES

### NET ASSET VALUE PER SHARE, 02/01/2020 - 01/31/2021



— Aegon BondMaxx Total Return Bond Investment Fund CZK 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.

## INVESTMENT HORIZON:

Suggested minimum investment period:

3 months
  6 months
  1 year
  2 years
  3 years
  4 years
  5 years

Risk and Reward Profile:

very low
  low
  moderate
  intermediate
  significant
  high
  very high